

Product Strategy Playbook



A step-by-step guide for Product Leaders on how to create a winning product strategy.

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Introduction to Product Strategy Playbook

Who is this playbook for?

You are:

- A product leader, manager, senior leader, CEO or Founder of a company responsible for making decisions about whether or not to launch a new product
 - Responsible for developing the strategy to launch the product; or one of the key stakeholders providing input into those decisions
 - Want to know the questions and factors the top 1% of Product Leaders consider when launching a new product
-

Your challenges include:

- You struggle with having structure in your conversations with key stakeholders about developing product strategy for a new product launch
- You often get stuck in the “strategy rabbit hole” and spend an inordinate amount of time researching unnecessary aspects, that have little to no relevance to the success of the product
- You don’t have a way to compare strategic alternatives when comparing multiple product launch ideas
- You’re viewed by stakeholders as “only caring for the customer” and not the business
- You have a desire to be “more strategic” but don’t know what questions to ask or what areas to look at when trying to come up with a comprehensive launch strategy
- You are not trusted by business stakeholders as someone who can contribute to strategic decisions

Introduction to Product Strategy Playbook

Who is this playbook for?

By the end of this book, you will:

- Be able to **apply the Product Strategy Framework** in your company to new product launches, and diagnose why previous launches failed or succeeded
- Have a clear understanding of the **strengths and weaknesses** of your product strategy
- Have a framework to help you **drive greater alignment and shared understanding** about your product strategy
- Be able to use it as a tool to **achieve a 'common language'** among your product teams when communicating your product vision and strategy

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Chapter 1:

Why use the Product Strategy Playbook?

Dean was feeling burned out.

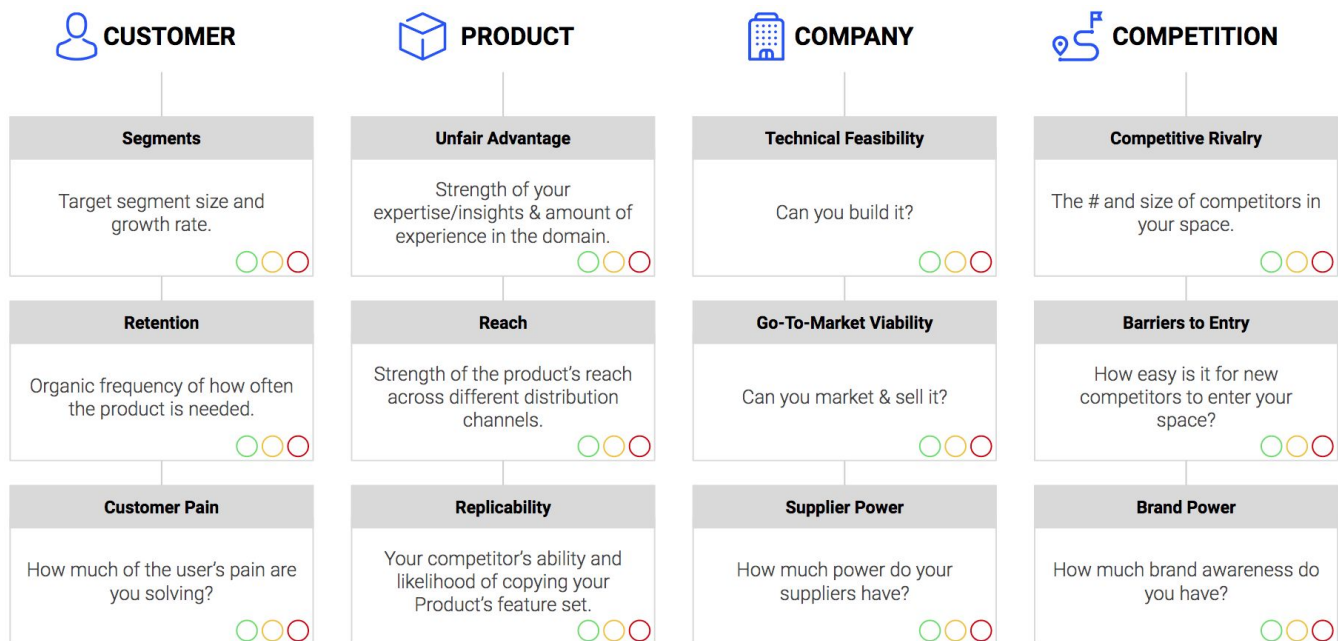
A Project-Manager-turned Product Manager, he was going into his second year at a medium-sized, business-to-business (B2B) software-as-a-service (SaaS) company. He did everything a product person should do: researching the market, conducting customer interviews and listening to his stakeholders. He worked 60+ hours per week and thought that if he just worked harder, he'd be able to make his next product launch a success.

"Our process included almost no strategic planning", Dean said. "The absence of a strategic framework led us to copy our competitors or just build what our CEO wanted. When we did launch something 'original', the market didn't bite." Dean also shared that his team often spent weeks exploring an idea that was ultimately vetoed by the Engineering team because it wasn't feasible.

We met Dean during [Product Faculty's Advanced Product Management Masterclass](#) in 2020. Product Faculty has helped thousands of Product Managers fast-track their careers by teaching them the tools, skills and frameworks used by the top 1% of Product Managers. In our first week of the 7-week Program, we covered the Product Strategy module, during which we taught Product Managers how to apply the *Product Strategy Framework*.

A team using the *Product Strategy Framework* is able to assess how successful their product or major feature launch would be — before they actually launch. It's a tool that can be used to gain alignment and drive a shared understanding among key stakeholders about your product strategy. The framework can also be applied retrospectively — as a diagnostic tool — to help determine the reason behind a failed product or major feature.

1-PAGE PRODUCT STRATEGY FRAMEWORK



This is the first time a comprehensive, end-to-end, one-page Strategic Framework has been developed specifically for Product professionals.

Dean learned the *Product Strategy Framework* in class and used the weekly Office Hours to dive deep into the nuances of the framework to truly understand the gaps in his product strategy. He realized that there were critical questions that he did not know, he had to ask.

In this playbook, we will teach you about the *Product Strategy Framework*, describe how to apply it to your product and share the best practices of how to communicate it with your stakeholders.

As for Dean, he's still using the skills and tools he learned during the [Advanced Product Management MasterClass](#). His career has progressed; he got promoted to a Director of Product at his company and continues to drive more impact for his company and customers.

This is what we want for you.

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Chapter 2:

About the Product Strategy Framework

In this chapter, you will learn:

1. The purpose of a *Product Strategy Framework*
2. The key pillars of the *Product Strategy Framework*
3. How you can apply the *Product Strategy Framework* to your product

What is the Product Strategy Framework?

Product Strategy Framework is a model that addresses where to start with the fundamental decisions about whether or not to develop a particular product.

Most Product Managers don't know what "being more strategic" actually means in practice. They don't know what questions they need to ask or how to tell if the product they're working on is strategically aligned and likely to be successful. This is where the *Product Strategy Framework* comes in.



**All models are wrong,
but some are useful.**

- George E. P. Box

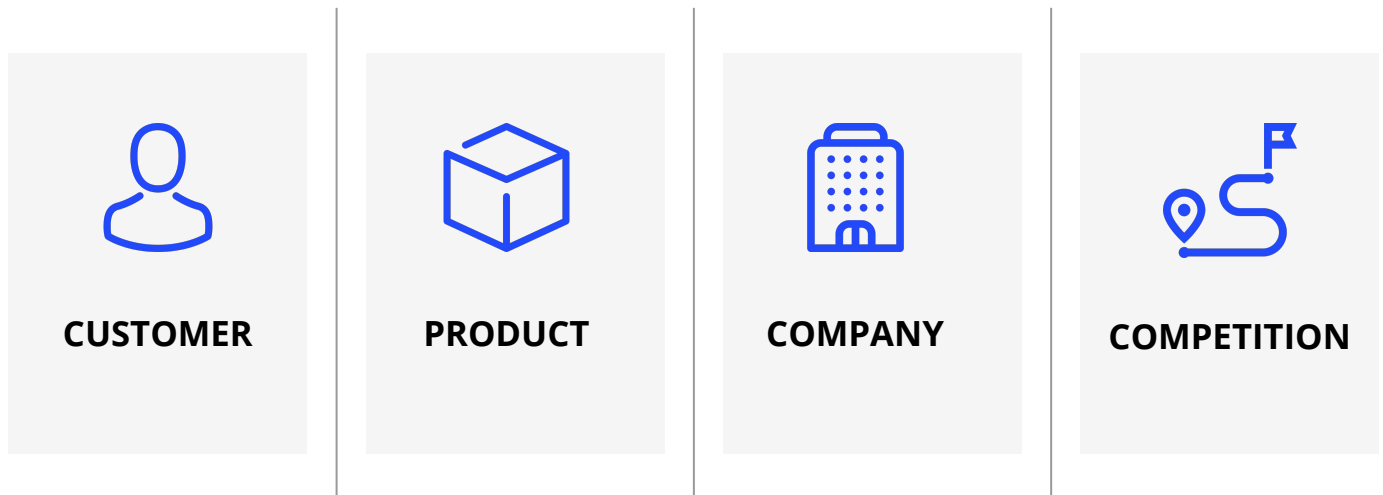
While no model can guarantee success, they can help you see opportunities and issues with your product. As a model, the *Product Strategy Framework* will get you 90% of the way there.

The Framework is used to assess the **end-to-end viability** of a product. It's a universal framework, one that can be applied to any product for any company. It's a strategic tool used to perform a health check on the competitiveness of the product you're about to launch, or it can be used retrospectively as a diagnostic tool to help determine the reason behind the failure of a particular product.

What are the key pillars of the Product Strategy Framework?

In order for a product to be successful, Product Managers need to think through the '4 pillars' of their product strategy. These pillars are factors that most impact the success of your new product launch. Without these "pillars", your product strategy will have significant gaps and your product will inevitably fail to gain traction in the market.

These pillars are:



Bear in mind that not all Pillars of the framework are equally weighted. The Pillar that is most important is the Customer Pillar, followed by the Product Pillar. In Chapter 8, we delve in more deeply on the weights and how to assess your results.

After going through this framework, you'll be able to see whether or not your product will be successful post-launch.

For each of the four key pillars, there are a set of questions you need to ask yourself. The answers to those questions can then be rated on a traffic light system: Green is good, amber is neutral, and red means you have cause for concern.

Let's dive into each pillar and uncover the key questions you should be asking before launching your product.

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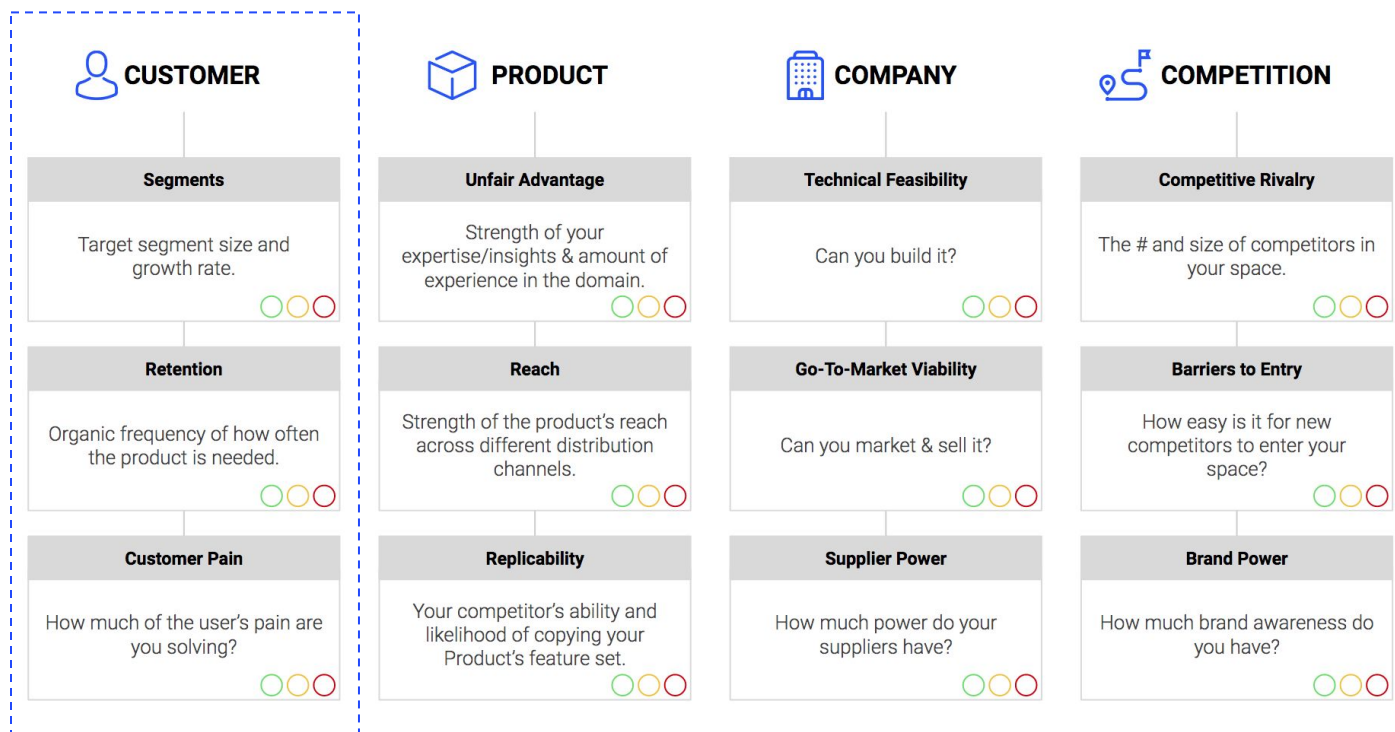


Chapter 3:

Pillar One — The Customer

As mentioned in the previous section, you must evaluate your product's strategy viability against 4 pillars: Customer, Product, Company and Competition

ONE-PAGE PRODUCT STRATEGY FRAMEWORK



The first, and the most important pillar is the **Customer Pillar**. There are 3 elements within the Customer Pillar that you must evaluate:

1. **Segments**
2. **Retention**
3. **Customer Pain**






Segments

Overview

The focus of this element is to **evaluate the size and growth** of your customer segments you are targeting.

Why is this important?

It doesn't matter how great your product is, or how fast you iterate. The market you're in will determine a significant part of your growth.

Questions to ask	How to measure?	Additional guidance
<ul style="list-style-type: none">What is the total addressable market (TAM) of the different customer segments that you're targeting?What is the year-over-year growth of each segment?	<ul style="list-style-type: none"> A large segment that's growing fast. A moderately sized segment in a slow growth market or a small segment in a moderately growing market A small segment that's not growing.	<ul style="list-style-type: none">A customer segment is a group of customers with common demographic or psychographic characteristics.This is a high-level market-sizing exercise; use readily available data from Google or your company.






Retention

Overview

The focus of this element is to evaluate **how often** users will actually **use the product**.

Why is this important?

Strong retention is the prerequisite for growth for both B2B and consumer products. You need to develop a hypothesis on the organic frequency of how often the product will be used.

Questions to ask	How to measure?	Additional guidance
<ul style="list-style-type: none">What is the naturally occurring frequency of the problem that your product is solving? (Define this for each target customer segment you're targeting.)Is this something that customers will use daily, or is it more likely to be something that's only used once every few years?	<ul style="list-style-type: none"> The need for your product is daily, or more frequent. The need for your product is in-between daily and monthly. The need for your product is yearly or less frequent.	<ul style="list-style-type: none">This is based on usage; not purchase frequency. For example: a phone may only be purchased every one or two years, but will likely be used daily.






Customer Pain

Overview

The focus of this element is to evaluate the **magnitude of your users' pain that your product is solving for.**

Why is this important?

The bigger the pain that your product is solving, the more your customers will want to buy and use your product.

Questions to ask	How to measure?	Additional guidance
<ul style="list-style-type: none">Is this product a "Vitamin" or a "Pain Killer"?Vitamin = a nice to have, but not an essential need.Painkiller = vital need; something the customers cannot live without.	<ul style="list-style-type: none"> High magnitude of pain, an essential need for the user. In-between a pain-killer and a vitamin. Low magnitude of pain, an optional requirement for the user.	<ul style="list-style-type: none">Just because your product is a "Vitamin", that does not mean your product will not be successful.Although a "Vitamin" will rank as a "Red" in this section, your product idea may still be valid, if for example, the organic frequency of usage is high.

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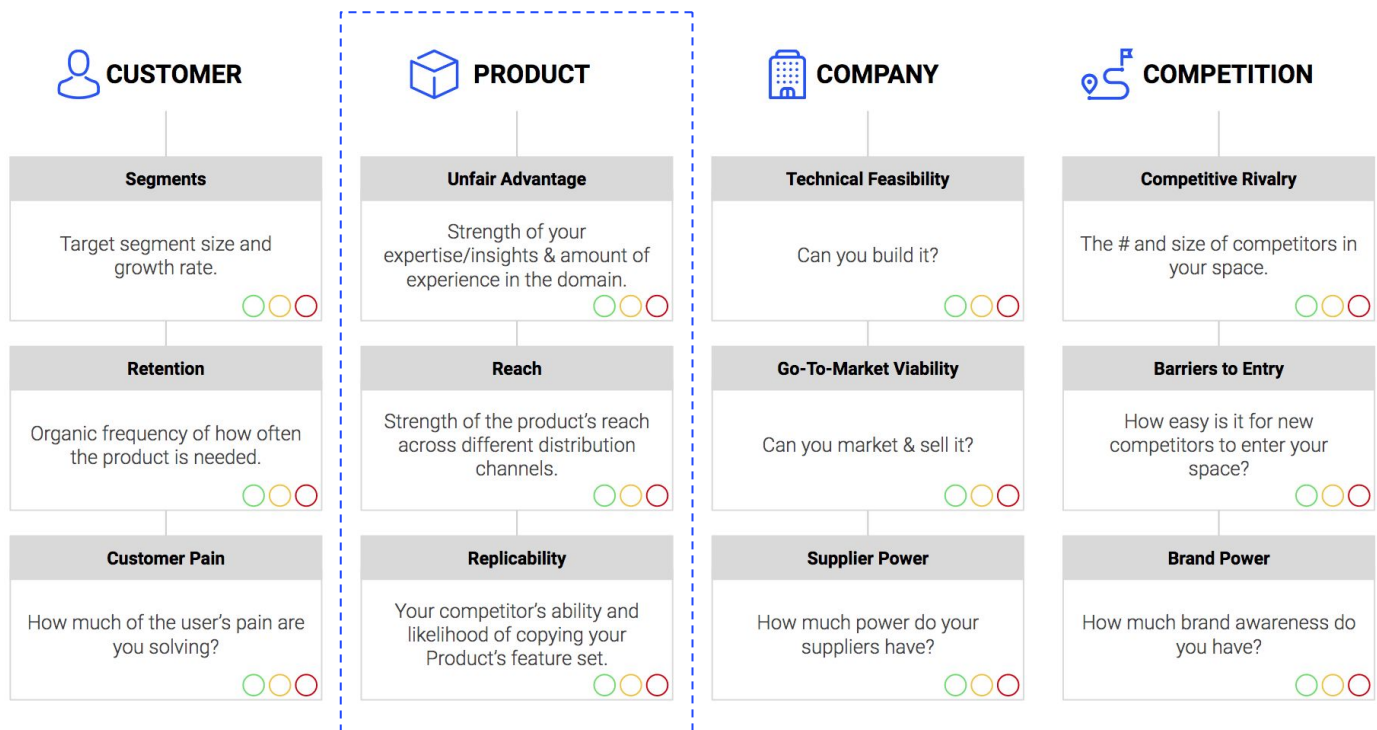
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Pillar Two: The Product

The next Pillar in the framework is the **Product Pillar**. There are 3 elements within the Product Pillar that you must evaluate:

1. **Unfair Advantage**
2. **Reach**
3. **Replicability**

ONE-PAGE PRODUCT STRATEGY FRAMEWORK








Unfair Advantage

Overview

The focus of this element is to evaluate **the depth of your domain expertise, experience and/or connections** and how well they serve you in building the product.

Why is this important?

If you have little to no expertise, experience and/or connections, you have no significant advantage over your competitors.

Factors to consider	How to measure?	Additional guidance
<ul style="list-style-type: none">What special expertise or insights do you have?What's your level of experience in this particular field?Do you have a strong network of experts who you can access for advice and funding?	<ul style="list-style-type: none"> Deep insights (that others lack), lots of experience & connections in the industry. Have a moderate level of domain expertise / experience Little to no domain expertise, past experience or connections in the industry.	<ul style="list-style-type: none">Consider factors such as how long you've been working in a particular domain, the number of patents you have, and so on.






Reach

Overview

This element evaluates the **strength of your reach** across various distribution channels.

Why is this important?

It doesn't matter how good your product is if no one knows about it. Although you could build up reach from scratch, it requires time and effort. You need to factor in this time and effort to get a sense of how quickly you can grow your product.

Factors to consider	How to measure?	Additional guidance
<ul style="list-style-type: none">Do you already have a large community, with a strong email list and/or following on social media?	<ul style="list-style-type: none"> Massive community or large number of followers. Some community and/or followers. Little to no community or followers.	<ul style="list-style-type: none"><i>Real-life example:</i> Even though Uber was a fast-growing company, UberEats was even faster. Why? UberEats was able to take advantage of the reach Uber had already built.






Replicability

Overview

This element evaluates your **competitor's ability and likelihood of copying your Product's feature set.**

Why is this important?

Anyone of the tech giants has the capability to enter almost any field and replicate almost any feature set they want. However, unless it fits in with their current roadmap, it's unlikely that they will do so. This element asks you to consider the *ability* and *likelihood* that your competitors would/could replicate your feature set.

Factors to consider	How to measure?	Additional guidance
<ul style="list-style-type: none">Is it <i>possible</i> that your competitors will copy your feature set?Is it <i>likely</i> that your competitors will copy your feature set?Could you easily achieve further differentiation by releasing new features?	<ul style="list-style-type: none"> Features are <i>unlikely</i> to be replicated by your competitors given their current product roadmap in the near future. It is neither likely or unlikely that competitors will copy your feature set. Features are likely to be replicated by your competitors given their current product roadmap in the near future.	<ul style="list-style-type: none">Likelihood trumps possibility. In other words, the <i>possibility</i> of competitors copying you matters less if they are <i>unlikely</i> to copy you (because it's not on their product roadmap).

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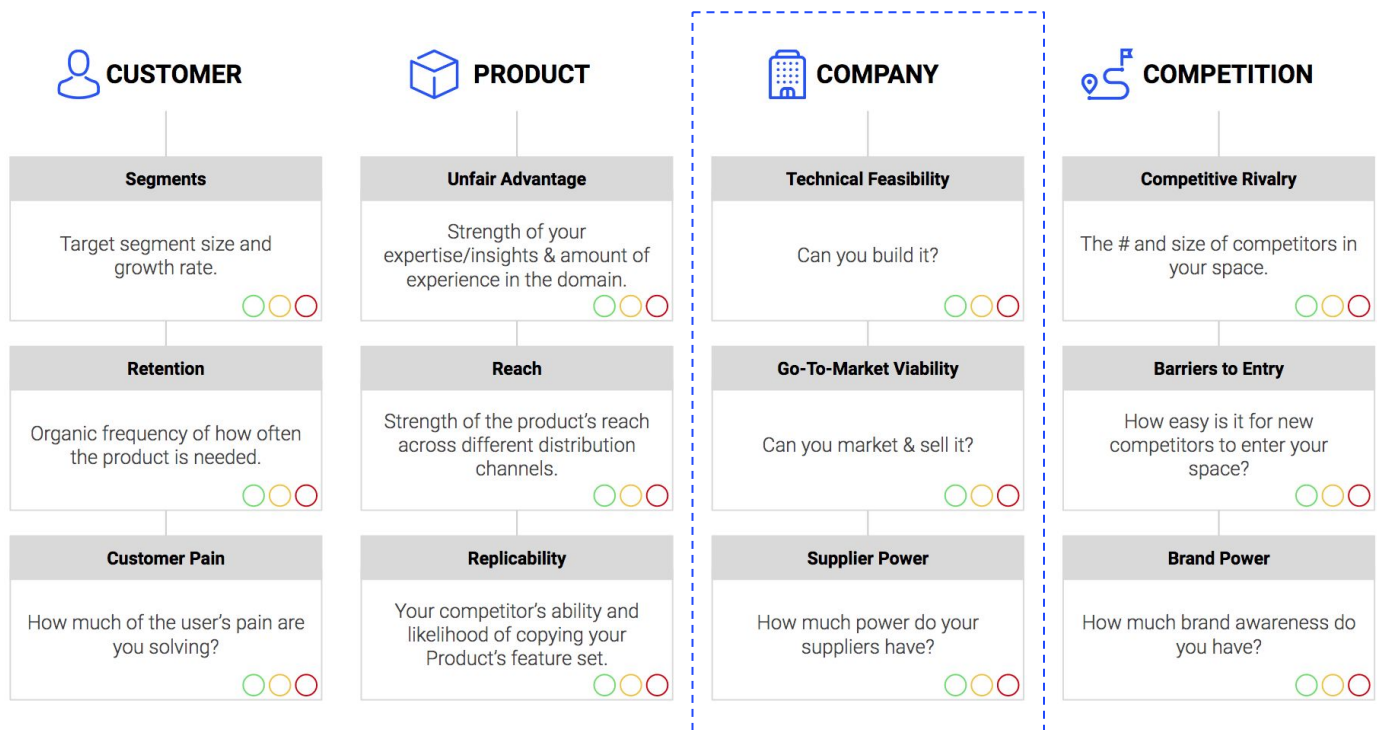
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Pillar Three: The Company

The next Pillar in the framework is the **Company Pillar**. There are 3 elements within the Company Pillar that you must evaluate:

1. **Technical Feasibility**
2. **Go-to-Market (GTM) Viability**
3. **Supplier Power**

ONE-PAGE PRODUCT STRATEGY FRAMEWORK








Technical Feasibility

Overview

The focus of this element is to evaluate your **ability to build the product** with available resources.

Why is this important?

An assessment of the technical feasibility is critical to the success of the project. If you don't have what it takes to build the product, it will be a sure failure.

Factors to consider	How to measure?	Additional guidance
<ul style="list-style-type: none">Have you built a product like this before?Can you build the product with the available time and resources?	<ul style="list-style-type: none"> Lots of available resources and experience in implementation. Just enough resources and experience in implementation with some key risks. Little to no resources and no experience in implementation.	<ul style="list-style-type: none">Almost any product is 'feasible', but is the product you're wanting to launch feasible given your specific time and resource constraints?






Go-to-Market (GTM) Viability

Overview

The focus of this element is to evaluate your ability to **market and sell the product**.

Why is this important?

“Build it and they will come” is a misnomer. Go-to-market motions are critical to the success of your product; even more so, if your product is in a space with a lot of competitors.

Factors to consider	How to measure?	Additional guidance
<ul style="list-style-type: none">Do you have the capability and infrastructure to market and sell this product?How will you reach your buyers/users?Have you marketed or sold a similar product in the past?	<ul style="list-style-type: none"> Lots of past experience selling in this space and/or to similar buyers. Just enough experience selling in this space. No sales motions figured out, operating in a new/untested domain.	<ul style="list-style-type: none">Acquiring customers is a science.Sales and Marketing are the activities you do to acquire a customer. If you don't think you have (or can) define/implement a repeatable Sales and Marketing system to acquire customers, you're a red.Depending on your product and price-point, it may take a while to figure out the right channels to use and sales motions that will work for you.



Supplier Power

Overview

The focus of this element is to evaluate the amount of **power your suppliers have**.

Why is this important?

This will help you determine your level of reliance on your supplier.

Factors to consider	How to measure?	Additional guidance
<ul style="list-style-type: none">• How many suppliers are there?• What is your dependence on the supplier? Are they critical to your value chain? What happens if a supplier fails?• What are the costs involved from switching from one supplier to another?	<ul style="list-style-type: none">● There are many suppliers; your dependency on suppliers is low.● The # of suppliers is neither excessive nor non-existent; it's somewhere in the middle.● Suppliers are highly specialized and/or scarce.	<ul style="list-style-type: none">• For tech companies, your suppliers could be the developers and/or marketers responsible for creating and marketing your product.• For two-sided marketplace platforms, suppliers would include those providing the desired service. For example, Uber's suppliers would include their drivers, while Airbnb's suppliers would include the accommodation hosts.• If you're building AI-based technology, your technical AI resources would be your suppliers.• Focus on your most critical suppliers.

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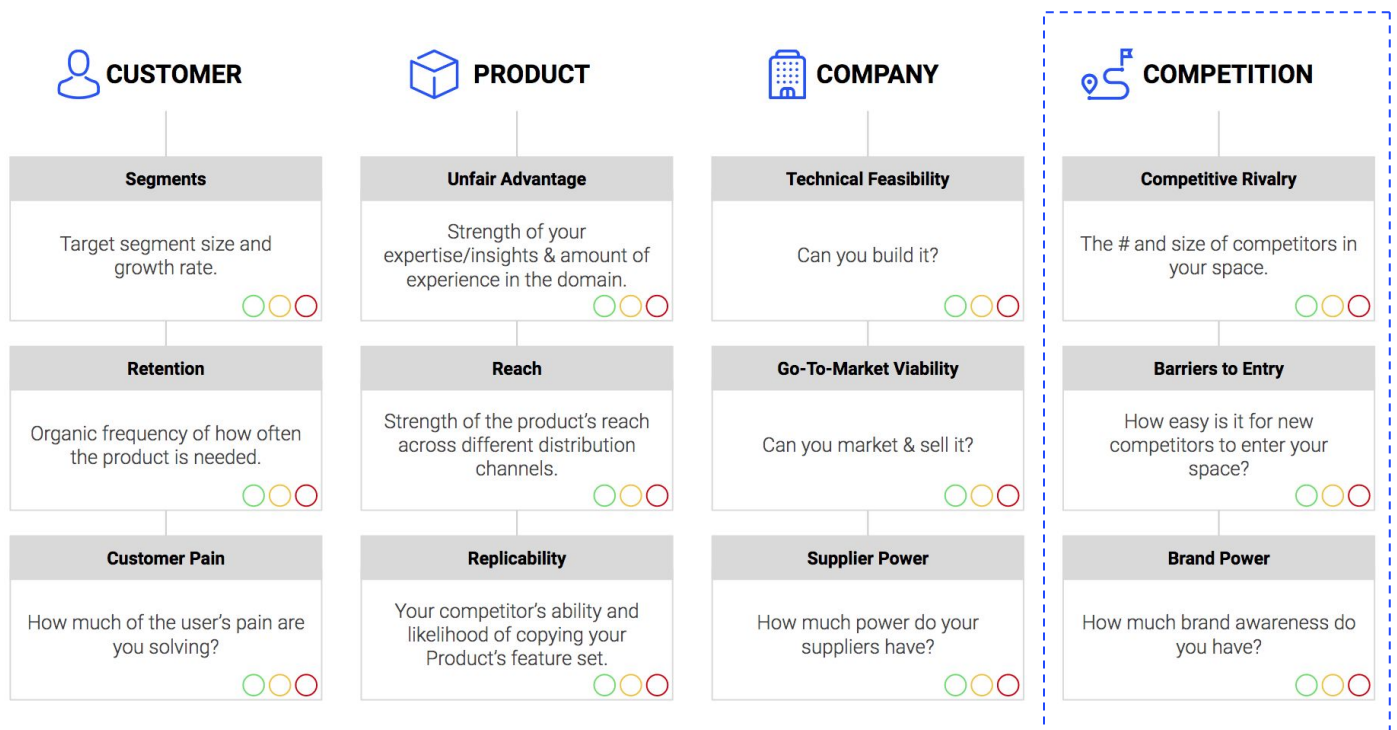
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Pillar Four: The Competition

The final Pillar in the framework is the **Competition Pillar**. There are 3 elements within the Competition Pillar that you must evaluate:

1. **Competitive Rivalry**
2. **Barriers to Entry**
3. **Brand Power**

ONE-PAGE PRODUCT STRATEGY FRAMEWORK





Competitive Rivalry

Overview

The focus of this element is to evaluate the **number and size of your competitors**.

Why is this important?

The more competition you have, the harder it will be for you to acquire customers. If you're in a very competitive market, it's very important for you to have clear differentiation through a focus on market positioning.

Factors to consider	How to measure?	Additional guidance
<ul style="list-style-type: none">• How many competitors are in the same space?• What is their market-share concentration of your competitors?	<ul style="list-style-type: none">● Few or no competitors (blue ocean).● Neither too many nor too few competitors.● Lots of competitors (red light).	<ul style="list-style-type: none">• Generally, the more competitors there are, the harder you'll have to work to gain the attention of your customers.






Barriers to Entry

Overview

The focus of this element is to evaluate how **easy it is for your competitors to enter the market.**

Why is this important?

Barriers to entry can give you an initial advantage. If the barriers to entry are high, it'll be difficult for competitors to enter your market; therefore, you can launch with a 'more imperfect' product.

Factors to consider	How to measure?	Additional guidance
<ul style="list-style-type: none">How easy or difficult is it for your competitors to enter the market?Do you have any 'moats of protection' that give you a significant advantage over new competitors, such as: network effects, economies of scale, vertical integration, strong brand loyalty, control over important platforms, deep expertise or patent protection?	<ul style="list-style-type: none"> Low barriers and easy to enter the space. Neither very low nor very high barriers to entry. High barriers and difficult to enter the space.	<ul style="list-style-type: none">Top tech companies like Amazon, Facebook, LinkedIn and others have hundreds of millions of customers; allowing the companies to take advantage of network effects.If you are trying to launch a new "LinkedIn" (for example), it doesn't matter how good your user experience is; if there are very few members using your product, it will have little value or incentive for new users to sign up.Complex products or those that require specific expertise/ resources that aren't readily available to manufacture are naturally going to be harder to replicate; thus mean a higher barrier to entry for your competitors.






Brand Power

Overview

The focus of this element is to evaluate your level of **brand awareness**.

Why is this important?

In the long-run, investments in brand can give you a significant strategic advantage because it lowers the cost of acquiring new customers (CAC).

Factors to consider	How to measure?	Additional guidance
<ul style="list-style-type: none">What is your aided and unaided brand awareness?Is it enough to differentiate you from the competition?	<ul style="list-style-type: none"> High aided/unaided brand awareness. Not very high, nor very low, brand awareness. Little to no High aided/unaided brand awareness.	<ul style="list-style-type: none">Companies that already have a strong brand awareness have an advantage over new companies that have little to no brand awareness because it's easier for strong brand companies to acquire new customers.

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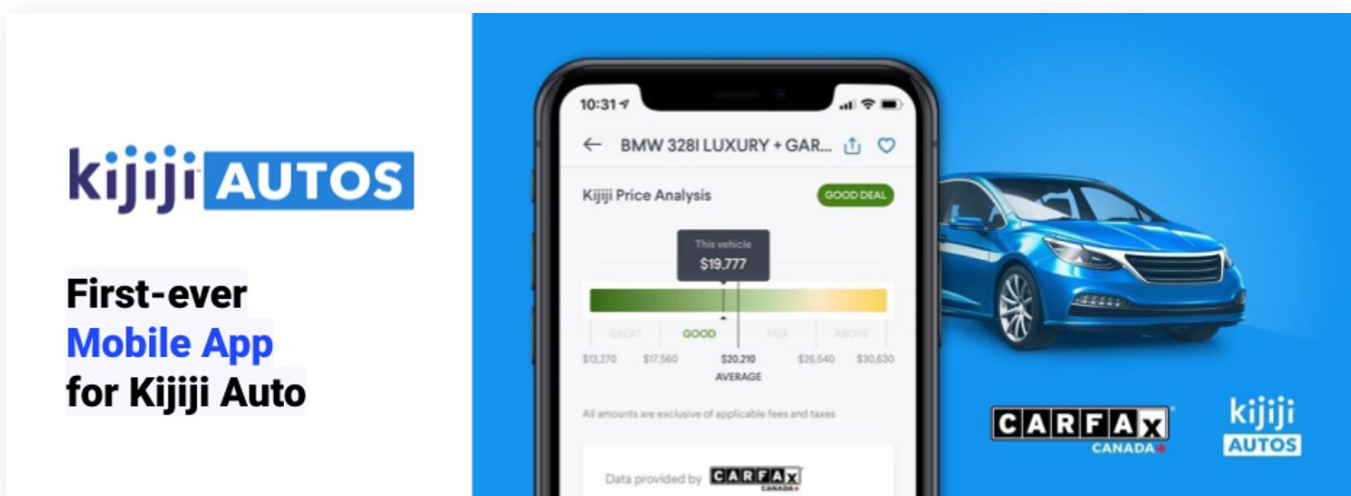
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Chapter 7:

Real-life Example: Kijiji Autos Mobile App

Hopefully, you can already see how answering the questions in the *Product Strategy Framework* can clarify the viability of your product. To illustrate how the *Product Strategy Framework* works, let's take a look at a real-life example: the launch of the brand new *Kijiji Autos* app.



Kijiji, a marketplace that allows you to buy and sell goods, launched an app in Canada that allowed users to shop for cars online. While users could already shop for cars on kijiji.com, it was mixed in with the rest of the marketplace. Kijiji Autos, on the other hand, is an app that's 100% dedicated to buying cars.

Kijiji's hypothesis was that the experience of buying a car sucks. With their massive customer base and inventory, they set out to reimagine the experience and behavior around buying a car on a mobile device.

Let's assess Kijiji Autos with the *Product Strategy Framework* and see how viable it is as a product.



Segments

Overview

The focus of this element is to **evaluate the size and growth** of your customer segments you are targeting.

Why is this important?

It doesn't matter how great your product is, or how fast you iterate. The market you're in will determine a significant part of your growth.

Questions to ask	Evaluation
<ul style="list-style-type: none">• What is the total addressable market (TAM) of the different customer segments that you're targeting?• What is the year-over-year growth of each segment?	<p>You can do a high-level, back-of-the-envelope market sizing exercise to estimate the segment size for used-car customers:</p> <ul style="list-style-type: none">• There are approximately 30M Canadians.• Of those, 50% are in the age group where they're likely to buy a car (20 - 60 years old).• Of those, we can assume 50% would buy a car, rather than rely on public transit.• Of those, we can assume 50% would buy a used car, rather than a new one.• However, customers are highly unlikely to purchase a car every year. Let's use a more realistic figure and assume that the typical customer buys a car once every 5 years. <p>Put that all together, and we have 750,000 used cars bought in Canada every year.</p> <p>For the growth rate, the used car market is stable, or flat, with no significant changes.</p> <p>Even with a flat growth rate, the large market opportunity and the high price point means there's a lot of potential here.</p>

Result:





Retention

Overview

The focus of this element is to evaluate **how often** users will actually **use the product**.

Why is this important?

Strong retention is the prerequisite for growth for both B2B and consumer products. You need to develop a hypothesis on the organic frequency of how often the product will be used.

Questions to ask	Evaluation
<ul style="list-style-type: none">• What is the naturally occurring frequency of the problem that your product is solving? (Define this for each target customer segment you're targeting.)• Is this something that customers will use daily, or is it more likely to be something that's only used once every few years?	<ul style="list-style-type: none">• The organic frequency of people buying cars is not very often; the typical Canadian family buys a car once every 5 years, so they would be unlikely to use the app more often than that.

Result:





Customer Pain

Overview

The focus of this element is to evaluate the **magnitude of your users' pain that your product is solving for.**

Why is this important?

The bigger the pain that your product is solving, the more your customers will want to buy and use your product.

Questions to ask	Evaluation
<ul style="list-style-type: none">Is this product a vitamin or a pain killer?Vitamin = a nice to have, but not an essential need.Painkiller = vital need; something the customers cannot live without.	<ul style="list-style-type: none">Here we have to make a judgment: Are cars optional, or are they a must-have product? For the 50% of the market that chose a used car over public transport, who might be living in the suburbs or rural areas, they're an absolute necessity.

Result:





Unfair Advantage

Overview

The focus of this element is to evaluate **the depth of your domain expertise, experience and/or connections** and how well they serve you in building the product.

Why is this important?

If you have little to no expertise, experience and/or connections, you have no significant advantage over your competitors.

Factors to consider	Evaluation
<ul style="list-style-type: none">• What special expertise or insights do you have?• What's your level of experience in this particular field?• Do you have a strong network of experts who you can access for advice and funding?	<ul style="list-style-type: none">• Before launching Kijiji Autos, Kijiji already had substantial experience in marketplaces and selling online.• They also had a large inventory of cars readily available.

Result:





Reach

Overview

This element evaluates the **strength of your reach** across various distribution channels.

Why is this important?

It doesn't matter how good your product is if no one knows you. Although you could build up reach from scratch, it requires time and effort. You need to factor in this time and effort to get a sense of your overall product growth.

Factors to consider	Evaluation
<ul style="list-style-type: none">Do you already have a large community, with a strong email list and/or following on social media?	<ul style="list-style-type: none">Kijiji is a household name, recognized in Canada, the US, and around the world.

Result:





Replicability

Overview

This element evaluates your **competitor's ability and likelihood of copying your Product's feature set.**

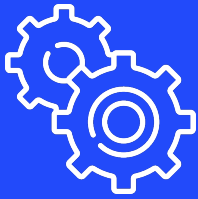
Why is this important?

Anyone of the tech giants has the capability to enter almost any field and replicate almost any feature set they want. However, unless it fits in with their current roadmap, it's unlikely that they will do so. This element asks you to consider the *ability* and *likelihood* that your competitors would/could replicate your feature set.

Factors to consider	Evaluation
<ul style="list-style-type: none">Is it <i>possible</i> that your competitors will copy your feature set?Is it <i>likely</i> that your competitors will copy your feature set?Could you easily achieve further differentiation by releasing new features?	<ul style="list-style-type: none">There are a few other competitors are operating in the same space.Even though Kijiji Autos has a lot of unique features, their most popular features can be copied by a competitor.

Result:





Technical Feasibility

Overview

The focus of this element is to evaluate your **ability to build the product** with available resources.

Why is this important?

An assessment of the technical feasibility is critical to the success of the project. If you don't have what it takes to build the product, it will be a sure failure.

Factors to consider	Evaluation
<ul style="list-style-type: none">• Have you built a product like this before?• Can you build the product with the available time and resources?	<ul style="list-style-type: none">• Kijiji is a tech company with a lot of experience building similar products.

Result:





Go-to-Market (GTM) Viability

Overview

The focus of this element is to evaluate your ability to **market and sell the product**.

Why is this important?

“Build it and they will come” is a misnomer. Go-to-market motions are critical to the success of your product; even more so, if your product is in a space with a lot of competitors.

Factors to consider	Evaluation
<ul style="list-style-type: none">Do you have the capability and infrastructure to market and sell this product?How will you reach your buyers/users?Have you marketed or sold a similar product in the past?	<ul style="list-style-type: none">Kijiji has previously launched apps in different markets, so they have the experience needed to sell in this space.

Result:





Supplier Power

Overview

The focus of this element is to evaluate the amount of **power your suppliers have**.

Why is this important?

This will help you determine your level of reliance on your supplier.

Factors to consider	Evaluation
<ul style="list-style-type: none">• How many suppliers are there?• What is your dependence on the supplier? Are they critical to your value chain? What happens if a supplier fails?• What are the costs involved from switching from one supplier to another?	<ul style="list-style-type: none">• In Kijiji's case, their key suppliers are the people listing their car for sale. As they don't have too many options, their supplier power is low.

Result:





Competitive Rivalry

Overview

The focus of this element is to evaluate the **number and size of your competitors**.

Why is this important?

The more competition you have, the harder it will be for you to acquire customers. If you're in a very competitive market, it's very important for you to have clear differentiation through a focus on market positioning.

Factors to consider	Evaluation
<ul style="list-style-type: none">• How many competitors are in the same space?• What is their market-share concentration of your competitors?	<ul style="list-style-type: none">• Kijiji has very few competitors, as not many have the inventory or supply. Even if someone came along with a fancier app, they would not be able to compete without the inventory.

Result:





Barriers to Entry

Overview

The focus of this element is to evaluate how **easy it is for your competitors to enter the market.**

Why is this important?

Barriers to entry can give you an initial advantage. If the barriers to entry are high, it'll be difficult for competitors to enter your market; therefore, you can launch with a 'more imperfect' product.

Factors to consider	Evaluation
<ul style="list-style-type: none">• How easy or difficult is it for your competitors to enter the market?• Do you have any 'moats of protection' that give you a significant advantage over new competitors, such as: network effects, economies of scale, vertical integration, strong brand loyalty, control over important platforms, deep expertise or patent protection?	<ul style="list-style-type: none">• As with the previous element, even with technical knowledge, it's very difficult for anyone to build an inventory of cars. Therefore, the barrier to entry is high.

Result:





Brand Power

Overview

The focus of this element is to evaluate your level of **brand awareness**.

Why is this important?

In the long-run, investments in brand can give you a significant strategic advantage because it lowers the cost of acquiring new customers (CAC).

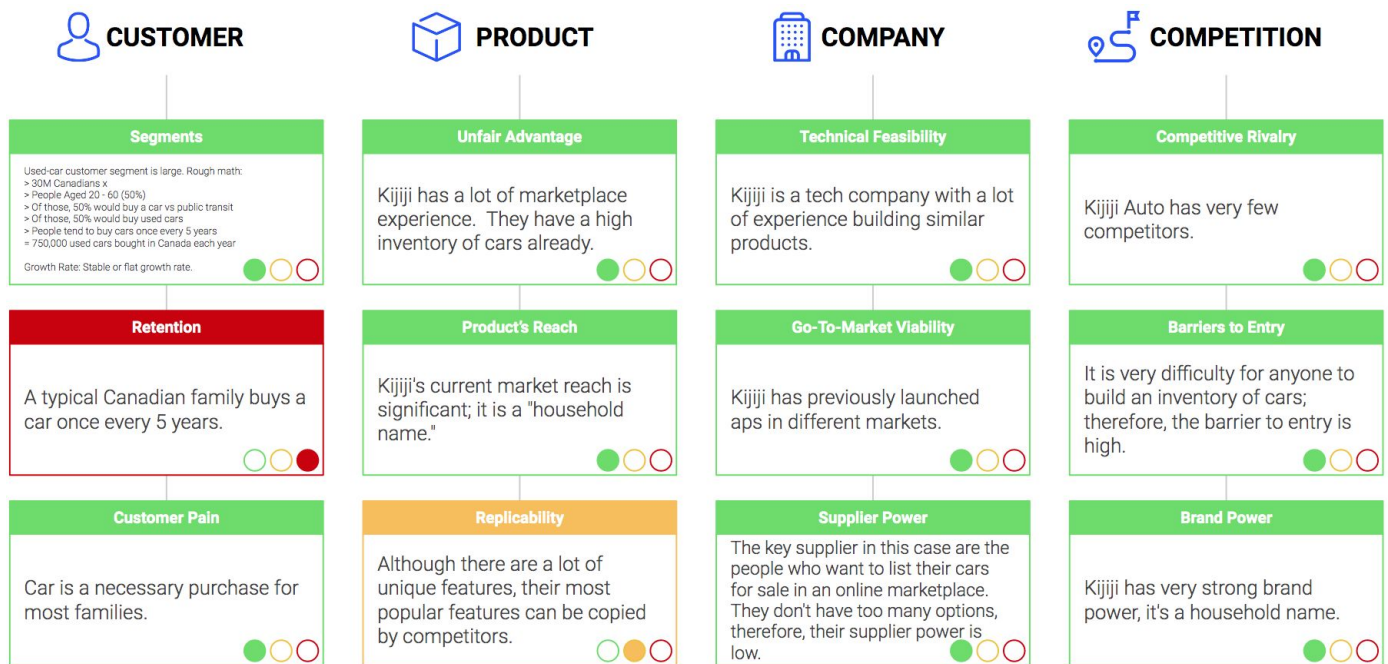
Factors to consider	Evaluation
<ul style="list-style-type: none">• What is your aided and unaided brand awareness?• Is it enough to differentiate you from the competition?	<ul style="list-style-type: none">• As a household name, Kijiji has a good reputation and very strong brand power.

Result:

Overall results of the *Product Strategy Framework* for Kijiji Auto's Product Launch is as follows:



ONE-PAGE PRODUCT STRATEGY FRAMEWORK



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Chapter 8:

Assessing your Results

Once you have your results, you can use the framework as a diagnostic tool, either to assess the markets you're entering or looking back at an existing product and identifying areas for improvement. The model is designed to help you validate your ideas, and give you evidence before putting in the resources necessary to enter a tough new market. Before you assess your results, consider running it by others. It's easy to become too close to our product and become biased, seeing only green lights no matter what. For the model to be useful, you have to be honest with yourself.

If every component on the framework is green, congratulations! You have a viable product.

If everything is red, you seriously need to assess your product and ask how you think you're going to succeed.

Realistically, you'll likely have a mixture of red and green (with the occasional yellow). No startup will ever have all greens, as at the very least they won't have the brand name and power in place yet. That doesn't mean they can't succeed though.

The red sections show you where you need to focus your efforts. Focus on changing the reds to yellows, and the yellows to green.

Bear in mind that not all Pillars of the framework are equally weighted. The Pillar that is most important is the Customer Pillar, followed by the Product Pillar.

Remember, you can build almost anything today, and you can figure out sales motions. However, if there isn't a strong need that you're solving, or you don't have a strong unfair advantage to help you fill that need, then it's time to focus on what you could perhaps do differently.

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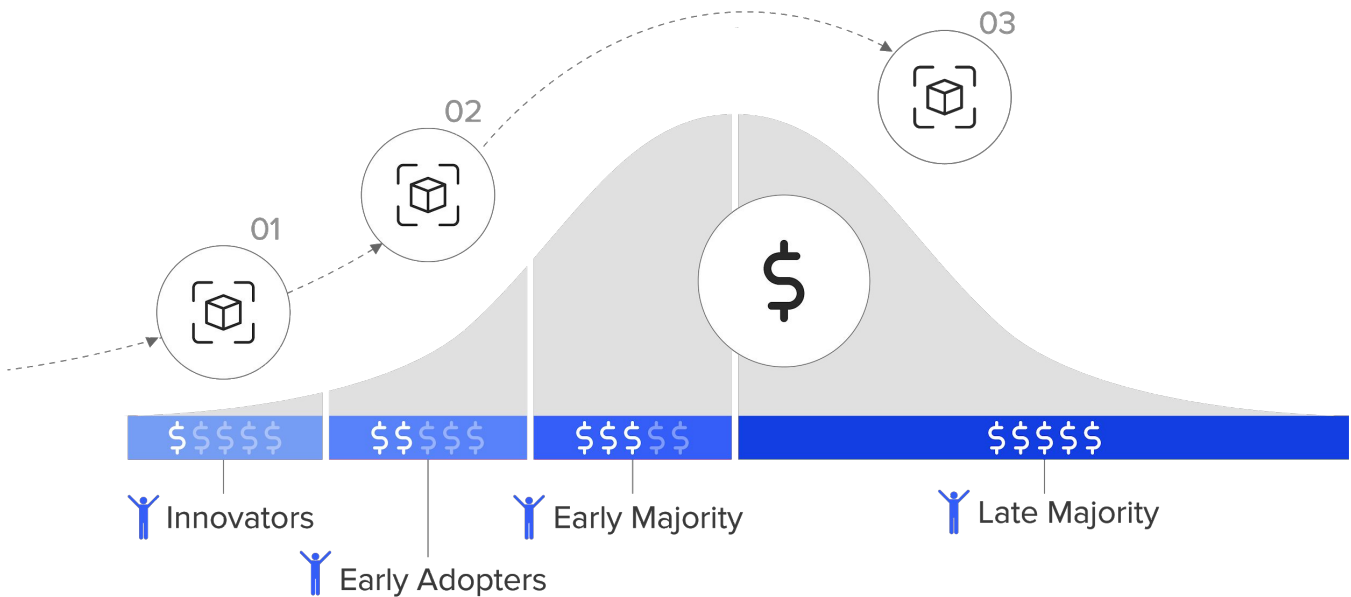
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Chapter 9:

Entering the Market

Once you've used the *Product Strategy Framework* to evaluate your product, you still need to consider how you will launch your product and enter the market.



As you can see from the graph, we can divide consumers into different stages of product adoption.

The only thing Innovators care about is being first. They don't mind taking a risk, and don't particularly care about solving a problem or getting any benefits; these are the consumers that stand in line for days just to be the first ones to get their hands on a product. They were the very first people you know to use TikTok, to buy Google Glasses, and buy a Tesla.

Early Adopters are still willing to put up with a product that isn't fully refined, but they will expect some benefits from the product. They've likely researched the product and are reasonably confident that it has the potential to fill their need.

Next up is the **Early Majority**. They're less concerned with being early to the scene, and instead are looking for a functional product. As a result, they're more likely to buy a product after it has already gained significant momentum.

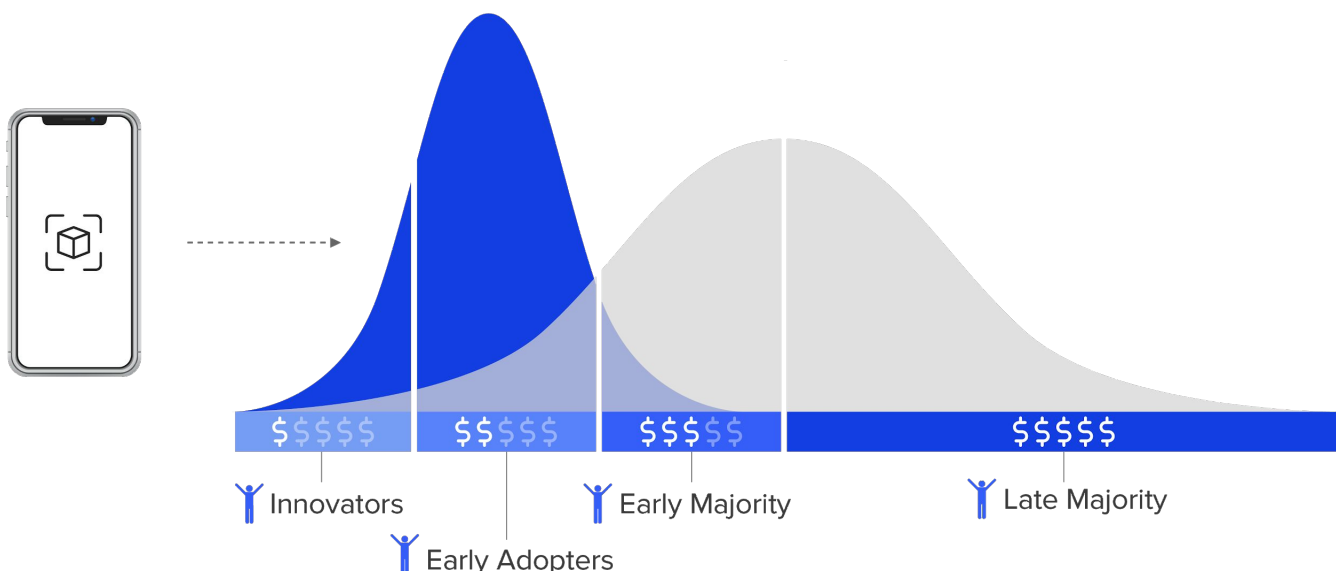
Finally, the **Late Majority** are warier when it comes to new and innovative products. They purchase after the average person has and look for tried and tested products. They're more likely to wait for price drops, and won't tolerate any defects or bugs.

When product managers look at the adoption curve, it might look like it makes more sense to try and skip ahead and focus on the early/late majority. After all, that's where the most money is. However, these are also the toughest crowds to sell to.

The solution is to follow the curve, building first of all for the innovators, then the early adopters. Early adopters are sometimes referred to as "lighthouse customers," acting as a signal to other consumers. Your innovators will carry you forward, and your early adopters will set the path for the majority to follow.

Tesla is a prime example of how this works. The Tesla Roadster was made for the innovators. It cost \$150,000, was delayed a year, had half the mileage of later models, yet it still sold out. This gave them enough leverage to move forward and build their brand. The next version was an improved model, but there were still issues, such as concerns over the reach of the charging network. This didn't stop early adopters from picking it up though. Now they're serving the early/late majority market, providing a top service with a cheaper price tag.

For the tech industry, the curve looks a little different.



The rate of adoption is much faster when your product is an app. Thanks to the minimal distribution cost, anyone can get in the app store — practically overnight — compared to the years it can take to get your physical product into stores.

It isn't all good news though. You can lose your customers just as fast, and yesterday's number one app can be quickly replaced. To succeed, you must keep innovating. That's why companies like Facebook are constantly adding new features and revamping their design.

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Chapter 10:

The Death of the MVP

For many product managers, that'll mean creating a minimum viable product (MVP). Is that still an effective strategy today?

The MVP is a version of a new product with one goal: **To maximize learning from the customer.** The aim is to get maximum feedback from the customer with the least amount of effort. If you can do that without writing a single line of code, so much the better.

That minimum amount of effort — the level of investment required — will depend on the amount of competition your product has, as identified in the *Product Strategy Framework*. If your product serves a very specific niche, without much competition, you can get away with more.

For a long time, one of the most featured apps on the App Store was *Tech Basic*. It was a simple app that allowed you to control Bluetooth devices. The UX was non-existent, but that didn't matter; the competition was also non-existent. In comparison, any finance app released today needs everything to be on point from the very beginning. You wouldn't be able to get away with poor UX or missing functionality, otherwise users will just ignore you.

To get past this competition we need to rethink how we go about creating an MVP.

In the old approach, if the long-term goal for your product was to have ten features, the MVP would then typically have seven features. However, these would normally be features that hadn't been fully developed, that were still buggy or poorly thought out. The idea was to put the minimum version of those features out, to validate them before fully developing them.

Unfortunately, this has led to thousands of apps ending up in the startup graveyard.

The solution is to aim for the minimum viable **experience**. Rather than putting in seven features that barely work, put in three essential features. Make them top quality, with no bugs or other major issues. Three amazing features will resonate with customers a lot more than seven mediocre features.

Apple is a fantastic example of this. As you may remember, the first iPhones didn't have Copy and Paste functionality. This wasn't an oversight though:



It's not that we forgot to put in that feature. We hadn't figured out how to do it well, so we didn't include it at all.

- Jony Ive

former SVP of Design at Apple.

This is the concept of the minimum viable experience, the **MVE**.

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Chapter 11:

Putting it into Practice

To get started with with the *Product Strategy Framework*, **download a copy of the template** using the link below:

[Download Template](#)

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The *Product Strategy Framework* helps product managers ask the right questions and ensure that their product is not only feasible but also viable. By assessing the four key components **(Customer, Product, Company, Competition)**, you can quickly identify any areas that need to be improved.

Once you're happy with your product, set yourself up for success by building for the innovators and early adopters. Done correctly, they'll carry you to the mass market.

Then, by designing for a minimum viable experience, rather than a buggy MVP, your product will resonate more with customers.

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Founder & CEO, Product Faculty

Moharyar (Moe) is the Founder and CEO of Product Faculty, North America's most Advanced Product Management Training institute. Over the last 8 years, Moe has trained and mentored 1,000+ PM's at the world's best companies including Google, Facebook, Amazon and Shopify to name a few.

As a Product Leader, Moe has consulted both B2B and B2C companies including Apple, IBM, Loblaw Digital, McKinsey & Company, among others.

Prior to this, Moe worked at Loblaw Digital, Canada's largest grocery retailer, where he launched and grew sales of the Online Grocery product from \$40M to \$160M (300% growth).

To receive daily product insights, follow Moe at: <https://www.linkedin.com/in/productfaculty>.

About Product Faculty



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