Product Protégé Product Strategy Cheat Sheet

Digital Product Management

PRODUCT STRATEGY OVERVIEW

Product strategy defines the direction of your product, guiding development, design, and marketing efforts to achieve business goals and add value for your customers.

- Must understand customer needs to keep your strategy focused on solving their problems.
- Must analyze the competitive landscape to create a unique value proposition.
- Must Use your product strategy to filter ideas and maintain focus on your vision.

TIPS WHEN CRAFTING STRATEGY

- Collaborate with Teams: Engage stakeholders early and communicate often. Get alignment
- Focus on Outcomes: Craft a strategy that can be proven successful with qualitative and quantitative data.
- Data-Driven: Use data in every story you tell about your product. Have a baseline of where you are pre-strategy and post-strategy implementation
- User-Centric Approach: Prioritize user feedback and insights. Ensure the strategy solves real customer problems.
- Iterate and Adapt: Regularly review and refine your strategy based on feedback and changing market conditions. Stay flexible.

STEPS TO BUILD A STRONG PRODUCT STRATEGY

- Define Vision and Objectives
- Understand Your Customer

Tip Conduct user research to identify needs and pain points. Also, use frameworks like "Jobs to Be Done" to uncover user motive

Analyze the Market and Competitors

Highlight guiding values

Example Customer satisfaction, innovation, and user centricity drive everything we do.

Develop Your Value Proposition

Question What makes your product unique and valuable? Does it address customer needs better than competitors?

Remember:

- Metric: Combined measurements, an element of time, a ratio or rate.
- KPI: Key indicator for success
- Measurement: something that happened that we care about and track.
- Establish key performance indicators (KPIs) to measure success.

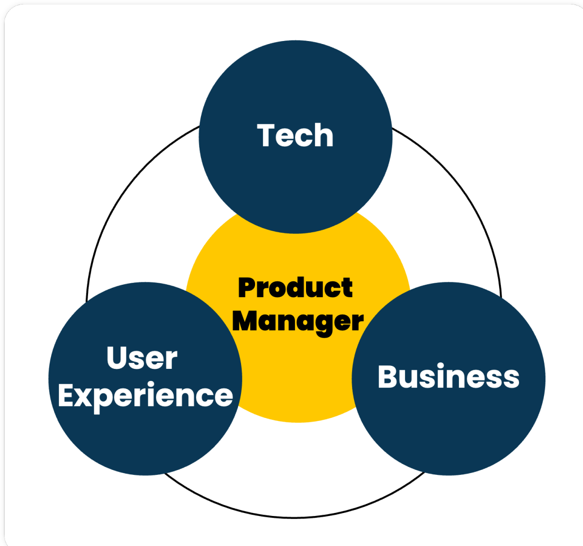
Strategy should be actionable, focused, and adaptable, providing the guardrails for your roadmap and product

Product Manager - Strategy Cheat Sheet and Companion Guide

Part 2 - Strategy

Welcome to your free handbook on Product Management! This guide is designed to give you a solid foundation in the key areas of vision, strategy, and roadmap creation. **In Part 2; we are focused on strategy and strategic thinking. This builds upon our Part 1 Cheat Sheet focused on Vision (should be in your inbox. If not - www.productprotege.com) We'll send you the Cheat Sheets and eBooks for Roadmap a bit later.** Whether you're just starting out or looking to improve your skills, you'll find valuable insights here. For more detailed guidance, check out the Product Protégé Guide at www.productprotege.com.

Quick Recap!



What Does a Product Manager Do?

Quick Recap! A product manager's job is to solve problems for their company's customers in a way that is easy for the customer to understand and engage with while also driving positive business results for their company. I cover all the key themes and principles of product management in the Product Protégé Guide as well as in my newsletter the Protégé Pulse, which you can look at and subscribe for free. It's a great refresher or great place to start for those that are new to product management. We covered Part 1 - Product Vision and this continues to build on that content!

1. Developing a Robust Product Strategy

What is a Product Strategy?

A product strategy is a detailed plan that outlines how you will achieve your product vision. It encompasses your goals, the features you intend to build, and the roadmap to reach those objectives.

A solid strategy is crucial as it guides the development of your roadmap. Every new idea or proposed roadmap item must align with the strategy. For instance, if you consider building a mobile app, you need to ask yourself the following questions:

- Does this idea help us achieve our goals and objectives?
- Does it rank highly when prioritized against other tasks?
- Does it enhance our chances of meeting success factors?
- Does it contribute positively to our key metrics and KPIs?
- Are all stakeholders in agreement with this approach?

When people say they are strategic, they mean they ensure all ideas fit within the pillars of their strategy. This approach ensures that every initiative supports the broader goals, maintains alignment with key success factors, and has a clear pathway to measurable outcomes. By ensuring each idea meets these criteria, you can maintain a strategic focus and increase the likelihood of your product's success.

Key Elements of a Product Strategy

1. **Goals and Objectives**: What are you trying to achieve?
    1. **Definition**: Goals and objectives define what you aim to achieve with your product. Goals are broad primary outcomes, while objectives are specific, measurable actions that will help you achieve those goals.
    2. **Example**:
        1. **Goal**: Increase market share in the smart home industry.
        2. **Objective**: Achieve a 20% increase in user adoption by the end of the year through targeted marketing campaigns and product improvements.
2. **Success Factors**: What will make your product successful?
    1. **Definition**: Success factors are the critical elements that will contribute to your product's success. These can include product features, market conditions, customer satisfaction, and more.
    2. **Example**:
        1. **Success Factor**: User-friendly design.
        2. **Why it's critical**: A seamless user experience will encourage more users to adopt and continue using the product, leading to higher customer satisfaction and retention.
3. **Prioritization Framework**: How will you prioritize features and improvements?
    1. **Definition**: A prioritization framework is a method used to decide the order in which features and improvements should be

developed and implemented. This helps ensure that the most important and impactful tasks are addressed first.

2. **Example**: **Prioritization Framework**: RICE (Reach, Impact, Confidence, Effort)
    1. **Reach**: How many users will this impact?
    2. **Impact**: How much will this impact our product?
    3. **Confidence**: How confident are we in the impact and reach estimates?
    4. **Effort**: How much time and resources will this take?

4. **Key Metrics and KPIs**: What metrics will you track to measure success?
    1. **Definition**: Key metrics and Key Performance Indicators (KPIs) are quantifiable measures used to track the success of your product. They help you understand if you are meeting your goals and where you need to improve.
    2. **Example**:
        1. **Metric**: Daily Active Users (DAU)
        2. **KPI**: Increase DAU by 15% over the next quarter.
5. **Stakeholder Engagement**: How will you keep everyone aligned and informed?
    1. **Definition**: Stakeholder engagement involves keeping all relevant parties informed, aligned, and involved in the product development process. This ensures that everyone is working towards the same goals and that the product meets the needs of all stakeholders.
    2. **Example**: **Stakeholder Engagement Plan**:
        1. **Monthly Updates**: Send out detailed progress reports to all stakeholders.

2. **Quarterly Meetings**: Hold in-depth strategy sessions with key stakeholders to discuss progress, challenges, and adjustments to the strategy.
3. **Feedback Loops**: Regularly collect and act on feedback from both internal stakeholders and end-users to ensure continuous alignment and improvement.

Example

Four Strategic Tenets for the Smart Home Security System

1. Innovation in Technology

Definition: Continuously integrate cutting-edge technologies to enhance the functionality, reliability, and user experience of the smart home security system.

- **Why it's important**: Staying ahead with the latest technology ensures that the product remains competitive, meets evolving customer expectations, and addresses emerging security threats effectively.
- **You Should Notice**: As a beginner, pay attention to how new technologies can differentiate your product from competitors. Innovation doesn't just mean new features; it also includes improving existing functionalities and leveraging advancements like AI, IoT, and machine learning to enhance security and usability.

2. Customer-Centric Design

Definition: Design and develop the product with a deep understanding of customer needs, pain points, and preferences to deliver a user-friendly and effective security solution.

- **Why it's important**: A customer-centric approach ensures that the product is intuitive, meets real user needs, and results in higher customer satisfaction and loyalty.
- **You Should Notice**: Focus on empathy and active listening. Engage directly with users through interviews, surveys, and usability tests to gather insights. Remember, a product that solves real problems in a simple and elegant way will always stand out in the market.

3. Scalable and Sustainable Growth

Definition: Focus on building a product and business model that can grow efficiently and sustainably over time, including expanding into new markets and continuously improving the product.

- **Why it's important**: Scalability ensures that the product can handle increasing user demand without compromising performance, while sustainability ensures long-term business viability and environmental responsibility.
- **You Should Notice**: Scalability isn't just about technology; it's also about processes and business models. Consider how your product can adapt to increased usage and new markets without a significant increase in costs. Look at examples of how other companies have successfully scaled their operations and infrastructure.

4. Exceptional Customer Support

Definition: Provide top-tier customer support to assist users promptly and effectively, ensuring they get the most out of their product and maintain high satisfaction levels.

- **Why it's important**: Exceptional support builds trust and loyalty, reduces churn, and turns customers into advocates, which is crucial for maintaining a positive brand reputation and driving long-term success.

- **You Should Notice**: Customer support isn't just about solving problems; it's about creating positive experiences. Look for ways to proactively address potential issues, provide helpful resources, and gather feedback to continually improve. Exceptional customer support can differentiate your product in a crowded market and build a loyal customer base.

By focusing on these strategic tenets, you can ensure that your product not only meets current market demands but also positions itself for future growth and success. As you learn and apply these principles, you'll develop a deeper understanding of how to create and manage products that truly resonate with customers and stand the test of time.

Activity: Strategy Map
Create a visual strategy map that outlines your product's key goals, initiatives, and metrics. Use a large poster or whiteboard and draw connections between elements.

Element	Details
Key Goals	Increase user engagement, reduce churn, expand market reach
Initiatives	Launch mobile responsive site, improve onboarding experience, implement referral program
Metrics	Daily active users (DAU), churn rate, customer acquisition cost (CAC)

Example Strategy Map:

- **Key Goal**: Increase user engagement
  - **Initiative**: Launch mobile responsive website
  - **Metric**: Daily active users (DAU)
- **Key Goal**: Reduce churn

- **Initiative**: Improve onboarding experience
- **Metric**: Churn rate

- **Key Goal**: Expand market reach
    - **Initiative**: Implement referral program
    - **Metric**: Customer acquisition cost (CAC)

Reflection: Use the strategy map to communicate your plan to stakeholders and ensure alignment.

2. Top Product Managers rely on these tips

1. Keep learning your customer, your business, your process

User and Customer Knowledge: Be the go-to expert on your target users/customers. Understand their needs, behaviors, and pain points.

Data Knowledge: Develop proficiency with data tools and become an expert on how your product is used. Understand how data is tagged, manipulated, and reported. Familiarize yourself with the current data capabilities and identify any gaps. Plan to gather the necessary data to fill those gaps, ensuring you have comprehensive insights into your product's performance.

Industry and Domain Knowledge: Stay updated on industry trends and competitive landscape. In Product Protégé Guide we talk about utilizing Harvey Ball analysis technique to complete a comprehensive competitive analysis.

Business and Company Knowledge: Understand your company's business dimensions including marketing, sales, finance, services, legal, and privacy. The better you understand it the more you can become a resource for others to ask questions about company wide details. Guess what?! Another opportunity to tell a compelling and data complete story!

2. Develop Strong Process Skills

Product Discovery Techniques: Address product risks upfront, solve problems collaboratively, and focus on outcomes using both qualitative and quantitative methods. Our risks examples download is really valuable for new product managers starting out!

Product Optimization Techniques: Utilize optimization techniques to rapidly improve and refine your product once it's live. Understand how your company process and which teams need to be involved to start and complete a an AB test.

3. Enhance People Skills

Team Collaboration Skills: Foster a collaborative relationship with developers and designers, involving them early and leveraging their skills effectively. Coworkers are not family but they are a team, and to get the best out of teammates and to be the best teammates, high levels of communication are critical.

Stakeholder Management Skills: Building strong partnerships with your cross-functional team can lead to incredible morale and business results. Understanding and aligning on the broader vision, communicating effectively, and celebrating wins together are key steps toward success . Leading with empathy is important!

Evangelism Skills: Share the product's vision and strategy effectively, inspiring and motivating your team and stakeholders. Repeat it often! Use it as a way to filter ideas!

Leadership Skills: Influence and inspire others, communicate effectively, and provide leadership, especially in stressful situations.

4. Embrace the "Trade-Off" Mentality

Recognize that product management involves strategic compromises. Focus on managing trade-offs rather than striving for win-win situations in every decision.

5. Implement Retrospectives and Feedback Loops

Regularly schedule retrospectives to reflect on what went well, what didn't, and how the team can improve. Emphasize the value of thoughtful, constructive feedback.

6. Enhance Public Speaking and Storytelling Skills

Develop your ability to tell compelling stories and communicate your vision effectively. These skills are crucial for rallying your team and stakeholders around shared goals. Take every opportunity at your company and at meet ups or technology gatherings to get on stage. The more you practice (even in the mirror!) the better you will get. Get your reps in!

7. Leverage Frameworks and Methodologies

Use frameworks like the Product Protégé E3 Framework to provide structure to your product management approach. Adapt and evolve these frameworks to fit the specific needs of your team and organization.

Additional Resources and Next Steps

For more in-depth guidance, check out the Product Protégé Learning Options at www.productprotege.com. Here you will find detailed guides, online courses, templates, and our weekly newsletter to help you excel as a product manager. **We will be sending you Part 3 next!**

Recommended Reading

- "Crossing the Chasm: Marketing and Selling High-Tech Products to Mainstream Customers" by Geoffrey A. Moore
- Lean Product and Lean Analytics" by Ben Yoskovitz and Alistair Croll

Product Protégé Resources

- Check out our **free newsletter** that ships weekly! All the tips, tricks and tactics you. Sign Up today!
- Our **digital templates** allow you to quickly get tactical with your own product management work.Take a look at our template store for downloadable templates and premium examples.
- Elevate your product management skills with our **in-depth Product Protégé online courses.** Dive into strategic thinking and user-centric design with real-world examples, downloadable templates, open office hours, and a **certification of completion**.
- Where it all started - Unlock the secrets of successful product management with our **highly rated Product Protégé Guide** (available on amazon) – your comprehensive guide to mastering strategic thinking, user-centric design, and our full review of our authentic E3 Framework: Envision, Empower, and Elevate, which builds a top-tier product management discipline.