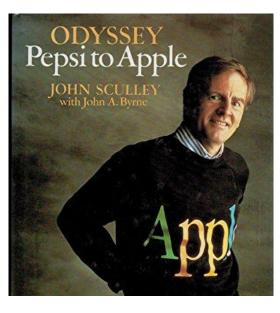
The Ultimate Guide for Product Management Esentials



Introduction



Marissa Mayer - Yahoo



John Sculley-Pepsico & Apple



Phil Knight - Nike

Non-Technical

They were all Product Managers!!



Introduction



Consumer Goods



Software



Financial Services

& many more....



Introduction



~ \$117,557

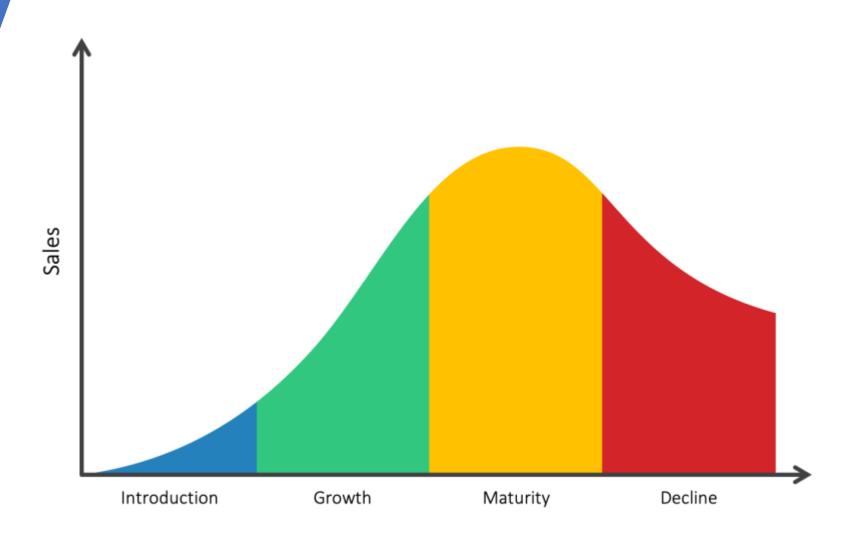
Median annual salary for a Non-Technical Product Manager in the US (Source: Glassdoor-Jan'23)



One of the top 10 best jobs in America for 2022 (Source: Glassdoor)



What is Product Management?

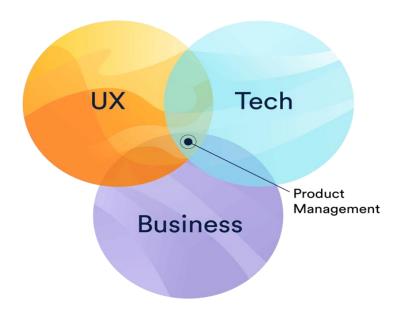


Process of handling the complete life cycle of a product or line of products



Who is a Product Manager?

Theory 1



Theory 2

Product Manager = CEO of the Product

Product Manager facilitate value exchange between a business & its customer, responsible for delivery & success of product

These theories are not always true!!



Who is a Product Manager?

- Understands and represent user needs
- Understands the in & out of the business he is part of
- Defines a vision & strategy for a product
- Monitors the market and keep a close watch on the competition
- Gathers and analyses customer feedback and data
- Ensures the product is profitable & the resources are well utilised for product's success
- Works with cross-functional teams to bring the product to life
- Optimizes the processes related to the product and enhance customer experience





Who is a Product Manager?

Product Manager is

- Responsible for success or failure of the product
- In the middle of everything
- Role is beyond the boundaries of job description

Product Manager is not

- Actually building the product
- Given clear guidelines and instructions in this role
- The boss



Typical day of a Product Manager









9 A.M: Check emails, track product metrics, check industry & company news

10 A.M: Catch up call with product team

11 A.M: Chase deliverables, delegate work, set up meetings etc.

12 P.M: Need coffee! Review marketing material

12.30 P.M: Meeting with Learning & Development team

1.00 P.M: Lunch break!

2.00 P.M: Meeting with Customer Service team

3.00 P.M: Meeting with Sales team

4.00 P.M: Meeting with Finance team

4.30 P.M: Work on product review deck

5.30 P.M: Respond to outstanding emails & wrap up the day!



Technical vs Non-Technical Product Manager

	Non-Technical	Technical	
Educational Background	Business, Marketing, Engineering	Engineering, Computer Science	
Focus Areas	Needs of users, Business "What & Why" of Product	Technical aspects "How" of Product	
Team/Stakeholders closely working with	Internal (Sales, Marketing, Finance etc.), External	Technical teams E.g. Development, Engineerin	
Research	Study competition from business perspective	Study market from technology perspective	
Skills	Good communication, critical & analytical thinking	Domains specific technic skills	



Roles & Responsibilities



Sr Product Manager



Microsoft

This Role Has 3 Primary Areas Of Responsibility

- Incubate new features and products: You will help incubate new and exciting features and products with customers and/or partners to build world-class repeatable and scalable deployment processes.
- Help customers realize the value of our products by driving usage at scale. As a Purview product expert, you will enable scale deployment, adoption, and usage of our products. You will do this by building deep technical product playbooks, creating and maintaining technical deployment and readiness content, facilitating deployment blocker resolution, and training the scale deployment ecosystem to successfully enable customers to use our products. You will create deployment playbooks that are lean and efficient. You will engage customers and partners, evangelizing the products you support. You will partner closely with your Product Engineering peers to understand and continuously evaluate product roadmaps, ensuring the scale deployment ecosystem can support our most current product releases. You will analyze data, understand trends/ patterns and think creatively, experiment 'out of box' for ideas to drive usage of our products.
- Continuously Improve our products: Working with your Product Engineering peers, you will use your technical knowledge and expertise to influence product vision, strategy, and roadmap. You will do this by learning from customers, partners and our deployment ecosystem, collecting product insights and driving those insights into Product Engineering to improve our products.

Qualifications

- Strong technical acumen (or ability to develop deep technical expertise on our technology and products) and curiosity to build a deep understanding of Microsoft's Purview products especially Microsoft Purview eDiscovery
- Minimum 3-5 years strong Product Management or relevant experience including the ability to drive clarity and align disparate teams on a common strategy and set of objectives.
- Strong collaboration and influencing skills; the ability to bring along disparate teams without authority and advocate for product enhancements to improve and simplify our products.
- Comfortable working autonomously in a very fast-paced environment.
- Effective communication and presentation skills; comfortable presenting to senior leadership. Highly Preferred: Experience and knowledge of other Microsoft Purview Products and Technologies.

Sample Job Description 1: Microsoft



Product Manager, Connected Retail



Ralph Lauren

Ralph Lauren is seeking an analytical, organized, and collaborative Product Manager to join our growing team. This role will be responsible for the product strategy, roadmap, and performance of key digital products and capabilities for Ralph Lauren's global connected retail workstream and will bring together business, partners and technology, in order to devise, define, and deliver products that drive business and customer objectives. Experience across omni-channel commerce and digital consumer experiences spanning devices and platforms is required. The ideal candidate will be curious, innovative, and excited to use data to drive decisions.

- Lead and/or work within a cross-functional, highly dynamic, and multi-disciplinary team to develop new digital products and functionality from discovery, requirements definition, UX design, build, and testing through to launch and iteration.
- Provide product vision and direction for key product capabilities, working closely with partners to understand business and customer needs in order to deliver revenue generating, best-in-class user experiences.
- Manage a robust backlog of ideas and the product roadmap with the PMO and various business and marketing teams globally, prioritizing and assigning features to specific releases to meet key objectives.
- Translate roadmap into detailed requirements that provide clarity to complex problems and work with user experience/design, technical architecture, engineering and QA to execute and deliver high-quality products.
- Monitor key performance indicators and customer satisfaction to analyze product performance and

- Collaborate closely with stakeholders, developing and nurturing relationships in support of multiple lines of business.
- Communicate within the cross-functional team and on behalf of the team to stakeholders and executives, ensuring alignment on goals and tactics.
- Develop comprehensive knowledge of Ralph Lauren's customer and business as well as maintain an awareness of competitive products and industry trends to continually inform product direction.
- Experience and proven success in translating business strategy and analysis into successful digital consumer products
- Ecommerce and global product management experience preferred
- Mobile application (iOS/Android) experience preferred
- Brick & Mortar omni-channel retail experience is a plus
- Strong project management skills managing multiple large projects with agile product management experience desirable
- Excellent communication/writing skills and effective at communicating with and presenting to business partners
- Comfortable in a highly matrixed, iterative development environment and good at balancing collaboration and advocacy
- High level of intellectual curiosity with knowledge of competitive products and industry trends.

Sample Job Description 2: Ralph Lauren(Retail)



Senior Product Manager



SUN PHARMA

- Planning & execution of strategies and plan, responsible for brand and BU promotion budget and P&L. Drive sales to achieve targets. Manage the profitability of assigned therapy & country
- Cross functional collaboration (sales/purchase/ medical/market research)
- Responsible for developing the design and execution of marketing elements like print, inputs, campaigns and customer engagement activities
- New product identification and portfolio management through primary and secondary research
- Customer connect & KOL development through CME/ Symposia to get marketing insights and feedback on brand/activities etc
- Quarterly review meetings with business head thereby getting detailed business insights across various countries in emerging markets
- Regular cycle meetings in country for which travel will be required

Sample Job Description 3: Sun Pharma (Pharmaceutical)



Roles & Responsibilities

Key Responsibilities

- Understanding and representing user needs
- Studying & monitoring the market & competition
- Defining the vision & developing strategy for a product
- Collaborate with stakeholders
- Manage product related operations
- Tracking Product metrics
- Work towards achieving growth objectives for the product



Skills Required

Good Communications Skills

Clear & brings clarity on work Effective coordination with stakeholders

Good Business Skills

Understanding of basic financial, economic & business terms

Good Analytical Skills

Ability to read & interpret data to provide actionable insights



Skills Required

Industry Insights& Key performanceindicators

Aware of the industry for product to stay competitive & sustainable

Strategic Thinking

Ability to be decisive, set realistic goals, logical & critical thinking

Excellent Management Skills

Excellent teamwork & time management skills



Skills Required

Excellent
Execution
Skills

Prioritization, sense of urgency, Project management, delegation

Technical Skills

Role dependent General curiosity about learning technical aspects



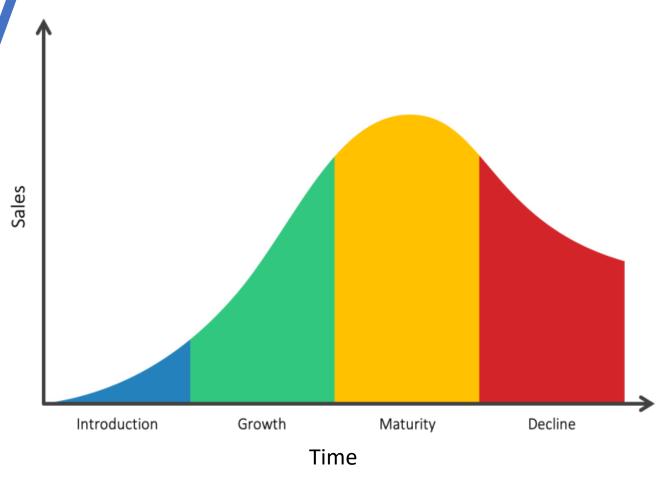
Qualifications Required

Education: A bachelor's or master's degree in a relevant field, such as business, marketing, or economics

Work Experience

Several years of work experience in product management, marketing, or a related field Experience with market research, customer analysis, and product development Experience leading cross-functional teams and managing projects Experience working in a fast-paced, agile environment



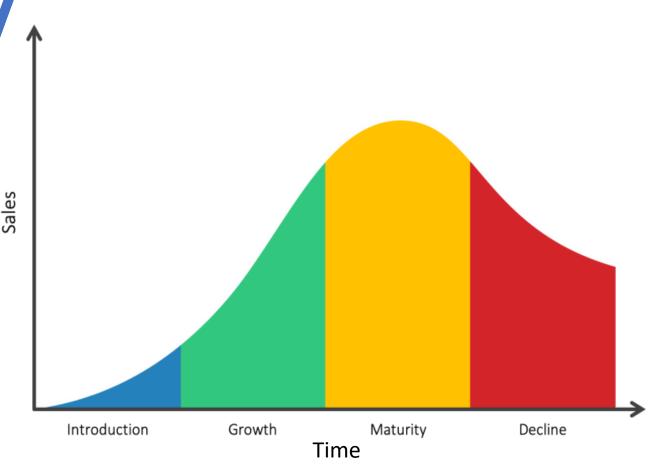


Helps in

- Planning & executing strategy
- Taking key decisions on product pricing, allocating resources, marketing, advertising, expansion, packaging(product refinement)
- Making the best use of the stages

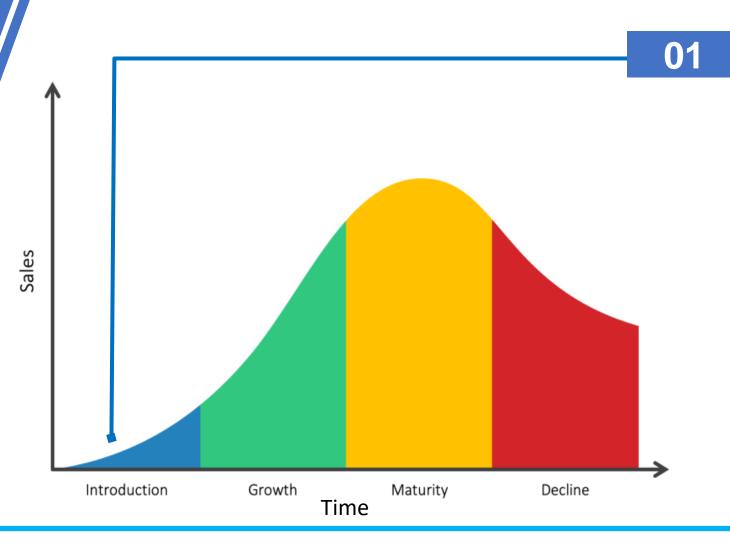
Process of strategizing ways to continuously support and maintain a product is called product life cycle management





Based on key assumptions:

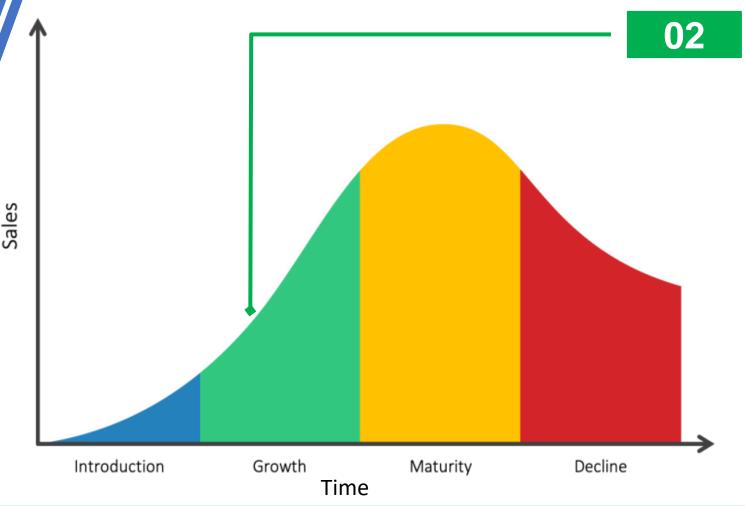
- Products, in general, have a limited life span.
 All products will thus end up passing through a product life cycle
- Each phase of that life cycle presents the business with a set of opportunities and challenges to take advantage of and to overcome.
- Products will require different efforts from design, development, marketing, purchasing, etc. during each phase of their life cycle



Introduction

- Pricing may be low(to gain market share) or high(to quickly cover development costs)
- Selective distribution
- Targeted marketing to build product awareness & demand
- Cost will be highest
- Sales volume will be low
- Little or no competition
- Profitability if any, will be low

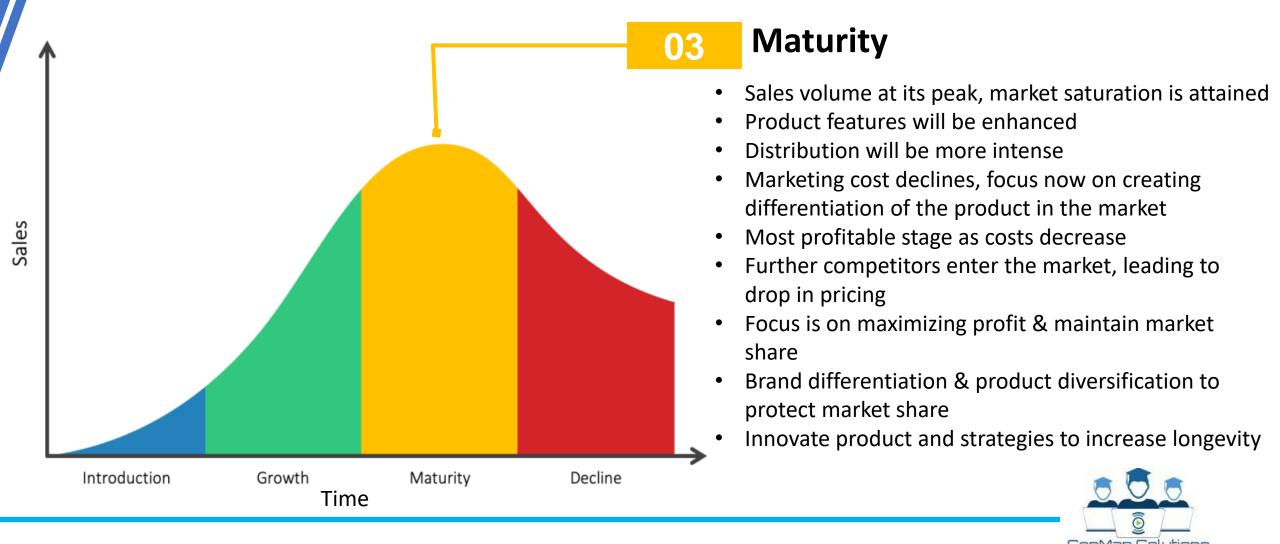


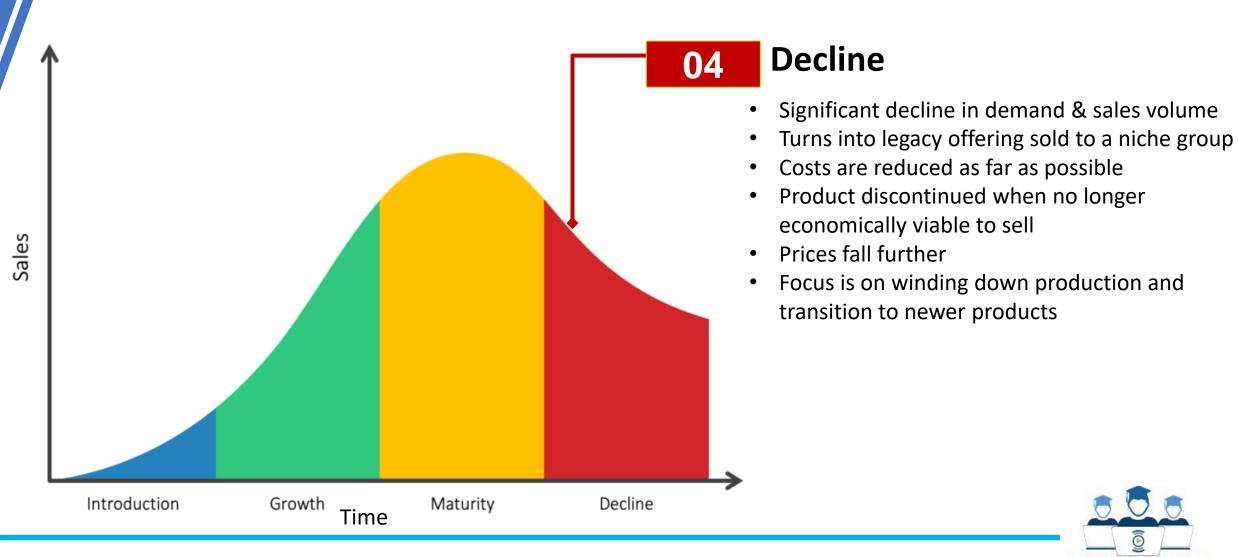


Growth

- Product quality is maintained
- Pricing will be maintained
- Distribution & production is increased to meet the increased demand
- Marketing focused on wider audience and efforts may shift from introducing the product to the market to differentiating it from competitors
- Cost begin to decline
- Sales & revenue increases
- Increased competition can lead to lower profit margin
- Product profitability will rise
- Product awareness will rise

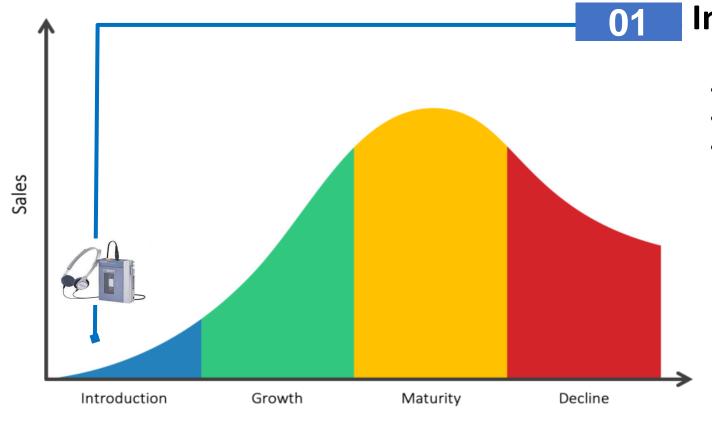






Product Life Cycle- Example

Sony Walkman

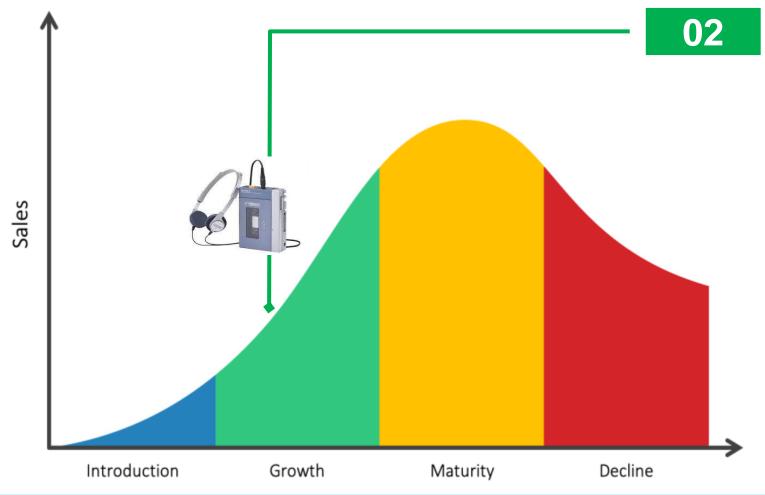


Introduction

- Developed in 1979
- Heavily marketed & advertised
- Resulted into high profit margins



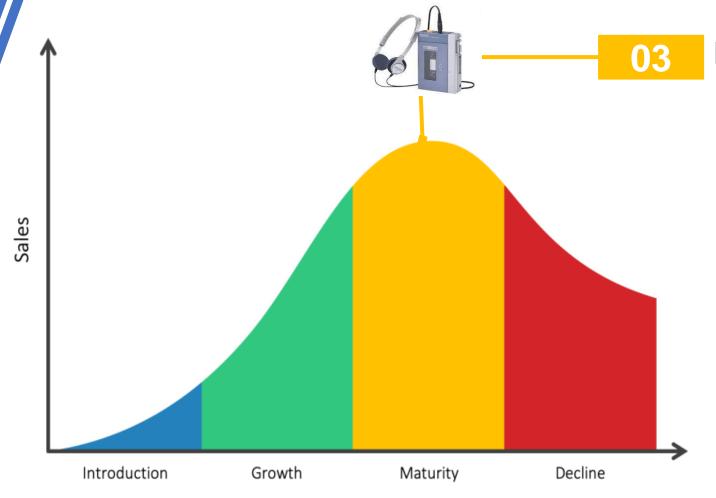
Product Life Cycle- Example



Growth

- Focused on innovation & improvement
- Demand continued to grow
- Production & distribution expanded

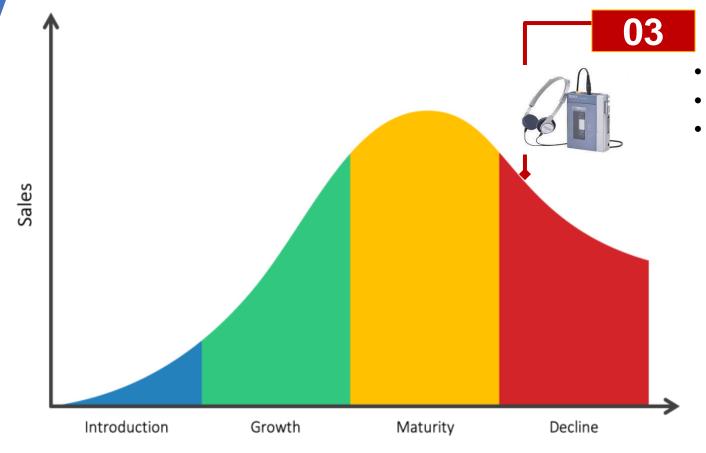




Maturity

- Popularity at its peak, sales begin to level off
- Faced increased competition from other portable music players, such as CD and MP3 players
- Sold & marketed to only loyal customers
- Consumers shifted towards new technologies
- Profit margins declined





Decline

- Sales decreased further
- Discontinued the product in 2010
- Sony may have focused on other profitable product



Product Life Cycle- Example

Key learnings from Sony Walkman case

- Understand the importance of innovation and staying ahead of the curve in terms of technology and features
- Be aware of the changing market conditions and consumer preferences
- Be aware of the different stages of the product life cycle and how they can affect their products



How do I know what stage in the product lifecycle my product is at?

Why I need to know what stage in the product lifecycle my product is at?

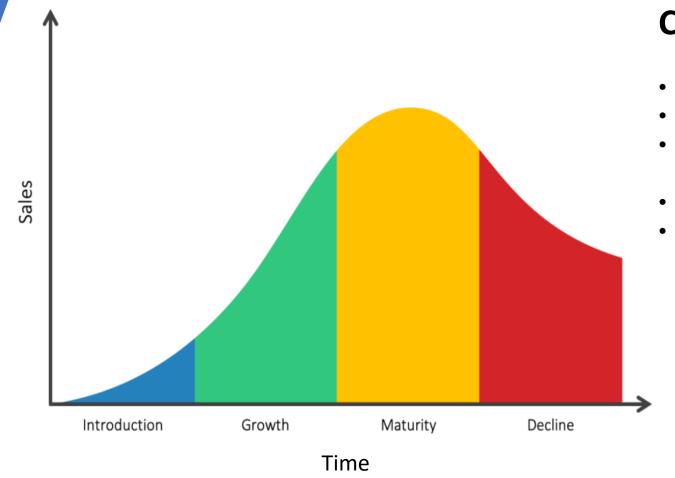
- Marketing Strategy
- Resource Allocation
- Business decisions
- Identifying opportunities
- Financial forecasting



How do I know what stage in the product lifecycle my product is at?

Indicative Feature	Life Cycle Stage			
	Introduction	Growth	Maturity	Decline
Sales Volumes	Low	Increase rapidly	Levels off	Decrease
Market Share	Low	Increase rapidly	Levels off	Decrease
Advertising & Promotion	To increase brand awareness	To increase sales & expanding market share	To maintain market share	Reduce advertising & promotion efforts
Product Development	Invest more in R&D to improve product	Add new features, expand into new markets	Maintaining the product & making small improvements	Reduce product development efforts
Profitability	May not be profitable	Increases rapidly	Levels off	Decrease





Challenges

- Diagram of PLC represents an idealized product life cycle
- Most products do not follow the curve in perfect manner
- Some products may have life cycles measured in months/years/decades/Centuries
- Some products may not experience a decline at all
- Always use common sense and general understanding of the market be alongside the product-life cycle



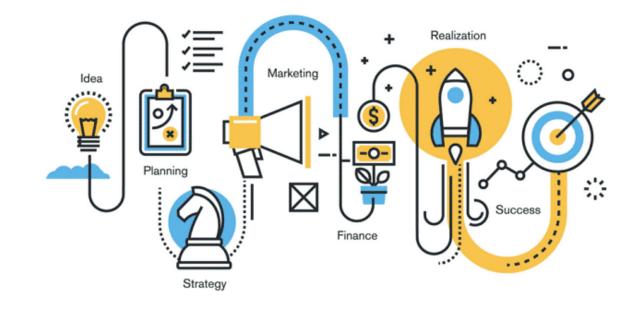
Managing Product from strategic planning to tactical execution

Strategic Planning

- Define product vision & roadmap
- Market research
- Understanding customer needs
- Identifying opportunities

Tactical Execution

- Putting strategic planning into action
- Collaborating with stakeholders & cross functional teams
- Tracking development process
- Ensuring timely delivery of product





Product Management Process

1 Idea Generation Product Planning

Product Development

4 Product Launch

5 Product Management

6 Marketing & Sales



Product Management Process



Understand
Customer
needs &
problems



By gathering customer feedback, analysing customer data, study industry trends Market Research



By gathering data on target market: demographics, preferences, buying behaviour etc. Brainstorming



Brainstorm potential solution for needs & problems identified





1 Idea Generation Product Planning

Product Development

4 Product Launch

5 Product Management 6 Marketing & Sales



- Product Planning
- Market research
- Identifying the target group
- Defining product vision
- Setting goals and objectives
- Setting product strategy
- Product requirements gathering
- Feasibility analysis
- Business case
- Budget and resource allocation
- Product road map
- Go-to-market plan

- Activities are not required to follow a specific sequence
- Activities may overlap or occur simultaneously
- <u>Some activities are foundation of next step, to be done</u> <u>before</u>



- Product Planning
- Market research: Understand needs, pain points, preferences of the target customers, evaluate competitive landscape, market size, and trends
- Identifying the target group
- Defining product vision
- Setting goals and objectives
- Setting product strategy
- Product requirements gathering
- Feasibility analysis
- Business case
- Budget and resource allocation
- Product road map
- Go-to-market plan



- Product Planning
- Market research
- Identifying the target group: Define demographics, psychographics, and behavior patterns of the target customers
- Defining product vision
- Setting goals and objectives
- Setting product strategy
- Product requirements gathering
- Feasibility analysis
- Business case
- Budget and resource allocation
- Product road map
- Go-to-market plan



- Product Planning
- Market research
- Identifying the target group
- **Defining product vision:** Clear & compelling, aligns with company's overall mission and strategy
- Setting goals and objectives
- Setting product strategy
- Product requirements gathering
- Feasibility analysis
- Business case
- Budget and resource allocation
- Product road map
- Go-to-market plan



- Product Planning
- Market research
- Identifying the target group
- Defining product vision
- **Setting goals and objectives:** Identifying Specific, Measurable, Achievable, Relevant, and Timebound (SMART) goals and objectives for the product
- Setting product strategy
- Product requirements gathering
- Feasibility analysis
- Business case
- Budget and resource allocation
- Product road map
- Go-to-market plan



- Product Planning
- Market research
- Identifying the target group
- Defining product vision
- Setting goals and objectives
- **Setting product strategy:** Plan to achieve product vision, identifying the target market, positioning, and value proposition
- Product requirements gathering
- Feasibility analysis
- Business case
- Budget and resource allocation
- Product road map
- Go-to-market plan



- Product Planning
- Market research
- Identifying the target group
- Defining product vision
- Setting goals and objectives
- Setting product strategy
- **Product requirements gathering:** Collaborate with customers, stakeholders, and internal teams to gather and prioritize product requirements
- Feasibility analysis
- Business case
- Budget and resource allocation
- Product road map
- Go-to-market plan



- Product Planning
- Market research
- Identifying the target group
- Defining product vision
- Setting goals and objectives
- Setting product strategy
- Product requirements gathering
- **Feasibility analysis:** Assess technical, financial, and operational feasibility of the product, identifying potential risks and constraints
- Business case
- Budget and resource allocation
- Product road map
- Go-to-market plan



- Product Planning
- Market research
- Identifying the target group
- Defining product vision
- Setting goals and objectives
- Setting product strategy
- Product requirements gathering
- Feasibility analysis
- **Business case:** Outlines the expected financial and strategic benefits of the product
- Budget and resource allocation
- Product road map
- Go-to-market plan



- Product Planning
- Market research
- Identifying the target group
- Defining product vision
- Setting goals and objectives
- Setting product strategy
- Product requirements gathering
- Feasibility analysis
- Business case
- **Budget and resource allocation:** Identifying the resources needed to develop and launch the product, including budget, personnel, and equipment
- Product road map
- Go-to-market plan



- Product Planning
- Market research
- Identifying the target group
- Defining product vision
- Setting goals and objectives
- Setting product strategy
- Product requirements gathering
- Feasibility analysis
- Business case
- Budget and resource allocation
- **Product road map:** visual representation of the product development plan, including milestones, deliverables, and dependencies
- Go-to-market plan

- Product Planning
- Market research
- Identifying the target group
- Defining product vision
- Setting goals and objectives
- Setting product strategy
- Product requirements gathering
- Feasibility analysis
- Business case
- Budget and resource allocation
- Product road map
- Go-to-market plan: plan for introducing the product to the market, including marketing, sales and distribution strategy

- Product Planning
- Market research
- Identifying the target group
- Defining product vision
- Setting goals and objectives
- Setting product strategy
- Product requirements gathering
- Feasibility analysis
- Business case
- Budget and resource allocation
- Product road map
- Go-to-market plan

- Activities are not required to follow a specific sequence
- Activities may overlap or occur simultaneously
- Some activities are foundation of next step, to be done before
 - Market research & identifying the target group before setting product strategy & defining SMART goals
 - Gathering product requirement & feasibility analysis before developing the business case & allocating resources
 - Product road map, go-to-market plan, and budget and resource allocation are developed after the product strategy, goals, and objectives and before starting the product development stage



Product Planning: Example



New Mobile App for a Fitness Company



Product Planning

• Market research: Understand needs, pain points, preferences of the target customers, evaluate competitive landscape, market size, and trends

Surveys, interviews, and focus groups conducted with potential customers to gather data on their fitness goals, habits, and pain points

<u>Analyzed the number of apps in the fitness category, the number of downloads, and the average</u> <u>rating of the apps</u>

Results: <u>Target customers are looking for an easy-to-use app that provides personalized workout plans</u> <u>and tracks progress</u>



- Product Planning
- Identifying the target group(TG): Define demographics, psychographics, and behavior patterns of the target customers

TG: <u>Young professionals aged 18-35</u>, <u>looking for an easy and convenient way to track their fitness progress</u>



Product Planning

• **Defining product vision:** Clear & compelling, aligns with company's overall mission and strategy

Vision: "To provide an easy and convenient way for customers to track and improve their fitness progress."



- Product Planning
- **Setting goals and objectives:** Identifying Specific, Measurable, Achievable, Relevant, and Time-bound (SMART) goals and objectives for the product
 - Increasing user engagement by 30% in the first year
 - Driving revenue through in-app purchases by 20% in the first year
 - Improving customer retention by 25% in first 6 months



- Product Planning
- **Setting product strategy:** Plan to achieve product vision, identifying the target market, positioning, and value proposition, outline key features & benefits

Target market: Young professionals aged 18-35 looking for an easy and convenient way to track their fitness progress

Positioning and value proposition: <u>User-friendly and personalized fitness tracking app that provides a convenient and easy way for customers to track and improve their fitness progress</u>

Key features & benefits: <u>workout tracking, progress monitoring, and personalized workout plans tailored to the user's</u> <u>fitness level and goals</u>

Marketing & Sales Strategy: Emphasizing the app's user-friendly interface and personalized workout plans to appeal to the target market, includes social media campaigns, influencer partnerships in-app purchases to generate revenue

- Product Planning
 - **Product requirements gathering:** Collaborate with customers, stakeholders, and internal teams to gather and prioritize product requirements

Requirements: Workout tracking, progress monitoring, and personalized workout plans



- Product Planning
- **Feasibility analysis:** Assess technical, financial, and operational feasibility of the product, identifying potential risks and constraints

<u>Identifies some feature are not feasible to implement due to resource constraints, high-performance server required to handle data</u>



Product Planning

• **Business case:** Outlines the expected financial and strategic benefits of the product

<u>Potential value, differentiation in the market</u> Estimated cost of development, projected Revenue & potential ROI



Product Planning

• **Budget and resource allocation**: Identifying the resources needed to develop and launch the product, including budget, personnel, and equipment

<u>Numbers of developers, designers, and testers needed, and the costs associated</u> <u>with those resources.</u>

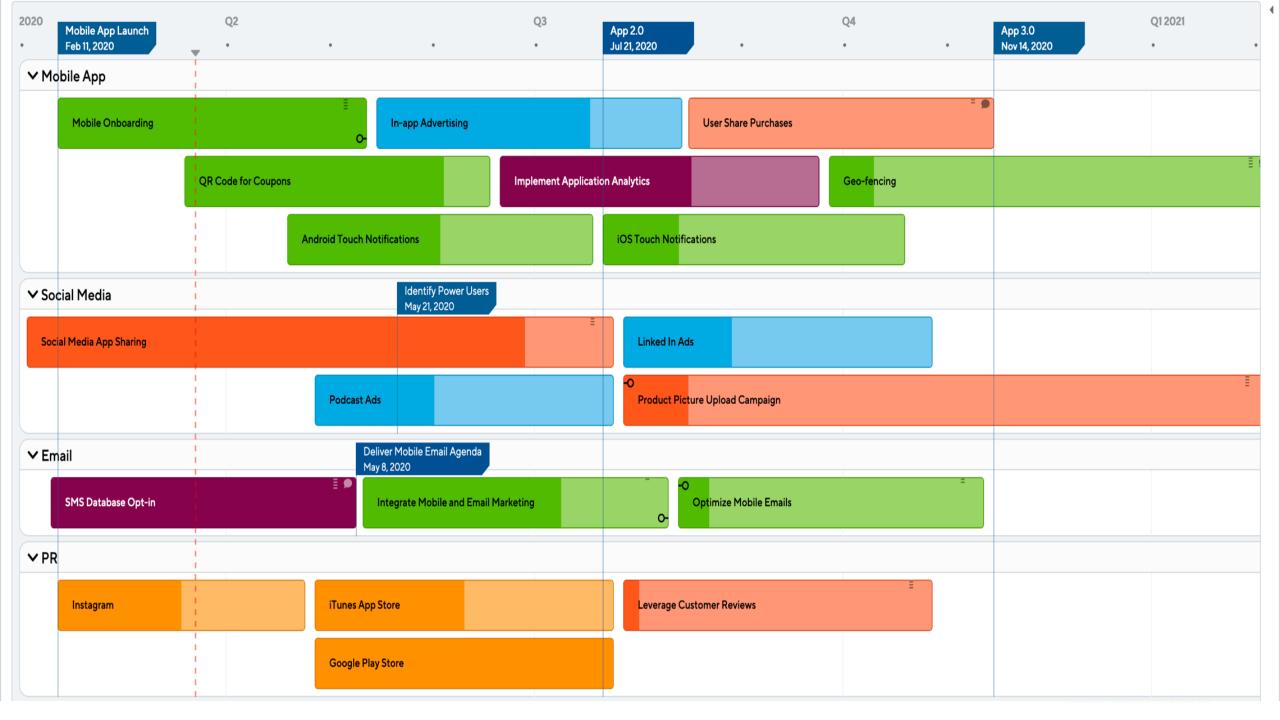
<u>Marketing and advertising expenses, , one time & ongoing costs, budget for go to market strategy</u>



Product Planning

• **Product road map**: visual representation of the product development plan, including milestones, deliverables, and dependencies





- Product Planning
- **Go-to-market plan**: plan for introducing the product to the market, including marketing, sales, and distribution strategy

Target market: <u>young adults aged 18-35 looking for a convenient and personalized fitness solution</u>
Positioning & value prop: <u>A personalized fitness app that offers customized workout plans and tracking features, based on users' goals, fitness level, and preferences</u>

Tactics: Press releases, social media campaigns, influence marketing, paid advertising

Channels: App stores, fitness and health websites & social media platforms

Messaging: <u>Highlighting the app's personalized workout plans and tracking features, ease of use, and</u>

convenience for users

Pricing Strategy: Basic features free, advanced features through in-app purchases



1 Idea Generation Product Planning

Product Development

4 Product Launch

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Product Development

Product Development

Product Manager oversees & tracks the Product Development Process, not responsible for the technical development of the product

- Defining the product development process
- Setting up a project plan
- Tracking progress
- Communicating with the team
- Managing risks
- Managing scope
- Managing stakeholders
- Managing timelines
- Managing budget



1 Idea Generation Product Planning

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Product Launch



Process of introducing a new product or product update to the market

- Finalizing the product
- Developing a marketing plan
- Briefing Customer facing stakeholders
- Building Buzz
- Launching the product
- Providing ongoing support



Product Launch: Example



Product: Smart fitness tracker app for runners

Launch Goals

- Achieve at least \$1 million in revenue in the first year
- Achieve a customer satisfaction rating of at least 4.5 out of 5 in the first six months

Marketing Plan

- Targeted advertising campaign on social media
- Partner with influencers and bloggers
- Host a launch event to generate buzz and press coverage
- Utilize email marketing and in-app messaging



Product Launch: Example

4 Product Launch

Launch Activities

- Finalize the product and ensure that it meets the desired quality standards
- Create marketing and sales materials
- Launch the product on the company's website and make it available for purchase
- Activate the marketing and sales efforts
- Provide ongoing support for the product

Evaluating the launch

- Monitor the performance of the product
- Collect customer feedback, adjust the product & marketing efforts
- Continuous improvement of the product & customer experience based on customer feedback and market trends



1 Idea Generation Product Planning

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4 Product Launch

5 Product Management

6 Marketing & Sales



Product Management

5 Product Management

Ongoing management of the product including monitoring performance, collecting customer feedback, necessary changes if any

- Monitoring Performance : Sales, customer satisfaction, market share etc.
- Collecting Customer Feedback
- Making adjustments in product & marketing efforts
- Communicating with stakeholders
- Continuously improving the product



1 Idea Generation Product Planning

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4 Product Launch

5 Product Management 6 Marketing & Sales



Marketing & Sales

6 Marketing & Sales

Developing & executing marketing and sales strategies

- Developing a marketing plan
- Managing the Product
- Lead generation through Partnerships
- Creating Tactical offers
- Sales Enablement
- Sales forecasting
- Sales reporting & analysis





Objective: To find out the most popular product with your customers

Survey

- Questions about their favorite types of baked goods
- how often they purchase baked goods
- how much they are willing to pay for them



Profile of your typical Customer & their preferences



Take informed decisions about which new baked goods to introduce and how to price them



Market Research is systematic process of gathering, analysing & interpreting information

Identify opportunities & take informed decisions







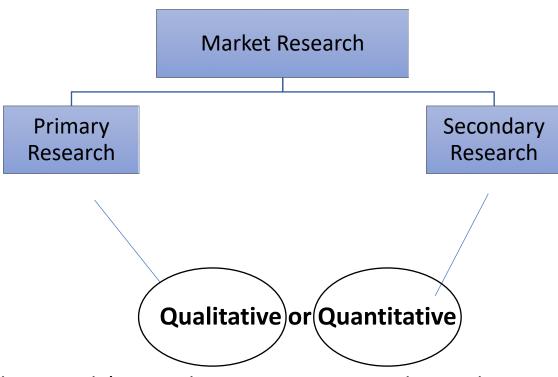
New/first-hand data gathered from original sources

Existing data and information such as industry reports, government statistics, and published articles

Faster and less expensive

Not specific & up to date





- Focused on understanding people's attitudes, opinions, and motivations
- In-depth interviews, focus groups and direct observations

- Focused on gathering and analyzing numerical data
- Closed question Questionnaires and surveys



Sources of Primary Research

Customer Surveys







Sample Customer Survey

How would you rate your overall satisfaction with our product/service?

- 1. Very satisfied
- 2. Somewhat satisfied
- 3. Neutral
- Somewhat dissatisfied
- 5. Very frustrated

How likely are you to recommend our product/service to a friend or colleague?

- 1. Very likely
- Somewhat likely
- Neutral
- 4. Somewhat unlikely
- 5. Very unlikely

What do you like least about our product/service?

How can we improve our product/service

On a scale of 1 to 10, where 1 is not at all important and 10 is extremely important, how important is the following to you when considering our product/service?

- Price
- 2. Quality
- 3. Convenience
- 4. Customer service
- 5. Other (please specify)



Sample Customer Survey

How often do you use our product/service?

- 1. Daily
- 2. Weekly
- 3. Monthly
- 4. Occasionally
- 5. Rarely

What is your primary reason for using our product/service?

Please provide any additional comments or feedback about our product/service



Sample In-depth Interviews : Qualitative Research

Can you tell me a little bit about yourself and your background?

How did you first hear about our product/service?

What attracted you to our product/service?

How have you been using our product/service?

What do you like most about our product/service?

What do you like least about our product/service?

How has our product/service impacted your daily life or work?

How does our product/service compare to similar products/services you have used in the past?

Are there any features or improvements you would like to see in our product/service?

How likely are you to continue using our product/service in the future? Why or why not?

Do you have any additional comments or feedback about our product/service?



Sample Focus Groups: Qualitative Research

- Introduction
- Product overview: Product concept, key features and benefits
- Reactions and initial thoughts
- Usage scenarios
- Perceived value
- Comparison to similar products
- Potential improvements
- Overall Impressions

Observation

Watching or video-recording how consumers interact with a product or service in a natural setting Time consuming but unbiased research



Sources of Secondary Research

- Government statistics
- Industry reports
- Published articles and academic papers
- Company websites and marketing materials
- Online databases
- Trade associations and industry organizations



Market Research: Example

Objective: Gather information about consumer attitudes towards energy efficiency in home appliances

In depth Interviews

Qualitative data, unstructured, in depth insights

Survey

Quantitative data, structured, trends & patterns





Comprehensive understanding of consumer attitudes towards energy efficiency in home appliances

Primary data/Secondary data?

Primary (collected directly from the source)



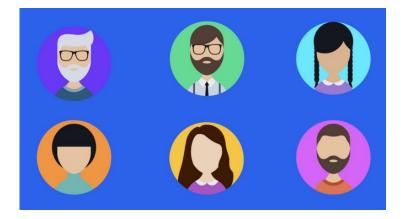
User Personas

Tool to better understand target customers and design product & services that meet their needs & expectations

Portrait of your ideal Customer Age, gender, education level, average income, life goals, common problems, spending habits, etc.

How Use personas can be helpful

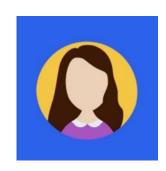
- Product Development
- Marketing and communication
- Customer service





User Personas

User personas for company that sells home appliances:



Name: Aina Smith"

Age: 35

Occupation: Stay-at-home mom

Income: \$75,000

Family: Married with two children

Location: Suburban

Looking for appliances that are energy efficient, affordable and easy to use



User Personas

User personas for someone who might be interested in purchasing a sports car:



Name: "John Gates"

Age: 55

Occupation: Retired

Income: \$50,000

Family: Single

Location: Urban

Looking for appliances that are durable, easy to maintain, environmentally

friendly and is willing to pay a premium for them

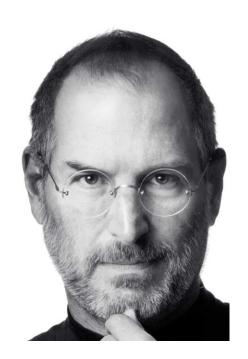


66

If you are working on something exciting that you really care about, you don't have to be pushed.

The Vision pulls you

-Steve Jobs



Be stubborn on vision but flexible on details."

Jeff Bezos, CEO amazon







To provide access to the world's information with one click.



To capture and share the world's moments



To connect the world's professionals and make them more productive and successful.

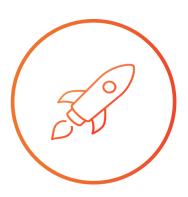


Describes the goal of a company

Company vision isn't necessarily the product vision

In multi- product companies, product vision should be connected or aligned to the company vision

In single product companies, the product vision is usually the company vision and vice versa





Who is Responsible for Defining the Product Vision?

Product Manager in association with teams from across the organization

What makes a good product vision?

Aspirational

Shared Goal

Actionable

Linked to organization's goal





Steps to define a Product Vision

- 1. Identify the Target market
- 2. Define the problem or need the product will solve
- 3. Describe the key features and functionality
- 4. Specify the product goals and objectives
- 5. Write the product vision





Product Vision: Example

Product: Smartwatch

Identify the Target market: Active adults aged 25-40 who are interested in fitness tracking and health monitoring

Define the problem or need the product will solve: Device that provides real-time feedback and guidance to help them achieve their goals

Describe the key features and functionality: Providing real-time tracking and guidance to help users achieve their fitness and health goals. Its accuracy and reliability make it a trusted partner in the pursuit of health and wellness, and its integration with popular fitness apps allows users to track their progress and share their achievements with friends and family



Specify the product goals and objectives:

Become the leading fitness tracker and health monitor in the market. To achieve this, we aim to:

Achieve a battery life of at least 5 days

Meet industry standards for water resistance up to 50 meters

Achieve an accuracy rate of 95% or higher for step, distance, and calorie tracking

Achieve an accuracy rate of 95% or higher for heart rate monitoring

Achieve an accuracy rate of 90% or higher for sleep tracking

Write the product vision

"SmartWatch is a fitness tracker and health monitor that provides real-time feedback and guidance to help users achieve their fitness and health goals."



Tracking Product Performance & Iterative Improvement

Tracking Product Performance Metrics

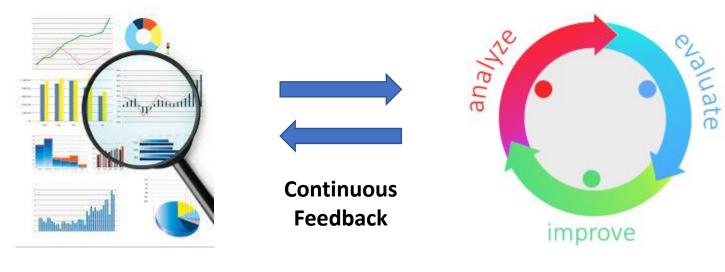
- Process of monitoring and measuring specific indicators of a product's performance
- Helps in identifying areas of improvement
- User engagement, retention, conversion rates, customer satisfaction, revenue etc.
- Important to track these metrics to take informed decisions
- Helps in benchmarking against the competition
- Tracking the return on investment(ROI)





Tracking Product Performance & Iterative Improvement

Important & closely related concepts in product management



Tracking Product Performance Metrics

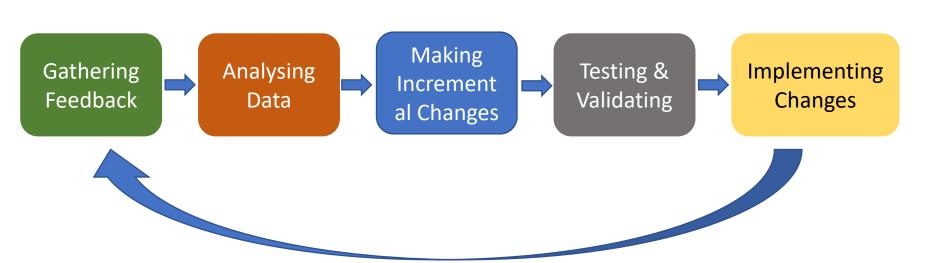
Iterative Improvement



Tracking Product Performance & Iterative Improvement

Iterative Improvement

Process of making incremental changes to a product over time, based on feedback and data







Various types of Performance Metrics

Usage Metrics

Track how often & long a product is used

E.g. Daily active users, Retention rate etc.

Adoption Metrics

Track rate at which users start using the product

E.g. Activation rate, Churn rate etc.

Engagement Metrics

Track how engaged users are with the product

E.g. Clickthrough rate(CTR), Bounce rate etc.

Monetization Metrics

Track how well a product is generating revenue

E.g. Life time value(LTV),
Customer acquisition cost etc.

Satisfaction Metrics

Track how
satisfied users
are with the
product
E.g. Net
Promotor
Score(NPS),
Customer
Satisfaction
surveys etc.

Quality Metrics

Track how well a product is performing

E.g. Response time, uptime etc.



Usage Metrics

Retention Rate

- Percentage of customers who continue to use a product or service over time
- Expressed in percentage
- Calculated for specific time periods, such as monthly or annually
- Higher the retention rate, more likely for the customers to continue using the product



Number of subscribers at the beginning of the month x: 1,000

Number of subscribers at the end of the month x: 900

Retention rate for the month x: 900/1,000 = 90%



Usage Metrics

Bounce Rate

- Percentage of visitors to a website who leave the site after only viewing one page
- Expressed in percentage
- High percentage isn't always negative
- Can be in influenced by website design, user experience & type of content on the website



Bounce rate = Number of single-page sessions/total number of sessions

Total number of visitors on the website: 100

Number of visitors who left after viewing only the homepage: 80

Bounce rate=80/100= 80%



Adoption Metrics

Activation Rate

- Percentage of users who have adopted and begun using a product, feature or service
- Also know as "onboarding rate" or "feature adoption rate"
- Important for new products or features
- Different from adoption rate Activation is one time measurement while adoption is ongoing measurement



Activation rate = Number of users who have activated a specific feature or completed a specific action/ total number of users

Total number users who have downloaded the Mobile app: 100,000 Number of users who have registered on the Mobile app: 30,000

App Activation rate= 30,000/100,000= 30%



Adoption Metrics

Churn Rate

- Percentage of customers who cancel or stop using a product or service over a given period of time
- High churn rate indicates customers are not satisfied with the product or service and are leaving
- Important metric for businesses that rely on subscription-based revenue or have a high acquisition cost
- Can be affected by many factors, such as the quality of customer service, the competitiveness of pricing, the overall
 customer experience etc.



Churn rate = number of customers who have left / total number of customers at the beginning of the period

Number of Customers at the beginning of the month x: 1000

Number of Customer who cancelled their subscriptions by the end of the month x: 100

Churn rate for the month x = 100/1000 = 10%



Engagement Metrics

Click Through Rate

- Measure the success of an online advertising campaign for a particular website as well as the effectiveness of email campaigns
- Higher the CTR, more effective the ad or link is
- Applicable for online advertising as well as email marketing



Click through rate= number of clicks an ad or link receives/ number of times the ad or link was shown (impressions)

Number of clicks on an add on a website: 25

Number of impressions on an ad on a website: 1000

Click through rate = 25/1000= 2.5%



Engagement Metrics

Bounce Rate

- Percentage of visitors to a website who leave the site after viewing only one page
- High bounce rate indicates the content is <u>not engaging or relevant</u> to the customer
- Varies depending on the type of website & industry
- Should <u>not be the only</u> metric to evaluate a website's performance



Bounce rate= number of visitors to a website who leave the site after viewing only one page/Total number of visitors to the website

Number of visitors to a website who leave the site after viewing only one page: 50

Total number of visitors to the website: 100

Bounce rate = 50/100= 50%



Monetization Metrics

Customer Acquisition Cost(CAC)

- Measures the total cost of sales & marketing efforts to acquire a new customer
- Vary depending on the industry, marketing channels used

Cost per Acquisition (CPA)

- Measures the cost of acquiring a new customer through a specific marketing channel or campaign
- CPA= Total cost of a specific marketing campaign/number of new customers acquired through that campaign



Customer Acquisition Cost= total cost of sales and marketing efforts/ total number of new customers acquired

Cost of sales & marketing efforts: \$100,000

Total number of new customers acquired: 100

Customer Acquisition Cost = \$100,000/100= \$1,000



Monetization Metrics

Customer Lifetime Value

• Measure of the total value that a customer is expected to generate over their lifetime as a customer

Customer lifetime value= <u>average purchase value</u> x <u>number of purchases per year x</u> <u>average retention time (in years)</u>

Example 1

Avg. purchase value= \$50

Number of purchase per month= 1

Avg. Retention time: 3 years or 36 months

Customer Lifetime Value= \$50 x 12 X 3 = \$1800

CLV > CPA



Example 2

Avg. monthly subscription fee= \$50

Avg. Retention time: 3 years or 36 months

Additional revenue generated by an avg. customer through referrals,

upsells, and cross-sells= \$500

Total revenue generated by a customer through their subscription

fees: \$50/month * 36 months = \$1,800

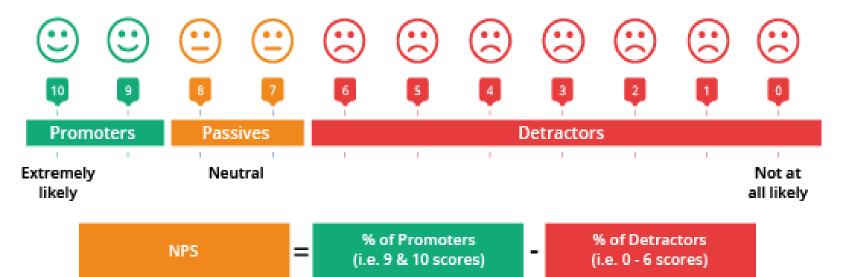
Total revenue generated by a customer = \$1,800 + \$500 = \$2,300

Customer Lifetime Value= \$2,300

Satisfaction Metrics

Net Promoter Score (NPS)

Measures customer loyalty and satisfaction



Number of customers surveyed: 100

Promoters: 30%

Passives: 50%

Detractors: 20%

NPS= 10 (30%-20%)



Quality Metrics

Response time

- Measures the amount of time it takes for a system or service to respond to a request
- Lower the response time, better the performance of the system or service
- Should be monitored over time to identify issues
- Should be considered in combination with other metrics.





Financials

Revenue, Expenses, Profits & Cash Flow



Product Profitability

Product Profitability = Revenue - Cost





Financials

Revenue 🛑

How much a company earns

\$100*100= **\$10,000**

Expenses

How much a company spends (Salaries, rent and utilities)

\$5,000+\$2,000+\$1,000+ \$3,000=**\$11,000**

Profit

\$10,000- \$11,000= -**\$1,000**Operating at a loss



Financials

Gross Margin	= (Selling price-Cost of Goods Sold)/Selling Price
Operating Margin	= (Revenue-operating expenses)/Revenue
Net Margin	= (Revenue-All expenses)/Revenue
Return on investment	= Profit/Cost of the Investment =Net Income/Total Assets



Profit & Loss

- Comprised of revenue & expenses (R- E= Net Income)
- Indicator of whether a company is making a profit
- Gives investors an adequate understanding of how the business is performing
- Help in identifying areas of improvement, high-cost areas for cost cutting & low-revenue for growth





Profit & Loss

P&L Statement For the Month of January

Revenue: \$100,000

Cost of goods sold: \$50,000

Gross profit: \$50,000 Operating expenses:

•Salaries: \$20,000

•Rent: \$10,000

•Marketing: \$5,000

•Other: \$5,000

Total operating expenses: \$40,000

Operating profit: \$10,000

Other income: \$1,000 Other expenses: \$500

Net profit: \$10,500



Cost Benefit Analysis(CBA)



Estimating & comparing costs and benefits to determine whether the initiative is worthwhile

Steps for conducting a CBA

- Define the campaign
- Identify the costs
- Identify the benefits
- Estimate the value of the benefits
- Compare the costs & benefits



Cost Benefit Analysis (CBA) Example

XYZ credit card company wants to migrate from paper-based card upgradation process to paperless (digital) process



Development
Designers cost
Employee Salaries
Training
Marketing
Support

Cost

Increased Revenue Reduced Paper handling costs Reduced manpower

Benefit



Cost Benefit Analysis(CBA) Example



Development: \$500,000 Designers cost: \$50,000

Employee Salaries: \$100,000

Training: \$50,000 Marketing: \$75,000 Support: \$25,000 \$500 * 2000 = \$1M

Increased Revenue = ~\$1M

Reduced Paper handling costs: \$50,000

Reduced manpower: \$200,000

Benefit

Cost



Cost Benefit Analysis(CBA)

Estimating Benefits Value

Identify impacts on company's financial performance, productivity, customer satisfaction etc.

Example: Implementing new CRM

Cost: \$500,000

Benefits:

Increased Sales: \$100,000

Improved Customer Satisfaction: 5% churn reduction -> \$50,000

Reduced Operational Costs: \$25,000



Cost Benefit Analysis (CBA)

Benefit to Cost Ratio: Total Benefit/Total Cost

Used to compare different projects

Project A (Paperless)

Revenue: \$1.25M Benefit to Cost Ratio = \$1.25M/\$0.8 = 1.56 **Project B**

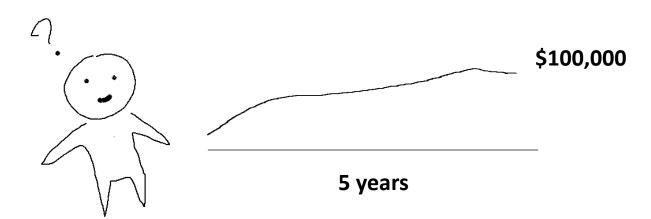
Revenue: \$1.5M Benefit to Cost Ratio = \$1.5M/\$1.4m = 1.07 Benefit to Cost Ratio of Project A > Benefit to Cost Ratio of Project B

More Profitable



Cost Benefit Analysis(CBA): Time Value of Money

Shorter time horizons for very dynamic market
Time value of money concept **applied for long-term projects**





Benefit value as of today: \$100,000



Cost Benefit Analysis(CBA): Time Value of Money

Risk free rate = 5% Risk free rate refers to rates with no risk or losses

Present Cost: \$80,000

Future Benefit: \$100,000

Number of years: 5

Present value= 100000/(1+0.05)^5= \$78,352.4

Present Value (PV)
$$_{t=0} = \frac{\text{Future Value (FV)}}{(1+r)^n}$$

- r = Discount Rate (Rate of Return)
- n = Number of Periods

Present value of benefit over 5 years < Present Cost \$78,352.4< \$80,000



Cost Benefit Analysis(CBA): Time Value of Money

Shorter time horizons for very dynamic market
Time value of money concept **applied for long-term projects**





Present Cost: \$80,000

Future Benefit: \$20K every yr up to 5 yrs



Benefit value as of today: \$100,000





Cost Benefit Analysis(CBA): Time Value of Money

Risk free rate = 5%

$$PV1 = 20,000 / (1 + 0.0.05)^1 = $18,868.6$$

$$PV2 = 20,000 / (1 + 0.05)^2 = $17,979.20$$

$$PV3 = 20,000 / (1 + 0.05)^3 = $17,114.95$$

$$PV4 = 10,000 / (1 + 0.05)^4 = $16,275.50$$

$$PV5 = 20,000 / (1 + 0.05)^5 = $15,460.47$$

Present Value (PV)
$$_{t=0} = \frac{\text{Future Value (FV)}}{(1+r)^n}$$

- r = Discount Rate (Rate of Return)
- n = Number of Periods

Present value of benefit > Present Cost \$85,698>\$80,000



Product Profitability

Measure of how much profit a product generates for an organization

Factors that can impact a product's profitability:

COST

Higher the cost of production, lower the product's profitability

PRICE

Pricing the product appropriately is vey important

VOLUME

Higher the volume of sales, higher the product's profitability

COMPETITION

More the competition, less the product's profitability



Product Refresh

Process of updating or revising a product to improve its features or functionality Useful for maintaining relevance and competitiveness in the market

Updating Product's features

Improving Product's design

Revising the Product's pricing

Developing new marketing materials











Competition Benchmarking

Analysing and comparing the products and services to competitors Helps in positioning of the product

Research

Customer
Feedback

Industry
Analysis





Competition Benchmarking

Competitor Name	Product/Service	Pricing	Target Market	Unique Features
ABC Company	Product A, B, C	Competitive	Mid-range	Durability, high quality
DEF Company	Product D, E, F	Lower-end	Budget- conscious	Affordability, convenience
XYZ Company	Product X, Y, Z	Higher-end	Innovative	Advanced technology, innovation



Competition Benchmarking

Competitor Name	Price	Benefit 1	Benefit 2	Benefit 3	Benefit x
Your Company	\$1000	Yes	No	Yes(Limited offering)	
ABC Company	\$800	Yes(limited offering)	Yes	Yes	
DEF Company	\$600	No	Yes	Yes	

Sales

- Work with sales team to understand customer needs & develop strategies to <u>increase revenue in form of sales & market share</u>
- Set sales targets & work with sales team to achieve them

Marketing

- Work with marketing to develop & execute marketing strategies to increase awareness & demand for the product
- Develop marketing plans, marketing materials, execution with marketing team





SAMPLE Creative Brief

Client Name: Date:
Project Name: Client:

Product: Original Author:

The Project

(What is the scope of the assignment?)

The Objectives

(What are the business and marketing objectives of the project? Short- vs. long-term?)

The Product

(What are the distinguishing characteristics of the product that are expected to be communicated?)

The Target Audience

(What are the demographics, psychographics; buying and usage habits; values, attitudes and lifestyles?)

Personality and Tone

(What is the tone and manner; what are the overall personality traits the project must communicate?)

Current Mind Set

(What does the target think now relative to the brand, its products and current project, if applicable?)

Key Target Audience Insight

(What is the most compelling thing we want the target to think after they experience the project?)

Writing creative briefs for marketing promotions/campaigns



Sales & Marketing strategies include:

- Advertising
- Product Pricing & Packaging
- Product Go to Market(GTM) Strategy
- Defining Sales strategy
- Promotions & Offers
- Public Relations





Sales & Marketing strategies include:

Advertising

- Target Audience: Customer's demographics, needs & preferences
- Message: Effective & clear
- Media: Right media to reach & engage target audience
- Budget: Identify most cost-effective media & negotiate rates
- Measurement & Evaluation: Effectiveness of advertising campaigns





Sales & Marketing strategies include:

Product Pricing & Packaging

- Cost: consider the cost of materials, labour, and other expenses
- Value: Set a price that reflects value
- Competition: Consider prices of other similar products, set competitive price
- Packaging: Consider packaging materials, design, and functionality





Sales & Marketing strategies include:

Product Pricing & Packaging Example

Pric	e per month	Packaging	
Basic Plan Standard Plan Premium Plan Annual Plan	\$9 \$19 \$29	Packaging for each of the plans that highlights the key features and benefits of each plan	





Sales & Marketing strategies include:

Product Go to Market Strategy:

- Understand your target customer
- Develop a value proposition
- Create targeted messaging and positioning
- Build relationships with key influencers
- Create targeted marketing campaigns
- Gather customer feedback
- Track, analyse and optimize





Sales & Marketing strategies include:

Product Go to Market Strategy Example

- Target customer: Health-conscious woman in her 30s looking for skincare products free of harsh chemicals and synthetic ingredients
- Value proposition: Emphasizes the natural and organic ingredients, gentle on the skin
- Targeted messaging and positioning: Focuses on the natural and organic ingredients and the benefits of using them
- **Key influencers:** Popular health and wellness bloggers, Instagram influencers, and beauty experts
- Targeted marketing campaigns
- Gather customer feedback
- Track, analyse and optimize





Sales & Marketing strategies include:

Sales Strategy

- Identifying the target market
- Defining the value proposition
- Developing sales collateral
- Setting sales targets and quotas
- Developing sales processes and procedures
- Providing sales training and support:
- Measuring and tracking progress





Sales & Marketing strategies include:

Promotions & Offers

To drive sales and engage potential customers

- Discounts
- Limited-time offers
- Bundles and packages
- Free trials or demos
- Referral programs
- Contests and giveaways





Sales & Marketing strategies include:

Promotions & Offers Example

- Receive \$50 gift card on a purchase of tablet computer
- Bundle deal with 10% discount





Sales & Marketing strategies include:

Public Relations(PR)

- Press releases & media relations to promote the product & build brand reputation
- Partner with popular influencers & bloggers via your PR team
- Promote in leading publications & consumer magazines
- Product launch event for industry experts & potential customers
- Press kit, social media strategy





- Stakeholders have vested interest in the product
- Includes customers, employees, shareholders, suppliers, and other partners
- Identify your key stakeholders
 - Brand & Marketing
 - Finance
 - Legal & Compliance
 - Operational Risk
 - Technology
 - Customer Service
- Ways to effectively manage key stakeholders





Ways to effectively manage key stakeholders

- Identify and understand their needs and expectations
- Communicate clearly and regularly
- Engage stakeholders in the product development process
- Manage conflicts and challenges
- Evaluate and adapt























Brand & Marketing

- Defining the product's positioning and messaging
- Developing marketing materials
- Executing marketing campaigns
- Managing the product's online presence
- Measuring and tracking the effectiveness of marketing efforts





Finance

- Budgeting and forecasting
- Pricing
- Risk management
- Financial analysis:





Legal & Compliance

- Reviewing marketing and sales materials
- Providing guidance on legal risks
- Reviewing contracts and agreements
- Ensuring compliance with laws and regulations





Operational Risk

- Identifying and assessing risks
- Developing risk mitigation plans
- Monitoring and tracking risk
- Communicating risk to key stakeholders





Technology

- Providing technical expertise
- Developing technical solutions
- Integrating the product with existing systems
- Providing ongoing technical support





Customer Service

- Providing support to customers
- Managing customer complaints
- Gathering customer feedback
- Providing technical support





Leadership & People Management

- Setting goals & expectations
- Providing support and resources
- Encourage collaboration and open communication
- Building and maintaining team morale
- Managing performance
- Leading by example
- Communicating effectively
- Provide opportunities for learning and development
- Recognize and reward team members
- Managing conflict





Leadership & People Management

Aligning Senior Leadership

- Clearly communicate your vision and goals
- Seek input and feedback
- Be proactive
- Stay up-to-date
- Build your technical knowledge

Conducting effective Product review

- Prepare a clear and concise presentation
- Use data and analytics to support your recommendations
- Invite the right people
- Encourage open and honest communication
- Set clear action items



Product Ethics & Responsibilities

Ethical considerations in marketing and sales

Avoid false & misleading claim about the product

Transparency

In collection & usage of customer data

Sustainability

Consider the environmental impact of the product

Fairness and inclusivity

For all users, regardless of their background or characteristics

Corporate Social Responsibility

Ensure product's values align with company's values





Case Study 1

Product: CloudT, a cloud-based project management software for small and medium businesses

Problem: CloudT has been on the market for a year and has gained a small but loyal customer base. However, the product has struggled to gain traction in a competitive market, and the company is not meeting its revenue goals

Now what should the company do?

Hire Product Manager!

How should Product Manager go about solving the problem?

Market & Competitor Analysis

Develop a roadmap to add the missing functionality on the product

Prioritize features for on time delivery

Develop target marketing campaign



Results

Increase in adoption, usage & revenue



Case Study 2

Problem Statement: Launching a New E-commerce Platform

How should the Product Manager go about launching new e-commerce platform?

Conducting market research
Defining the target market
Developing a go-to-market strategy
Building a strong team



