# IPE Strategic Playbook

Internal Leadership Guide · Next 12-18 Months

## Vision & Market

**STRATEGIC NORTH STAR**

### Knapsack becomes the Intelligent Product Engine enterprises trust to execute product change—safely, governably, and at scale—in the AI era.

| Product intent | Systems | AI context | Delivery |
|---|---|---|---|
| Executable, not descriptive | Evolve as one | Trusted & structured | Faster via governance |

### Market Definition

Knapsack competes in **Product Intelligence Infrastructure**:

- Product system infrastructure (design + code systems of record)
- Orchestration (governance + change propagation)
- Product intelligence (structured knowledge + signals)
- AI product enablement (safe, contextual execution)

### TAM by Capability Layer

| | |
|---|---|
| **L1** Product System Infrastructure | **$5–8B** |
| **L2** Product Orchestration | **$12–18B** |
| **L3** Product Intelligence | **$30–40B** |
| **L4** AI Product Enablement | **$15–25B** |
| **Total TAM** | **$62–91B** |
| AI-expanded TAM | **$75–110B** |

### The Problem We Solve

Modern enterprises don't fail because they lack tools. They fail because product knowledge is fragmented, implicit, and non-operational:

| Design intent lives in files | Engineering reality lives in code | Decisions live in meetings | AI operates without structure |
|---|---|---|---|

# Maturity Model

## Product System Maturity Model

Five levels define where customers are and where they need to go.

| | | |
|---|---|---|
| **1** | **UI Artifacts** <br> Static mockups, no system connection | |
| **2** | **Design Library** <br> Organized components, limited code integration | |
| **3** | **Integrated Product System** <br> Design-to-code connection, basic governance | SAM |
| **4** | **Scaled Product System** <br> Control plane operating, cross-system governance | SAM |
| **5** | **IPE-Activated System** <br> Control plane operated + governed, full intelligence layer | SAM |

## Critical Clarification

### "Implemented" does not equal "Activated"

Many customers are technically implemented but still operating at **Quadrant G** (strong system, low intelligence) until signals, governance cadence, and MCP execution are in place. This gap is the primary driver of churn.

## Readiness Quadrants (IPE-aligned)

**PIPELINE DEVELOPMENT (LOW INTEREST)**

- A   Low context, low AI → long nurture
- B   Low context, high AI → educate on structure
- C   High context, low interest → exit/monitor
- D   High context, latent interest → timing play

**ACTIVE PIPELINE (HIGH INTEREST)**

- E   Interest without structure → docs + heavy services
- F   AI ambition without context → docs + light services
- G   Strong system, low intelligence → IPE Enablement
- H   IPE-ready → IPE Activation

# Assessment Framework

## Required Scoring (No Exceptions)

| Product System Maturity | AI & Automation Capability | Interest State |
|---|---|---|
| 1-5 | Low/Med/High | Low/Latent/High |

## Account State Flags (Required in CRM)

| 1. Implemented? | Y/N | Platform technically deployed |
|---|---|---|
| 2. Trust Status | G/Y/R | Red = data loss / severe performance / support failure |
| 3. Activation Depth | Docs → CP → MCP → AI | How deeply they use the platform |
| 4. MCP/IPE Interest | Y/N | Expressed interest in AI capabilities |
| 5. Strategic Fit | Y/N | True ICP match |

## Routing Rule (Non-negotiable)

If `Strategic Fit = TRUE` and `Implemented = NO`, the account is **Journey 3 by default** until activation is complete.

This prevents the most common sequencing mistake: selling platform expansion before activation is real.

# How to Use This Framework

## From Assessment to Journey: A Step-by-Step Process

Follow these five steps to correctly identify which journey an account belongs to and where they should enter.

| | |
|---|---|
| **Step 1** | **Score the Account**<br>Rate the account on all three dimensions: Product System Maturity (1-5), AI & Automation Capability (Low/Med/High), and Interest State (Low/Latent/High) |
| **Step 2** | **Plot the Quadrant**<br>Use the scores to identify the account's current quadrant (A-H). Context depth (Maturity + AI capability) forms one axis; Interest State forms the other. |
| **Step 3** | **Check Account State Flags**<br>Confirm all five CRM flags: Implemented (Y/N), Trust Status (G/Y/R), Activation Depth, MCP/IPE Interest (Y/N), Strategic Fit (Y/N) |
| **Step 4** | **Apply the Routing Rule**<br>If Strategic Fit = YES and Implemented = NO → Journey 3 (no exceptions). This rule overrides quadrant-based assignment. |
| **Step 5** | **Confirm Journey & Entry Phase**<br>Match the journey to the appropriate entry phase based on current maturity level and activation depth. |

# Journey Selection Decision Tree

Use this logic flow to determine the correct journey assignment.

**START: Is Strategic Fit = YES?**

> **YES → Is Implemented = NO?**
>
> > **YES → JOURNEY 3** (Services Transformation)
> >
> > Account needs activation before any platform expansion. Enter at Phase 1.
> >
> > **NO (Implemented = YES) → Check for Triggers**
> >
> > Is there an active trigger (exec change, reorg, tech consolidation, budget cycle)?
> >
> > **YES → JOURNEY 4** (Timing Play)
> >
> > **NO →** Is Maturity Level 4+ with high MCP interest and sudden need?
> >
> > > **YES → JOURNEY 2** (Independent Maturation)
> > >
> > > **NO →** Monitor, maintain relationship, watch for triggers

**NO (Strategic Fit = NO) → JOURNEY 1** (Progressive Maturation)

Maintain relationship without platform pressure. Do not overinvest.

# Quadrant-to-Journey Mapping

Starting quadrant suggests likely journey, but the routing rule and account flags determine final assignment.

| Quadrant | Profile | Likely Journey | Rationale |
|---|---|---|---|
| A | Low context, Low AI interest | **J1** Progressive Maturation | Long nurture cycle; not ready for platform investment |
| B | Low context, High AI interest | **J1 → J3** | Educate on structure first; may accelerate to J3 if ICP |
| C | High context, Low interest | **J1** or Exit | Monitor only; exit if no path to activation |
| D | High context, Latent interest | **J2** or **J4** | Trigger-dependent; ready for fast activation when timing aligns |
| E | Interest without structure | **J3** (if ICP) | Heavy services needed; documentation + implementation focus |
| F | AI ambition without context | **J3** (if ICP) | Light services + docs; build foundation before AI enablement |
| G | Strong system, Low intelligence | **J3** (if ICP) | IPE enablement path; control plane → signals → MCP |
| H | IPE-ready | **J2** or **J4** | Fast activation; expansion-ready |

**Remember:** The routing rule overrides quadrant logic. If Strategic Fit = YES and Implemented = NO, the account is Journey 3 regardless of quadrant.

# Worked Examples

Three examples showing how assessment inputs determine journey assignment.

## Example 1: PNC

**ASSESSMENT SCORES**

Product System Maturity: **Level 3**
AI & Automation Capability: **Medium**
Interest State: **High**

**ACCOUNT STATE FLAGS**

Implemented: **NO**
Trust Status: **Yellow** (frustration)
Strategic Fit: **YES**

**Quadrant:** E (Interest without structure)

**Routing Rule Check:** Strategic Fit = YES + Implemented = NO

**Result: JOURNEY 3** — Enter at Phase 1 (Stabilize & Complete). Focus on trust repair and basic activation before any platform expansion discussion.

## Example 2: Adobe

**ASSESSMENT SCORES**

Product System Maturity: **Level 4**
AI & Automation Capability: **High**
Interest State: **High** (sudden trigger)

**ACCOUNT STATE FLAGS**

Implemented: **YES**
Trust Status: **Green**
Strategic Fit: **YES**

**Quadrant:** H (IPE-ready)

**Routing Rule Check:** Strategic Fit = YES but Implemented = YES, so rule does not apply

**Trigger Check:** Enterprise rollout pattern identified (active trigger)

**Result: JOURNEY 2** — Mature org with sudden trigger requiring fast activation. Treat as reference implementation. Platform expansion is appropriate.

## Example 3: The Home Depot

**ASSESSMENT SCORES**

Product System Maturity: **Level 4**
AI & Automation Capability: **Medium**
Interest State: **Latent**

**ACCOUNT STATE FLAGS**

Implemented: **YES** (embedded but underutilized)
Trust Status: **Green**
Strategic Fit: **YES**

**Quadrant:** D (High context, Latent interest)

**Routing Rule Check:** Strategic Fit = YES but Implemented = YES, so rule does not apply

**Trigger Check:** Org consolidation trigger identified

**Result: JOURNEY 4** — Timing play. Do not drag into long services. Prepare executive activation package and move quickly when trigger fires. Platform expansion is appropriate once trigger activates.

# Customer Journeys

## Portfolio Bet Summary (Leadership View)

| Journey 3 holds the majority of ARR and the majority of meaningful churn risk | Services capacity is the growth bottleneck (not top-of-funnel) |

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**J1** **Progressive Maturation** A → B → F → H ~10% ARR low risk

True non-ICP or low readiness — don't overinvest

**Objective:** Maintain relationship and credibility while they mature. No platform pressure.

**Accounts:** Associated Press   Bright Horizons   MSK   Accutech

**Service:** Product System Readiness Assessment (Validation Workshop, Vision Definition, Stakeholder Interviews)

> ✕ **Expansion blocked:** Platform expansion is not the play. If they cannot secure engineering/platform ownership, they cannot operate IPE.

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**J2** **Independent Maturation** A → D → H ~5% ARR low risk

Mature orgs; sudden trigger; fast activation required

**Objective:** Instant IPE activation when timing flips. Avoid re-education.

**Accounts:** Adobe (reference implementation + enterprise rollout pattern)

**Service:** IPE Activation Sprint (Advanced Implementation, Security assessment, Architecture validation, Integration setup, Enablement)

> ✓ **Expansion allowed:** Immediate platform sale allowed. Sell the control plane and expansion roadmap.

**J3** **Services Transformation** `PRIMARY FOCUS` `E → F/G → H` `~60% ARR` `high risk`

High-value ICP accounts blocked on activation + trust

**Objective:** Activate IPE in the correct order: stability + trust → governance/control plane → execution enablement → signals → expansion

**Accounts:** PNC   Edward Jones   DoubleVerify   Qualcomm   GSK US   HealthEdge   Columbia Sportswear   Southern California Edison   CVS Health   Alaska Airlines   Allegion

**Service:** IPE Context & Control Foundation + Execution Enablement (Validation Workshop, Vision Definition, Workflow Definition, Token Strategy, Component Architecture, Forward-Deployed Engineering)

✕ **Expansion blocked:** Platform expansion only after pilot proof. No expansion until activation complete.

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**J4** **Timing Play** `D → H` `~25% ARR` `medium risk`

Mature systems; latent interest; needs trigger + crisp activation

**Objective:** Executive activation package when opportunity appears. Do not drag into long services.

**Accounts:** The Home Depot   CSX   GSK Global   Crown Equipment   Shutterfly   BILL

**Service:** IPE Executive Activation (Executive alignment, Targeted implementation, MCP roadmap, Expansion plan)

✓ **Expansion allowed:** J4 should not be dragged into long services until a trigger exists.

# Engagement Phases (Journey 3 Model)

> **PNC Partnership Example**
>
> This engagement structure has been **tailored for PNC** to illustrate how the IPE maturity model and assessment framework adapt to specific customer contexts. The phases, workstreams, and exit criteria shown here demonstrate the flexibility of our approach—each enterprise partnership is customized based on their current state, strategic priorities, and activation goals.

## 1  Stabilize & Complete  Level 3 → Operational  MCP locked

**Goal:** Make the platform reliably usable for real teams, without heroics.

**WORKSTREAMS**
- Workspace Go-Live
- Entitlement setup + Site Switcher roles
- Repo / Figma access dependencies
- Proxy traffic testing + prod push
- Deployment checklists + CRs

**EXIT CRITERIA**
- ✓ Teams can publish + update without Knapsack intervention
- ✓ Workspace 2 live or date-certain
- ✓ Entitlements + access no longer blocking work

**DELIVERABLES**
- Workspace Go-Live Checklists
- RACI for Workspace 2+
- Deployment Definition of Done

## 2  Control Plane & Governance  Level 3 → Level 4  MCP locked

**Goal:** Turn "systems" into a system of record with decision authority.

**WORKSTREAMS**
- Token Strategy POV (multi-brand)
- Ledger + LPB governance representation
- System-of-Systems architecture
- Governance model definition
- System Charter (North Star)
- PI prioritization rubric

**EXIT CRITERIA**
- ✓ Token strategy approved and enforced
- ✓ Governance model active beyond Ledger
- ✓ Clear rules for cross-system interaction

**DELIVERABLES**
- Control Plane Definition
- Token ownership + decision rights
- Cross-system governance operating model

## 3  Execution Enablement Level 4 Operational `MCP prep begins`

**Goal:** Prove that governed intent can safely become production change.

**WORKSTREAMS**
- Integrated token strategy epics
- Component modularization
- Angular 18 + 20 planning
- Testing architecture
- Code Connect mapping
- Migration + tech docs epics

**EXIT CRITERIA**
- ✓ One meaningful change ships end-to-end via Knapsack
- ✓ Upgrade path validated without regressions
- ✓ Teams trust the system to enforce standards

**DELIVERABLES**
`Governed pipelines` `Safe propagation` `Quality gates` `Predictable upgrades`

## 4  Signals & Intelligence Level 4 → Level 5 `MCP pilot ready`

**Goal:** Introduce intelligence only after trust exists.

**WORKSTREAMS**
- Maturity & AI Readiness Assessment
- Signal capture + dashboards
- Change readiness surveys
- MCP onboarding (scoped)
- FDE assignment confirmation

**EXIT CRITERIA**
- ✓ Signals prove faster, safer change
- ✓ MCP adds value without introducing risk
- ✓ Execs can articulate ROI + next bets

**DELIVERABLES**
`Signal dashboards` `MCP pilot (1-2 use cases)` `ROI framework`

# Operating Guidance

## Where to Place Bets

| | |
|---|---|
| **J3** | **Portfolio's growth and retention engine** |
| J4 | Fastest expansion engine when triggers appear |
| J1 | Must be protected from premature platform selling |
| J2 | Rare but high-impact; treat as lighthouse wins |

## ✕ What to STOP Doing

- ✕ Treating MCP Support as a substitute for activation
- ✕ Treating "implemented" as "successful"
- ✕ Running long implementations without ownership, milestones, or FDE
- ✕ Over-serving non-ICP accounts

## ✓ What to START Doing

- ✓ Gate all work by maturity phase
- ✓ Require Account State Flags in CRM
- ✓ Apply the routing rule without exception
- ✓ Invest services capacity in Journey 3
- ✓ Treat J4 triggers as expansion opps

## Operating Cadence (Quarterly)

**Pipeline + ARR reviewed by:**

Journey + Activation Depth

(not just pipeline stage)

**Journey 3 accounts reviewed by:**

- Time to implementation completion
- Trust status
- Time to first production value
- Signal instrumentation adoption

# Metrics That Matter

## Activation Metrics

- Implemented rate (Y/N) by ICP segment
- Trust status distribution (G/Y/R)
- Activation depth distribution
- Time-to-first-production value

## Product Intelligence

- % decisions via MCP workflows
- Time: intent → governed execution
- AI output acceptance rate
- Signal reuse across teams

## Business Metrics

- ARR concentration by journey
- ARR at risk by journey
- J3 conversion velocity (E/F/G → H)
- Services → platform conversion
- Expansion ARR via L3/L4

## Final Word

Knapsack's opportunity is not to be the best design system platform. It is to become the **governed engine enterprises trust to execute product change in the AI era**.

The biggest wins are not "more pipeline." They are better sequencing, stronger activation, and durable trust — especially in Journey 3.