Product Launch

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KPIs

> "The PM is the quarterback of the launch team, which can include marketing, sales, operations, support and legal. The launch team expects the PM to bring leadership and detailed product knowledge."

- Lewis C. Lin

Agenda

1. **Product Launch**
2. **Example Product Launch Question**
3. **Go over homework**

1.

Product Launch

Step-by-Step Guideline

What are Product Launch/KPI Questions?

Quite literally, these are interview questions that revolve around the initial launch of a product/feature.

These questions may range from the interviewer asking **whether** a company should or should not launch a certain feature, to **how** the company should go about launching the product, all the way to how to **measure** and **monitor** the success of the product.

Approaching a Product Launch Question

1. Ask clarifying questions
2. Determine the key goals
3. Develop a launch strategy
    a. **Who** will you target?
    b. **How** will you target the demographic you've identified? **Why** are you choosing this method?
4. Propose an implementation plan

2.

Example Question

Runthrough of Sample Product Launch Question

Sample Product Launch Question

"

If you were a PM at Uber in charge of the new Uber Air, a new aerial ridesharing service, how would you launch and measure the success of the product?

UBER

Clarifying Questions - Starting Off Strong

- *Candidate:* "Okay, so to reiterate the question, we're looking to launch a new ride-share that involves air-related travel?"
- *Candidate:* "Great--immediately, I can imagine a couple of ways this service would look like. Uber would have a couple of options:
  1) They could partner with existing airline companies
  2) They partner with private aircraft owners who used their own aircrafts for ridesharing
  3) They could source their own vehicles which pilots would borrow."

Clarifying Questions - Making It A Conversation

- *Candidate:* "Is there a particular option that you would be more interested in delving into, or would you like me to consider which would be the best option for Uber?"

- *Candidate:* "I don't know of any competitors in this space yet, but I can imagine regulations will be a huge concern. An immediate global launch seems unlikely, can I assume that we would only be launching domestically in the US?"
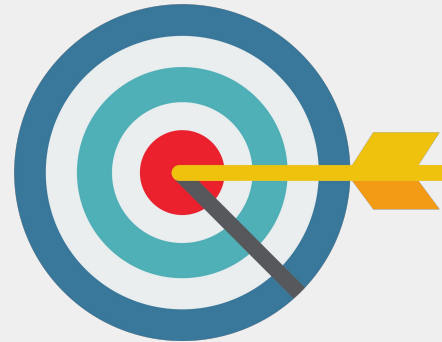
TIP:

Think of your interview as a conversation you might have as an actual PM talking to another PM!

Establish Key Goals

Ask yourself...why are we launching this product?

Do we want to:

- Accelerate customer acquisition? Retention? Visit duration?
- Improve brand awareness?
- Increase profits?
- Optimize for future scaling?
- Be first-to-market?

Establish Key Goals - Analyzing The Options

- *Candidate:* "I just want to take a step back and consider the purpose or goal of launching Uber Air. It makes the most sense for Uber's primary motivation to be wanting to be first-to-market."
    - "The legal and logistical complexity of this service makes it unlikely to be a project solely for increasing revenue."
    - "This seems like an astronomically expensive project, so I can't see this as just for marketing either."
    - "I think the secondary goals could be breaking into a new demographic of users (high-end offering, appealing to frequent fliers), but I think what we really want to do is be first-to-market, capturing users before the market gets saturated."

Developing a Strategy

Who should we target?

- *Candidate:* Is there a specific demographic we should start with?
  - e.g. an Instagram shopping experience → start w/ fashion followers

Some options:

- A/B testing
- Staged rollout
- Geographic rollout

Finding Target Users

- Identify exactly who your customers are
  - Create a character profile
  - Identify market segments
- Bigger the pain point, the bigger the value proposition
  - Understanding the customer's perspective
- Once you find target users, find potential market
  - Address alternatives/competitors in market

Developing a Strategy

- *Candidate:* "Like I mentioned, I think targeting frequent fliers or high-spend regular Uber users would make the most sense."
  - "We can extract the users who frequently take Ubers to/from airports, or users who frequently purchase luxury ride options."
- *Candidate:* "By isolating this demographic, we can conduct a slow roll-out so that we don't run into any pain points from scaling too fast (eg. don't want more demand than you can supply, or else we might have users with infinite wait times)."

Marketing Channels: How does the company reach each persona?

- ***Note: Only go ahead with marketing if everything in pre-launch goes smoothly***
- Tie the marketing message to the product features and differentiate the product from your competitors
- Examples to spread the word:
  - Social media campaigns, PR campaigns, brand awareness
  - Partner with local services (TV channels, streaming services, stores) to create excitement about your product
- Advertise product to target demographic
  - Highlight use cases

Pre-Launch:

Assessing Resources, Mitigating Risk, and Defining KPIs

Assess Resources

- *Candidate:* What does the engineering effort or business resource requirement look like?

- *Candidate:* Can we reduce the cost of launch with a partnership (outsourcing or sharing internal resources)?

- *Candidate:* Is there anything outside the scope of the company's current efforts and abilities?

Assess Resources

- *Candidate:* "For the user-facing portion, we could either create an entirely separate app like Uber Eats, or add a new option in the Uber app itself."
  - "It would be much simpler to add an Uber Air option to the existing Uber app. Unlike Uber Eats, Uber Air is travel-related and would make sense to be in the same app. Plus, this eliminates having to acquire app users from scratch."

Assess Resources

- *Candidate:* "I mentioned some of the options earlier, but we need to make a decision on how Uber Air will operate logistically."
  - "Partnering with existing airlines seems like the budget option, but I can imagine that Uber Air would then essentially be like another Priceline.com, which wouldn't be the revolutionary ride-sharing that suits Uber Air's first-to-market goal."
  - "Managing our own fleet seems extremely difficult logistically. In addition, it would require huge upfront costs for the vehicles and increase variable costs due to maintenance."
  - "The realistic option seems to be partnering with private aircraft owners, mirroring the model Uber has for its ground transportation options."

Mitigate Risk

How can we predict success or failure before we even start?

- Customer Surveys
- Pre-orders
- Marketing Response
- SEO/SEM Trends
- Product Beta Testing

Define KPIs

How do we measure the success of the product?

- *What will product interaction look like?*
    - Direct-to-Consumer, B2B, P2P
    - TIP: try walking through these user flows
- *What are appropriate metrics/KPIs to track?*
    - Ex. churn rate, retention rate, click-through-rate (CTR), cost-per-click (CPC), customer acquisition cost (CAC), conversion rate, time per visit

Post-Launch:

Assessing Resources, Mitigating Risk, Defining KPIs, and Monitoring the Product

Post-Launch

- Post-Launch follows the same format as Pre-Launch
- The only difference between the two is that with Post-Launch, it is necessary to continuously monitor the progress of the product to ensure that it is still satisfying customer needs

Success Metrics

- Ways to measure the success of a your product
  - Get User Feedback
    - Ex: customer satisfaction surveys, customer reviews posted online
  - Track KPIs
    - Ex: Measure number of units sold, DAU (daily active users), user retention rate
  - Revenue (if this was your main goal; if not, this is secondary)

Success Metrics Example

Category	Metrics related to..	Example
Acquisition	Signing up	# of app downloads, cost per install
Activation	Completing sign-up or onboarding process	# of people who complete the signup process
Retention	Engaging with the product and reducing churn	DAU (daily active users), # of posts per user, time in-app, star rating, percentage of users who rate the app, interval between logins
Monetization	Generating revenue	Lifetime value (LTV), average revenue per user (ARPU), percentage of users who are paid users

Homework:

1. **Group project!** **You will be placed in a group of 5, and given a product to launch _(not designing the product)_:**
   a. **Establish key goals of product**
   b. **Find target audience and core user needs**
   c. **Describe launch strategy**
   d. **Define pre-launch plan**
   e. **Explain post-launch plan**
2. **Duration: Minimum of 6 minutes and Maximum of 8 minutes**

Product Launch Presentation:

1. **Establish key goals of product**
   a. **Acquisition, activation, retention, monetization? Why?**
   b. **Describe product, clarify the product goal itself, discuss current market/possible competitors, any legal concerns**
2. **Find target audience and core user needs**
   a. **User persona(s) and use cases or pain points**
3. **Describe launch strategy**
   a. **Channels of distribution, pace & location of launch, which features you'd market, and why?**
4. **Define pre-launch plan**
   a. **Resources, identifying risks & mitigation, and KPIs (explain why)**
5. **Explain post-launch plan**
   a. **4-5 success metrics in relation to key goals (explain why)**