



**SEQUENT**<sup>®</sup>  
LEARNING NETWORKS

***Best Practices in Managing and Leveraging Product Roadmaps***

# What we'll be doing today

**Engaging in a discussion to help you broaden your perspective, as Product Management and Product Marketing leaders, in the area of strategic product line planning**

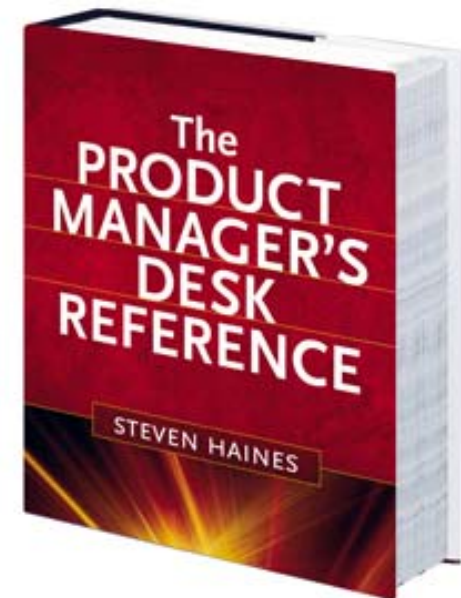
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# Agenda

- **What's happening with respect to organizational issues, your jobs, and roadmaps?**
- **What can we do about it?**
  - A Discussion around possible solutions

# Caveats and benefits

- **Caveats:**
  - Some of you may already understand the issues we'll be discussing
  - Not everyone has a unified, consistent approach to addressing strategic planning and resulting roadmaps
- **Benefit:**
  - We'll all hear the same thing
  - The discussion will hopefully inspire everyone
  - Perhaps we can come up with at least one realistic, implementable action item

# An important perspective

**“Sustained growth depends on how broadly you define your business – and how carefully you gauge your customers’ needs..”**

**Ted Levitt “Marketing Myopia” (1960)**

## Another quote...

***“If you had told them 60 years ago that in 30 years they would be flat on their backs, broke, and pleading for government subsidies, they would have thought you totally demented.”***

From Ted Levitt’s article “Marketing Myopia” (1960)

**What industry do you think Ted Levitt was referring to?**

# Answer...

## The railroads around 1920



# Informal Poll

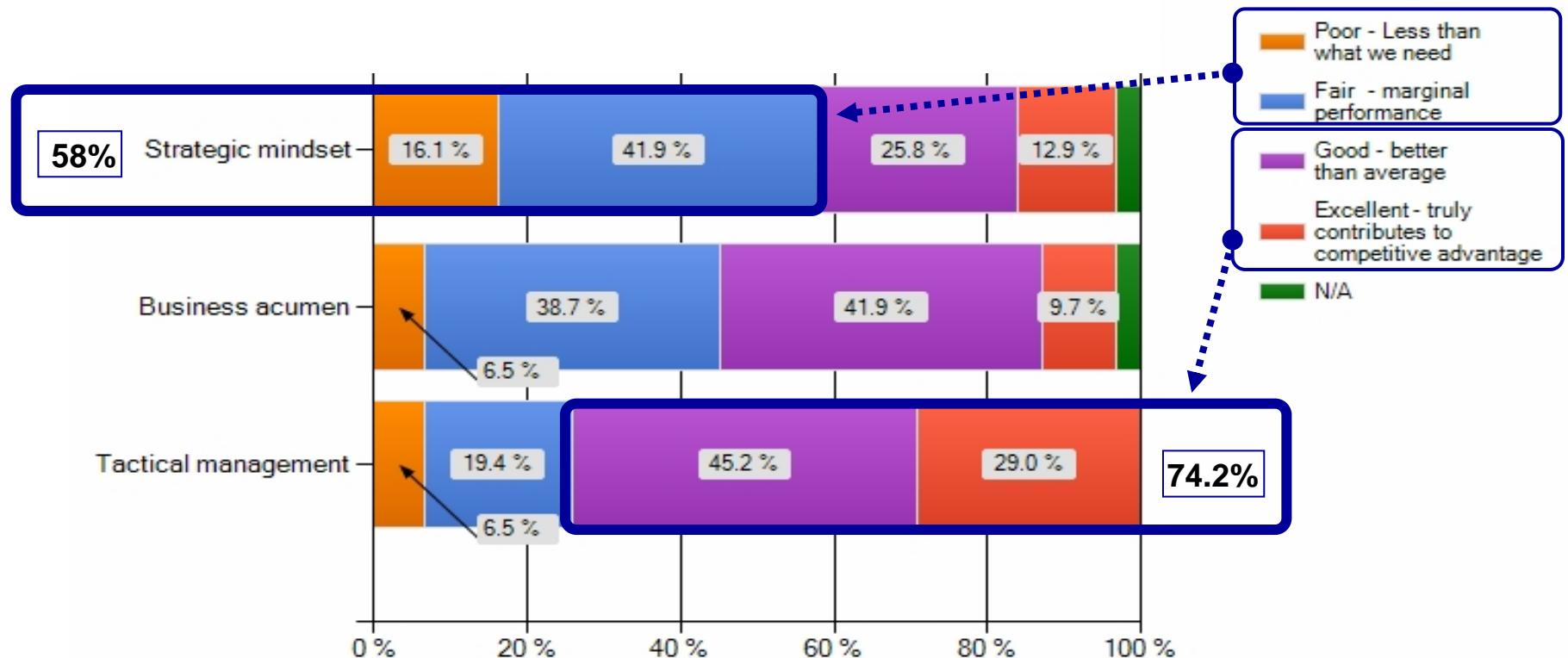
## When it comes to roadmaps, what issue impacts you the most?

- 1) PMs don't have enough market insight to make good decisions
- 2) Mismatched agendas between PMs and Product Marketing
- 3) Too much pressure to prepare roadmaps for different audiences
- 4) Not enough time to do a thorough job on the roadmap
- 5) It's just an exercise, not an actionable document

# What's really going on?

- Product managers are inundated by the urgent **needs of the moment** and the demands of hungry developers
- Product managers may be **missing market insights** needed to make balanced business decisions
- Product managers and product marketers **don't share the same agenda** or strategic goals
  - If product marketing reports to a different exec
  - If product marketing doesn't have the requisite experience (customer, industry, competitor, product)
  - If market data is not refreshed or made available
- **Pressure to expose the roadmap**
  - externally with customers, analysts, etc.
  - Internally (leaders, Sales, others)

# How do PMs in your org measure up?



- > 50% of respondents asserted that product managers needed to be more strategic
- > 40% of leaders surveyed are not satisfied with the efforts put forth by product managers in formulating realistic, achievable strategic objectives for their products

Source: Sequent Learning Networks 2009 PM Organizational Benchmark Research N = 42

# What's really going on?

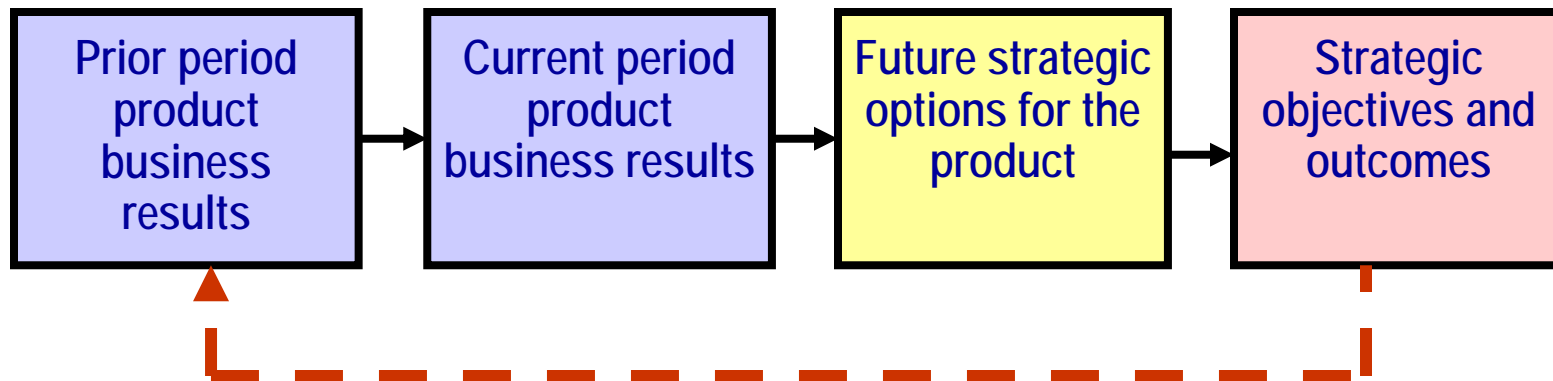
- **Being agile** is causing some confusion
  - Prioritization of work backlog without market perspective can be dangerous
  - Product “owners” aren’t always informed to maintain vital strategic linkages in daily decisions
- **Functional or executive agendas** may trump business or market driven logic
  - Technical leaders want more certainty for planning
  - Executive promises to customers
  - Sales driven requests
- Roadmaps are often seen as the only evidence of the product manager’s agenda and “the” **essence of the strategy** for the product
- **Client-side demand** for longer-term “certainty” (especially in industries with strong legal or compliance impacts)
- Some **industry analysts** insist on knowing everything you’ll be doing, or else...

# “Product” myopia?

- **Product managers and product marketers who take too narrow of a view of a product or product line:**
  - Tend to feel more pressure to hit release dates and deliver features on the roadmap
  - Often misinterpret the strategic posture of all products in the portfolio
  - Generally use the product roadmap as the primary way to express ‘vision’
  - Fail to involve the right cross-functional constituencies critical in supporting the execution of related plans and programs

# How do we build a better roadmap?

- Follow a more structured strategic planning process
- Consider the roadmap as part of a more holistic view of the “product as a business”



# What follows. . .

- **A quick overview about how to think about the products' business in a more holistic manner**
- **A platform for discussing how to incorporate a more holistic approach to building better roadmaps**

# Informal Poll

**What's the most important aspect of the product roadmap?**

- 1. Functionality**
- 2. Features or attributes**
- 3. Product performance**
- 4. Platform evolution**
- 5. Designs**
- 6. Technology**

# This is what we usually see

<b>Product element</b>	<b>Now</b>	<b>Next Yr</b>	<b>Yr After</b>
<b>Overall functionality</b>			
<b>Features and attributes</b>			
<b>Performance levels</b>			
<b>Platforms</b>			
<b>Designs</b>			
<b>Technologies</b>			
<b>Versions</b>			

# What would happen if we did this first?

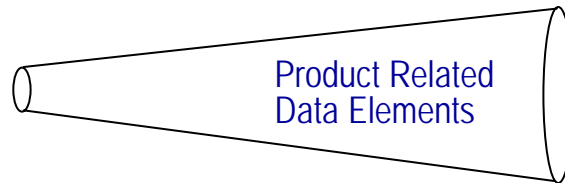
*Create/examine retrospective on product content*

<b>Data element</b>	<b>Two years ago</b>	<b>Last year</b>	<b>This year</b>
<b>Functionality</b>			
<b>Features</b>			
<b>Performance</b>			
<b>Platforms</b>			
<b>Designs</b>			
<b>Technologies</b>			
<b>Versions</b>			

# Result?

## *A narrow view of the market*

Data element	Two years ago	Last year	This year
Functionality			
Features			
Performance			
Platforms			
Designs			
Technologies			
Versions			



# Examine other marketing mix elements

## *Current and prior periods*

Data element	Two years ago	Last year	This year
Pricing programs			
Adv & promotion			
Channel programs			

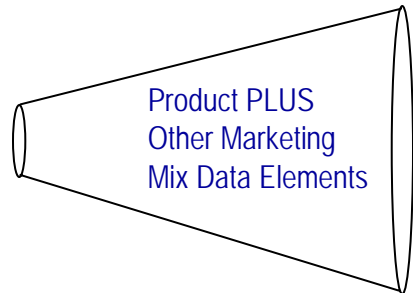
**Product managers and product marketers should consider this vital data to determine how past decisions in each of these elements impacted the achievement of strategic and tactical goals**

# The combined perspective across marketing all market mix elements

Data element	Two years ago	Last year	This year
Functionality			
Features			
Performance			
Platforms			
Designs			
Technologies			
Versions			
Pricing			
Adv & Promo			
Channel			

# The market can be seen through a wider lens

Data element	Two years ago	Last year	This year
Functionality			
Features			
Performance			
Platforms			
Designs			
Technologies			
Versions			
Pricing			
Adv & Promo			
Channel			



# Informal Poll

**What other element do you think is the most important to tie this retrospective profile together?**

- 1. Financial performance**
- 2. Forecast accuracy**
- 3. Market share**
- 4. None of these are important**

# Examine other business elements

## *Current and prior periods*

**What are some of the other business elements that would impact the product's performance ?**

<b>Data element</b>	<b>Two years ago</b>	<b>Last year</b>	<b>This year</b>
<b>Financial performance</b>			
<b>Forecast accuracy</b>			
<b>Customer satisfaction</b>			
<b>Market share</b>			
<b>Product quality</b>			

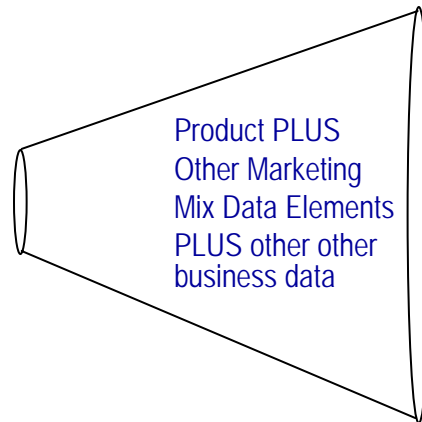
**Doesn't this data add more to the body of evidence?**

# Continuing to increase the amount of data broadens your perspective

<b>Data element</b>	<b>Two years ago</b>	<b>Last year</b>	<b>This year</b>
Functionality			
Features			
Performance			
Platforms			
Designs			
Technologies			
Versions			
Pricing			
Adv & Promo			
Channel			
Financial performance			
Forecast accuracy			
Customer sat.			
Product quality			

# The market can be seen through a wider lens

Data element	Two years ago	Last year	This year
Functionality			
Features			
Performance			
Platforms			
Designs			
Technologies			
Versions			
Pricing			
Adv & Promo			
Channel			
Financials			
Forecasts			
Cust sat			
Prod Qual			



- **If this were your own company and you were really considering this retrospective profiling of your product's performance, do you think you have it all?**
- **If not? What else is missing?**
- **PLEASE ENTER YOUR ANSWERS OR RAISE YOUR HAND**

# Examine other market data

*Current and prior periods*

Data element	Two years ago	Last year	This year
Market segments			
Customers served			
Competitor activity			
Industry trends			

**All strategies have to be formulated within the context of the market**

# Increase your perspective with more business data

Data element	Two years ago	Last year	This year
Functionality			
Features			
Performance			
Platforms			
Designs			
Technologies			
Versions			
Pricing			
Adv & Promo			
Channel			
Financial performance			
Forecast accuracy			
Customer sat.			
Product quality			
Market segments			
Customers served			
Competitor activity			
Industry trends			

# Use an “audit” technique to see how well you did, not just what you did

Data element	Two years ago			Last year			This year		
	Plan	Actual	Diff	Plan	Actual	Diff	Plan	Actual	Diff
Functionality									
Features									
Performance									
Platforms									
Designs									
Technologies									
Versions									
Pricing									
Adv & Promo									
Channel									
Financial performance									
Forecast accuracy									
Customer sat.									
Product quality									
Market segments									
Customers served									
Competitor activity									
Industry trends									

# The extended set of product, marketing mix, business and market data gives you the best perspective

Data element	Two years ago	Last year	This year
Functionality			
Features			
Performance			
Platforms			
Designs			
Technologies			
Versions			
Pricing			
Adv & Promo			
Channel			
Financials			
Forecasts			
Cust sat			
Prod Qual			
Mkt Segs			
Customers			
Competitors			
Industry			



# Now we're equipped to lay out the roadmap – as well as other business elements

Current		Next Year	Year After
	Functionality		
	Features		
	Performance		
	Platforms		
	Designs		
	Technologies		
	Versions		
	Pricing		
	Adv & Promo		
	Channel		
	Financial performance		
	Forecast accuracy		
	Customer sat.		
	Product quality		
	Market segments		
	Customers served		
	Competitor activity		
	Industry trends		

**FUTURE**

**What does all of this help you to do?**

**Communicate**

# Communicate internally to improve cross-functional cooperation and efficiency

- **Helps establish a mindset of market oriented decision-making based on facts and data**
  - We can build better customer stories
  - We can reveal true market opportunities
  - We can write clear, concise product requirements
- **Streamlines teamwork**
  - Helps get PMs/Marketers and engineers out of pattern of negotiating product content based on resources, complexity, and schedule
  - Always inserts business and market logic into the discussion
  - Helps get the team focused on beating the competition, not each other
- **Builds credibility with executives and leaders**
- **Your peers learn from you, too!**



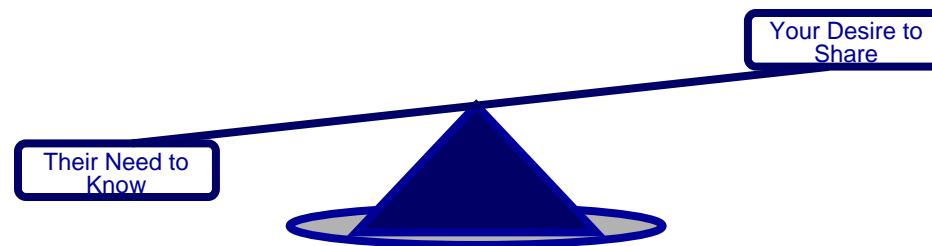
# Communicate with customers

## CONDITIONS

- Customers who need to know because what you do is vital to their business (compliance/legal)
- Customers who want to know so they can do budgeting or resource planning (or just shopping around?)
- Customer councils because building a community builds intimacy, which helps you understand changing motivations (needs)

## STRATEGIES

- Concentrate more on them and what's going on in their worlds (take a more consultative approach using probing questions)
- Use the “retrospective” approach to see what's helped them the most versus what they thought would help them (this could be vital in demonstrating to them that you're not just a “feature” shopping cart)
- Capture as many “voices” across the customer universe before tipping your hand



# Communicate with analysts

## **TYPES:**

- The “consumer reports” types who rate and rank you against your competitors
- Secondary market researchers who hunt for industry trends
- Market analysts who cover your company

## **STRATEGIES:**

- Understand their motivations
- Build relationships and trust
- Find common ground without having to tip your hand (if you feel it will compromise your competitive position)
- Pick your battles

# Wrapping up

**We looked at some issues in your organizations and in your jobs with respect to roadmaps**

**We took the “business of the product” apart so that we could improve our perspective on future state product roadmaps**

**Included a discussion on sharing data both internally and externally**

# What would you do differently?

# Thank you!

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