

## ▲ what is product strategy

- The roadmap that guides the development and launch of a successful product
- The plan that outlines how a product will meet customer needs and achieve business objectives
- An understanding of a market, customer, and business goals and objectives

## ▲ why is product strategy important ?

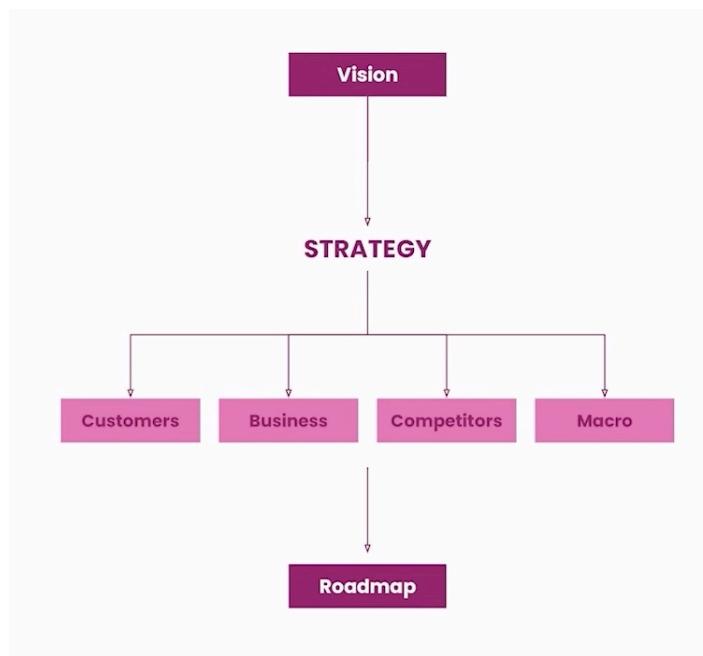
- provides directions and focus
- align business strategy
- meets customer needs
- differentiates from competitors
- maximize resources
- provide a roadmap for success

## ▲ product strategy in 6 steps

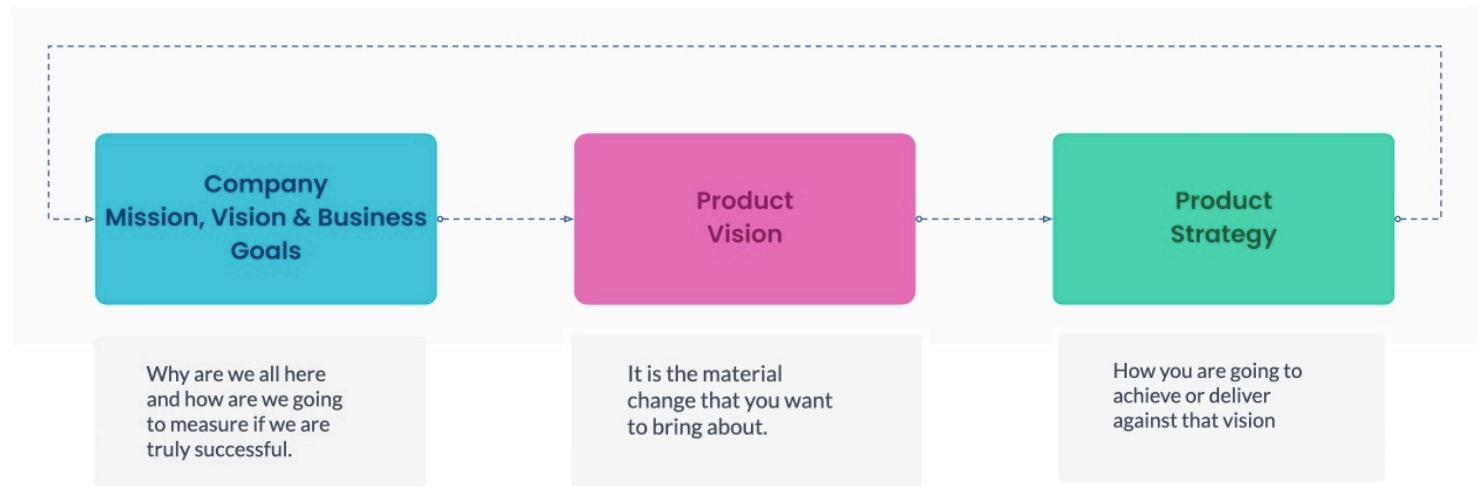


## ⚠ Aligning your strategies

- good communication
- incorporate long-term goals into daily operations
- determine applicable metrics
- line up your resources with your plan
- outline ownership



## ⚠ Defining a product strategy



# △ Getting to strategy



# △ why product strategy is important?



### Differentiates from Competitors

A Product Strategy that focuses on differentiation can give a company a competitive edge and drive business growth. By identifying gaps in the market and creating a unique value proposition, product managers can create a product that stands out from the competition. This includes elements like packaging, advertising, and product name, all of which can reference a product's distinctive features. In short, differentiation is the process of ensuring that the product with the most benefits and highest user value ultimately succeeds in the market.

### Maximizes Resources

Having infinite resources or time is not something that you can depend on or even realistic. As a result of this reality, ruthless prioritization and saying NO to things that do not ladder up to your strategy are critical. A well-defined Product Strategy gives you and your team a point of reference that allows you to adjust your plans tactically, especially if resources are lost or expected timelines need to be changed.

### Provides a Roadmap for Success

A good Product Strategy provides a roadmap for developing and launching a successful product. This roadmap outlines the key initiatives and milestones required to achieve the product vision and mission, helping ensure that everyone is working towards common goals and objectives. This is critical not only for you and your team, but for stakeholders as well.

A clear Product Strategy that is documented, socialized and put into practice is a way to ensure your stakeholders and dependencies always know why they are supporting your effort.

## ⚠ Market analysis

- who are my potential users ?
- what purchasing habits do my users have ?
- what size is my intended market ?
- what prices are my users willing to pay ?
- who are my prior competitors ?
- what are advantages and disadvantages of my competitors ?

# ⚠ Steps in market analysis?



## ⚠ Market analysis benefits

- decision making
- targeted product development
- competitive advantage
- communication
- revenue

## ⚠ Customer Analysis

- identify target customer segments
- segment the customer base
- gather data
- analyze data
- develop customer personas

## ⚠ Identifying target customer segments

- who are your clients?
- Are your target customers male or female?
- How old are they?
- Where do they live?
- What is their marital status?
- Do they have children?

## ⚠ How to gather data?

- focus groups



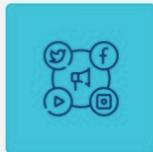
By interviewing a group of people that represent your target audience, you can do research. Engaging your audience directly is one of the best strategies to pinpoint and comprehend customer wants. A focus group's objective is to encourage an open discourse among participants—potential customers or specific consumer personas—so that you can better understand how your target market may feel about your company and the goods and services you offer. If for some reason you don't have the ability to organize a focus group with enough participants you may consider using chatbots, starting online groups on or conducting online questionnaires to gather input.

- keyword search



The queries, issues, and answers that your target audience is looking for are revealed via keyword research. This analysis should serve as the foundation for addressing your customers' demands and guiding your content strategy. You can find the proper audience if you target the right keywords and conduct thorough research. By optimizing your website and producing content for the terms your clients are actively seeking, you can drive organic traffic that reflects your ideal customer. Since it assists in directing the appropriate audience to your website, keyword research is one of the most crucial strategies for determining the demands of searchers.

# Social Media



Determine which social networks your customers are most engaged on and research the topics they discuss there. What do they like to do? What are the aches and pains? What inquiries do they make? Monitoring discussions, keywords, and hashtags through social listening can help you see trends and business prospects. You can respond to new chances as they arise in real time by using a more sophisticated tool like social listening software or by just Googling for pertinent topics. Getting in front of customers at the appropriate time requires being at the forefront of a current topic, hashtag, or challenge.

## A Steps in Defining Product Mission & Vision



The first step in developing a product vision and mission is to identify the product's unique value proposition. This involves understanding the customer needs and pain points, as well as the competitive landscape, to identify the key features and benefits that differentiate the product from its competitors.

This means that understanding the function of your product is the first step in developing your product story and the following three questions are at the heart of this.

- Why does your product exist?
- What value is it bringing to your users and the market?
- How is it uniquely positioned to serve your users and beat your competitors?

The next step is to define the desired outcomes of the product. This involves identifying the goals and objectives of the product, such as revenue, market share, or customer satisfaction. This should clearly identify not only the outcomes you hope to achieve, but also the behaviors you want your users to exhibit.

To write the product vision, formulate an inspiring and aspirational description of the desired future state of the product, based on its unique value prop and desired outcomes. The product vision must be clear and concise.

For example, Disney's vision says:

Disney: To entertain, inform and inspire people around the globe through the power of unparalleled storytelling, reflecting the iconic brands, creative minds and innovative technologies that make ours the world's premier entertainment company.

To create a powerful vision statement you base it on the requirements of the target market and choose words that are specific enough yet that don't box you into a specific solution or approach.

From the product vision comes the product mission. The mission statement describes the product's purpose, its target market, and the benefits it provides. Furthermore, it makes clear how the product differs from its rivals.

The mission outlines how to accomplish the goal, while the product vision outlines the ideal future end result.

## Product mission & vision benefits



## Steps for creating OKRs



Create a vision for your product, start by outlining your product's vision in detail. What issue does your solution address? What is the product's long-term objective? This vision should be reflected in your OKRs.

Choose your most important goals after you've established a clear vision for your product. These goals will help you accomplish your vision. These ought to be broad objectives that are inspiring and motivational.

You must determine the key results for each objective in order to achieve that objective. Key outcomes must be quantifiable, precise, and time-bound.

Set explicit targets or benchmarks that you aim to reach for each important result. Your team will benefit from more clarity and focus as a consequence of this.

Allocate ownership of each goal and significant outcome to a particular individual or group. By doing this, accountability for meeting the OKRs is ensured.

Regularly examine your OKRs and make any necessary adjustments. OKRs must be adjustable and versatile enough to change along with the product or business plan.

# Steps for crafting your product roadmap



The first step in developing a product roadmap is to define the product vision and mission, which you already know how to do! This initial step provides the context and direction for the product roadmap.

The next step is to identify the main initiatives needed to achieve the product vision and mission. These initiatives could involve new features, product improvements, or other strategic actions.

Your product roadmap should:

- Describe the vision and mission of the features.
- Inform internal stakeholders about features and help them understand how the features might evolve in the future through planned communication.
- Ensure that everyone working on it is aware of the desired outcome for the product.

Once the major initiatives have been identified, they should be prioritized based on their strategic importance, resource requirements, and potential impact. This helps ensure that investment is focused on the most important initiatives.

Sometimes you may need to adjust your priorities based on feedback or market changes. It's okay to do that just do it as soon as you know things need to change and be sure to communicate those changes (and the why's behind them) broadly. We will cover more on prioritization in an upcoming section.

After the initiatives have been prioritized, they should be broken down into specific milestones. Each milestone should be focused, measurable, and achievable within a specific timeframe.

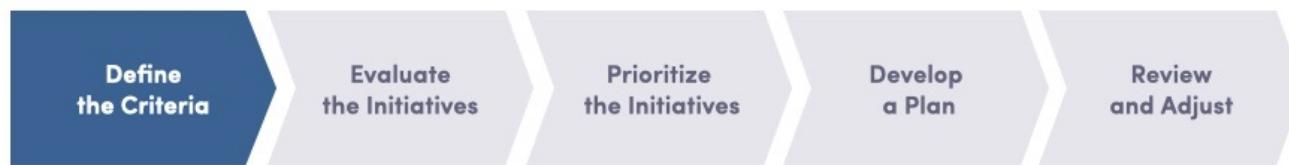
Collaborate with your team and stakeholders to come up with the following vital components:

- Desired outcome: What business requirement are you attempting to address with your desired outcome?
- Metrics: What metrics might measure and showcase that your problem is being effectively solved?
- Behavior change: What user habits need to change for you to achieve your goals?

Lastly, organize the milestones into a product roadmap. This roadmap should give a broad overview of the major initiatives and milestones, along with the timeline and resource needs for each.

Regularly review and update the product roadmap to ensure it stays in line with the product vision and mission, and to incorporate any changes in the market or competition.

# ⚠ Steps involved in prioritization



The first step in prioritization is to define the criteria that will be used to evaluate the initiatives and milestones. This may include strategic importance, resource requirements, potential impact, customer needs, and market trends.

The next step is to evaluate the initiatives and milestones based on the above defined criteria. This involves gathering data and insights, such as market research, customer feedback, and competitor analysis, to identify the most important initiatives.

Some methods to assess the initiatives are:

- Value versus complexity quadrant is a basic yet effective strategy that experienced product managers use to divide activities and prioritize them.
- Weighted Scoring, which is an extension of the value versus complexity quadrant, enables you to choose granular prioritization levels. When there are numerous initiatives and features that need to be developed and stakeholders want to make sure they are not missing anything crucial, this can be really beneficial.

Once the initiatives have been evaluated, they should be prioritized based on their strategic importance, resource requirements, and potential impact, using any the methods that works for you and your team. This steps helps ensure that investment is focused on the most important initiatives.

Now that the initiatives have been prioritized it's time to get the plan executed. This plan will help to develop and to guide their implementation. This plan should include specific milestones, timelines, accountabilities and resource requirements.

The last step of this prioritization process is revision. The prioritization plan should be reviewed and adjusted regularly to ensure that it remains aligned with the product vision and mission and that it reflects changes in the market or the competitive landscape. It will also help everyone to be on the same page at all times.

# ⚠ Steps involved in communicating product strategy



Presenting and explaining your product roadmap strategy is not a standalone step in the product life cycle. Seamless progress from roadmap design to presentation and execution requires ongoing communication.

Defining the product vision and mission beforehand is crucial. It establishes the context and direction for the Product Strategy and ensures everyone understands its purpose and goals.

Moreover, communication is a two-way conversation. First, you need to keep teams and stakeholders regularly updated on the product's progress, ensuring alignment with strategic goals. Second, successful product managers actively seek feedback from various sources during the product development process.

To ensure a clear direction for your Product Strategy, collaborate closely with executives. Establish a concise product vision and determine the most important organizational objectives. Your KPIs can be focused on revenue growth, customer acquisition, churn reduction, and more. Aligning on the vision and strategic objectives with stakeholders early on reduces uncertainty and sets clear product priorities. Present a high-level roadmap to executives, highlighting key issues for the upcoming planning period. The planning horizon depends on your industry, company size, and culture.

Once strategic goals and thematic areas are defined, prioritize efforts within those themes. This requires open communication with heads of engineering, sales, marketing, and customer support. Discuss their top priorities and how they align with overarching themes and strategic objectives. Involving stakeholders in the prioritization process increases their support and engagement.

Once you have prioritized efforts based on strategic goals and gained agreement from key stakeholders on the roadmap, it's time to translate your product vision into actionable tasks. To do this, you need a detailed plan that includes budget allocation, release dates, and assignment of responsibilities to team members.

At this stage, it is crucial to ensure that each engineering team understands their tasks and how they contribute to the overall plan. Consider creating specialized, detailed roadmaps for technical audiences, while maintaining consistent color coding and labeling across different roadmaps. This will aid in effective communication and coordination.

As we mentioned before, communication channels should go both ways. Effective communication is not just about disseminating information. It's also about creating opportunities for dialogue and feedback. To drive stakeholder alignment, product managers need to engage in two-way communication.

This involves actively listening to feedback and concerns from stakeholders and incorporating their input into the Product Strategy. Engaging in two-way communication helps build trust and credibility with stakeholders and creates a sense of ownership and commitment to the Product Strategy.

Product managers need to use data and metrics to support the Product Strategy and communicate progress to stakeholders. This helps build credibility and accountability by showing that the Product Strategy is based on sound analysis and is delivering measurable results. Data and metrics can be used to track key performance indicators (KPIs) such as customer acquisition, retention, revenue, and profitability. Sharing data and metrics with stakeholders helps keep them informed and engaged in the Product Strategy.

Not all stakeholders have the same level of interest or understanding of the Product Strategy. Product managers need to tailor their communication to different stakeholders to ensure that the message resonates with them.

For example, executives may be more interested in the business case and financial impact of the Product Strategy, while customer support may be more keen to understand the impact to the customer experience. By tailoring the communication to different stakeholders, product managers can ensure that everyone is on the same page and working towards common goals and objectives.

Effective communication of Product Strategy is essential for driving stakeholder alignment. In addition to the steps just mentioned, product managers should also be transparent, honest, and open in their communication. They should be willing to admit when things are not going according to plan and be proactive in addressing concerns and issues raised by stakeholders.

# ⚠ Steps for developing a communication plan



The first step in developing a communication plan is to identify the stakeholders who need to be informed around the Product Strategy. This may include executives, investors, customers, partners, and internal teams. It is essential to understand the specific needs and interests of each stakeholder group and tailor the messaging accordingly.

Once you have identified the stakeholders you will need to determine the best communication channels to communicate the Product Strategy. This may include emails, meetings, presentations, webinars, or other forms of communication.

Make sure that depending on the recipient of your communication you select the most appropriate channels to liaise. By doing this, you will ensure that each stakeholder group receives messages in a consistent and suitable way across all channels.

Once the communication channels have been identified, the messaging should be developed. The messaging should be clear, concise, and consistent and should highlight the key initiatives and milestones required to achieve the product vision and mission.

Don't forget to include and address any potential concerns or questions that stakeholders may have.

Finally, the communication plan should include a schedule for when and how the Product Strategy will be communicated to the stakeholders. This may include regular updates, quarterly meetings, or other scheduled communications.

When scheduling your plan, make sure that it is also aligned with the product roadmap and that stakeholders are informed of any changes or updates in a timely manner.

# ⚠ Attributes of a winning product strategy



# Most common things That great companies have ?

## Clear Product Vision

## Product Strategy

## Set of Priorities

## Way to Measure Outcomes



Great product companies establish a well-defined product vision that serves as the guiding star for the organization. This vision represents the aspirational goal and purpose of the product, outlining the desired impact on customers and the market. A clear product vision ensures alignment across the organization, inspires team members, and helps maintain focus on the long-term objectives.



Successful product companies develop a coherent Product Strategy that outlines the steps and actions needed to achieve the product vision. This strategy includes understanding the target market, conducting competitive analysis, and identifying the unique value proposition of the product. It also involves defining the product roadmap, which prioritizes features and initiatives that align with the overall business objectives and customer needs.



Great product companies recognize the importance of prioritizing their efforts and resources effectively. They establish a clear set of priorities that help teams focus on the most critical tasks and initiatives that drive the greatest impact. This ensures that the organization remains agile and adaptable in the face of changing market conditions and customer needs, while maximizing the return on investment.



To ensure success and accountability, great product companies implement a robust system for measuring outcomes. They define key performance indicators (KPIs) and other relevant metrics that align with their product vision and strategy. By continuously tracking and analyzing these metrics, product companies can make data-driven decisions, identify areas for improvement, and assess the overall progress toward their vision and goals. This enables them to adapt their strategy and priorities as needed to optimize performance and achieve success.

# A Components of a game-changing strategy



## A The product strategy formula

**Product Vision + Insights + Challenges + Approaches + Accountability = Product Strategy**

### The ESSENCE of your Product Strategy:

- Connects to the company vision
- Feels aspirational, a long term goal
- Fairly stable, tends to pivot less than strategy
- Defines:
  - What problem(s) we are solving
  - Who we are solving problem(s) for
  - Why now is the right time to build this

### A Real Analogy

I want to live a long, full, and healthy life where I am able to spend plenty of quality time with family and friends.

**Product Vision + Insights + Challenges + Approaches + Accountability = Product Strategy**

### The LOGIC of your Product Strategy:

- Data
- Differentiators relative to competitors
- The market need (audience, target market, opportunity)
- Market trends that are influencing your business
- The target customer - and a few variations of their personas

### A Real Analogy

I have noticed that others my age are starting to have health issues, while others are in the best shape of their lives. Recent studies have shown that only 12% of Americans are considered healthy and I want to take action to change my life so I can reach the vision for my future.

**The ROADBLOCKS of your Product Strategy:**

- Technology hurdles we anticipate
- Customer pain points will we face, including emotional and psychological challenges that will come with the product
- Go to market challenges or risks
- Legal/regulatory requirements will we mitigate

**A Real Analogy**

I anticipate many challenges ahead of me as I work to reach my vision. Those will include my career, aches and pains, motivation, weather, and many more. I will also face struggles around temptations, emotional defeats, and being too busy.

**The ROADBLOCKS of your Product Strategy:**

- Decide on the approach you're taking - will you go for one or a multi-prong approach in your product strategy
- Outline a high-level plan on how to overcome the challenges that you might face
- Defines what we will do and will not do along the way

**The MEASURE of your Product Strategy:**

- Used to track our success and hold us accountable
- Examples:
  - North Star metrics are strategic and visionary
  - Perceptual measurements such as: engagement, satisfaction, happiness
  - Value measurements such as: sales, leads, ROI

**A Real Analogy**

To reach my vision of being healthier I will make sure to monitor a few key things. I will be looking at how much weight I am losing over time but that will not be the only metric. I will also focus on how I am feeling, how my clothes fit, my energy level, and my overall confidence level.

**A well-crafted Product Strategy should:**

- Align everyone around what is most important so everyone rows in the same direction
- Help you say no to distractions and prioritize the truly impactful items that will move us towards our vision
- Inform how you organize your product teams

# Product Strategy Example : ZOOM

## Differentiators for Zoom

- For remote teams, educators, and individuals
- Who need efficient, reliable, and easy-to-use virtual communication tools
- Our product is a versatile video conferencing platform
- That provides high-quality video and audio, screen sharing, and collaboration features
- Unlike traditional phone conferencing or other video conferencing solutions
- Our product is accessible across devices, secure, and scalable, allowing users to connect and collaborate seamlessly, regardless of location.

## Product Insights for Zoom

- **Target Audience:** The product focuses on remote teams, educators, and individuals who need efficient virtual communication tools.
- **Competitors:** Zoom's key competitors in the market, such as Microsoft Teams, Google Meet, BlueJeans, and WebEx.
- **Market Insight:** The video conferencing market is currently growing with a CAGR of 9.2% and has an expected market value of \$16.4 billion by 2023. Increasing demand for remote work and virtual communication solutions is driving this growth.
- **Product Type and Key Benefits:** Zoom is a versatile video conferencing platform offering high-quality video and audio, screen sharing, and collaboration features.
- **Unique Differentiators:** Zoom's unique differentiators include accessibility across devices, security, and scalability, which enable users to connect and collaborate seamlessly, regardless of location.
- **Customer Insights:** Customers of Zoom prefer a reliable, secure, and seamless user experience.

## Challenges for Zoom

Addressing challenges is crucial for creating a product that meets user needs and thrives in a competitive market.

- **Technical Challenges:** Zoom is a secure, scalable platform that can handle a large volume of concurrent users. There is continuous efforts to improve the platform's stability and performance through continuous development and optimization.
- **Customer Pain Points:** Zoom is a user-friendly platform with a low learning curve. Zoom offers onboarding tutorials, and responsive customer support to make the platform intuitive and easy to use.
- **Go-to-Market (GTM) Risks:** There is fierce competition in the video conferencing market. Zoom uses marketing and growth strategies such as targeted advertising, pricing incentives, and continuous feature improvements to make the platform stand out, attract, and retain customers.
- **Legal Challenges:** It is important to be compliant with data privacy and security regulations and standards, such as HIPAA and GDPR. Zoom ensures the platform meets these requirements, such as working with legal and regulatory consultants, implementing robust security measures, and staying up-to-date on changing regulations.

## Approaches for Zoom

Zoom has to employ a multi-prong approach to addressing the challenges faced in developing and launching a successful video conferencing product. The approach is designed to tackle technical, customer, go-to-market, and legal challenges.

- **Approach:** Zoom has to focus on providing a reliable, secure platform with a seamless user experience and features that meet customer needs. Zoom also has to make investment in infrastructure and technology to overcome technical challenges and ensure scalability. Zoom offers an intuitive user interface, extensive support, and continuous product improvement based on customer feedback to address customer pain points.
- **Overcoming Challenges:** It is important to invest in infrastructure and technology for platform scalability and handling a large volume of concurrent users. Zoom makes efforts to address customer pain points through intuitive UX, extensive support, and training materials.
- **Do's and Don'ts:** Avoid addressing legal challenges at the last minute. It is very important to ensure compliance with data privacy and security regulations and standards. There is a need to offer robust security features to protect customer data.

## Accountability for Zoom

It is important to set clear metrics to measure the success and progress of the product.

- **Accountability Metric:** Some key metrics that are used to gauge the success of the product are user adoption, customer satisfaction, and revenue growth. There is need for continuous monitoring and analysis of these metrics to make informed decisions and drive improvements.
- **Goals:** There are specific goals for the product, such as achieving a user base of 50 million monthly active users and a revenue growth rate of 30% in the next year. These goals serve as targets to strive for, and they help align the team's efforts and keep everyone focused on the desired outcomes.