
CREATING AN EFFECTIVE PRODUCT STRATEGY

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WHAT IS A PRODUCT STRATEGY?

Product strategy defines the **high-level plan** for **developing** and **marketing** a product, how the product supports the **business strategy** and goals [...].

— *Wikipedia, Product strategy*

[Product strategy] in short means: how do we make the **product vision** a reality, while meeting the **needs of the company** as we go?

— *Marty Cagan, Product Strategy Overview*

A product strategy states how the **customers** will be **delighted**, why the product will be **hard to copy**, and how the product will enhance **margins**.

— *Gibson Biddle, How to Define Your Product Strategy*

Product Strategy is a system of achievable **goals** and **visions** that work together to **align the team** around desirable **outcomes** for both the **business** and your **customers**.

— *Melissa Perri, What is Good Product Strategy?*

WHAT IS A PRODUCT STRATEGY?

The **product strategy** is a **high-level plan** that helps you realise your **vision** and answers the following questions:

- »» **Who** is the product for?
- »» What specific **problem** does it address, or which tangible **benefit** does it offer?
- »» How does it **differ** from competing offerings?
- »» What are the **business goals**?

Roman Pichler, What Exactly is a Product Strategy?

LET'S MAKE THIS MORE PRACTICAL

PRODUCT VISION BOARD



 VISION What is the reason for creating the product? What positive change should it create? ☒ Inspiring: Meaningful purpose ☒ Shared: Stakeholders and dev team support it ☒ Ethical: Non-harming, people and planet ☒ Concise: Short statement or slogan ☒ Ambitious: BHAG ☒ Enduring: Lasts 5 years plus			
 TARGET GROUP Which market or market segment does the product address? Who are the target customers and users? ☒ Clear: Use relevant attributes like demographics and behavioural attributes to describe the target group. ☒ Specific: You can tell if somebody is included in the target group or not. ☒ Cohesive: The members of a target group share similar attributes, e.g., age, lifestyle, disposable income. If that's not the case, then break up the target group and form several subgroups.	 NEEDS What problem does the product solve or which benefit does it offer? If you identify several needs, prioritise them and move the most important one to the top. ☒ Outcome-based: Capture why people would want to use the product. ☒ Specific: The needs are detailed enough so that you can validate them. ☒ Focused: Concentrate in the main problem/benefit, the main reason for people to use the product. ☒ Prioritised: Prioritise the needs according to their importance for the target group.	 PRODUCT What product is it? What are its three to five stand-out features that set it apart from competing offering? Is it feasible to develop the product? ☒ Type: It's clear what kind of product you want to offer, for example, mobile app on Android and iOS. ☒ Differentiated: The aspects of your product that make it stand out. ☒ Focused: There are no more than five features. ☒ Big: The features are coarse-grained product capabilities; no epics and user stories!	 BUSINESS GOALS How will the product benefit the company that develops and provides it? What are the desired business benefits? Prioritise them and move the most important one to the top. ☒ Outcome-based: The desired business benefits, the company's reason for investing in the product, are clearly described, for example, revenue, brand equity, cost savings. ☒ Specific: The business goals detailed; state rough targets if possible. ☒ Prioritised: If more than one business goal is identified; order according to business impact.

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A SAMPLE PRODUCT STRATEGY

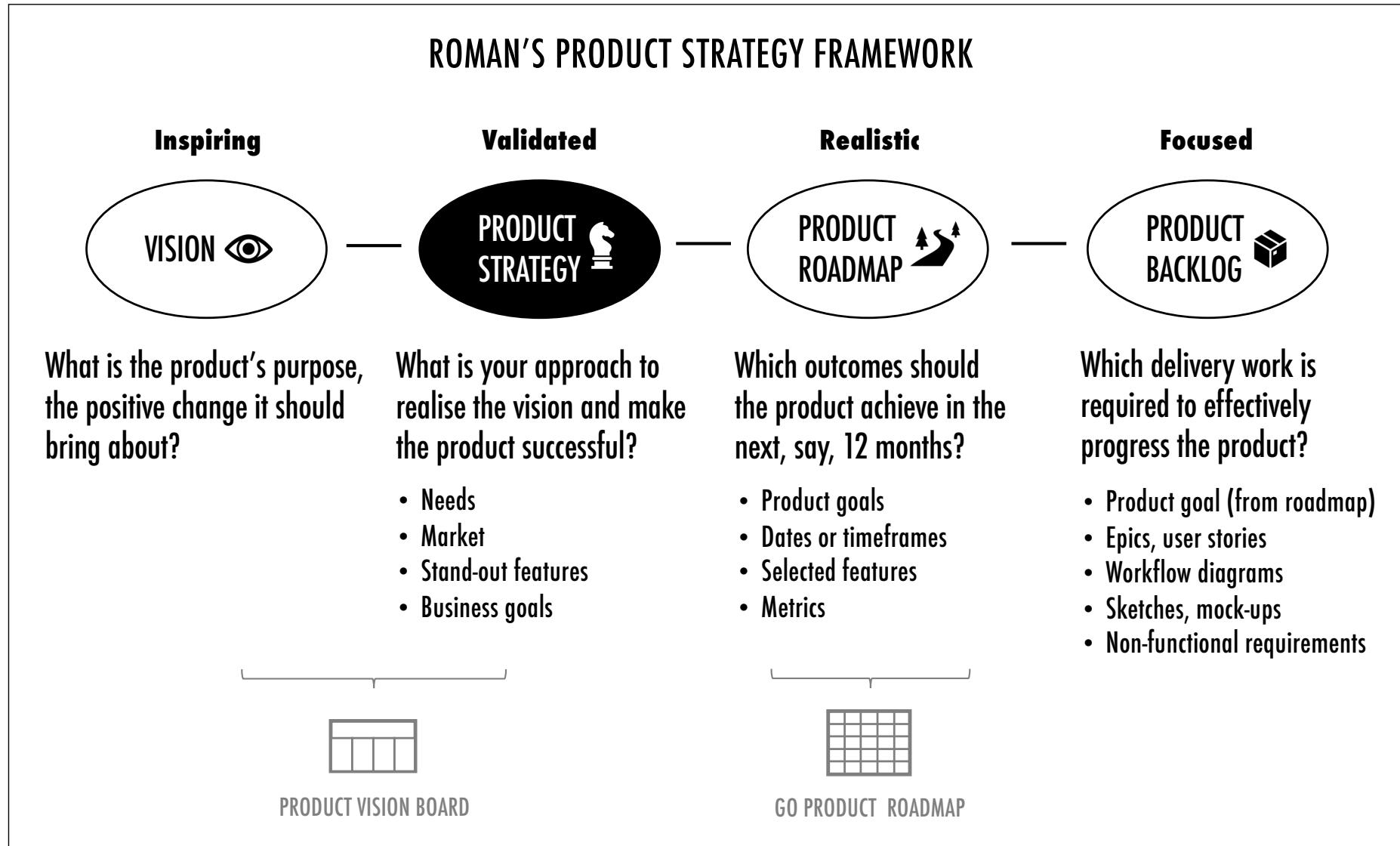
PRODUCT VISION BOARD



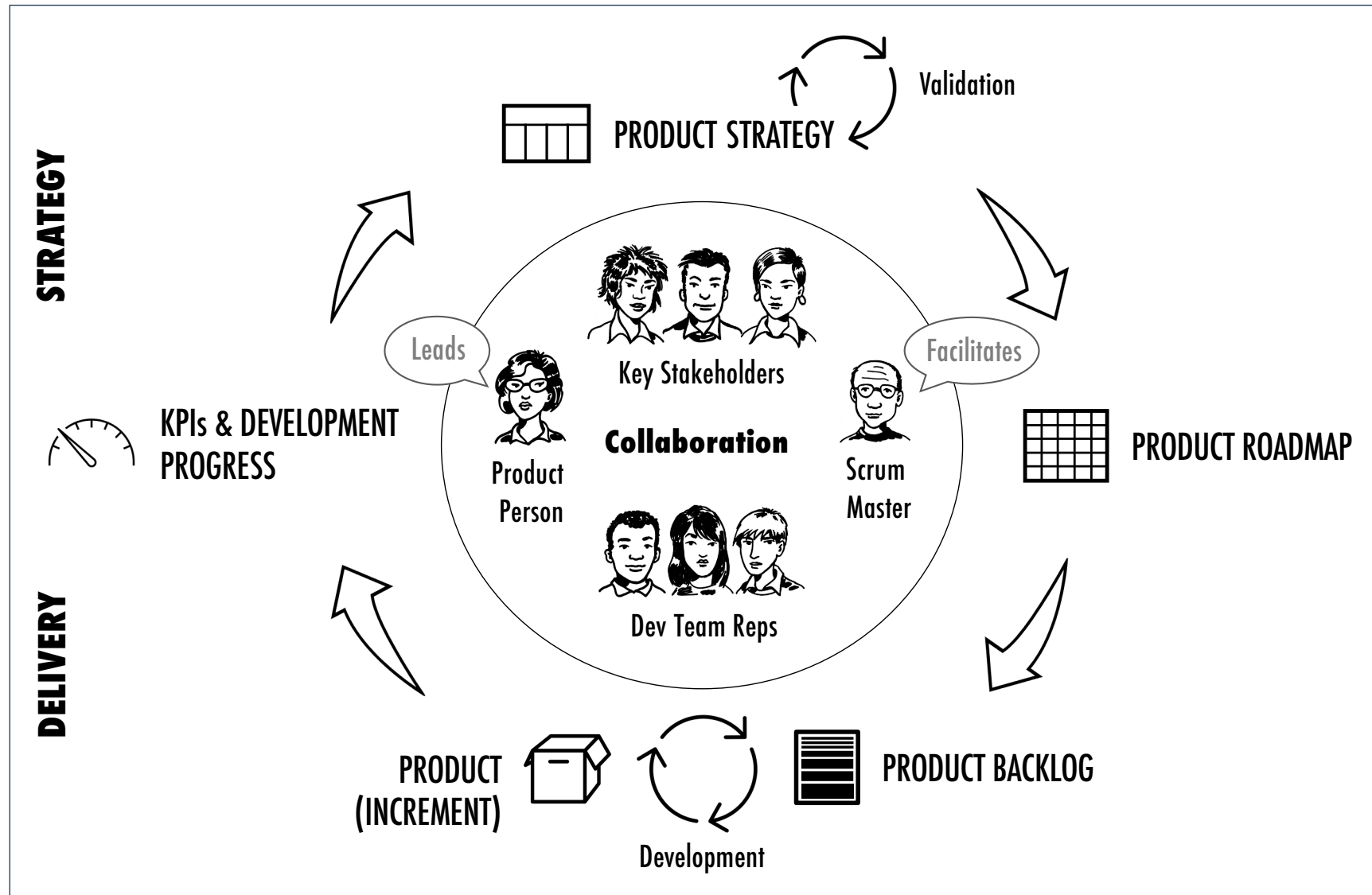
VISION What is the reason for creating the product? What positive change should it create? Help people eat healthily.			
TARGET GROUP Which market or market segment does the product address? Who are the target customers and users? • People with busy jobs and unhealthy eating habits. • Aged 40-55. • Own a smart scale or can afford to buy one. • Live in the UK.	NEEDS What problem does the product solve or which benefit does it offer? If you identify several needs, prioritise them and move the most important one to the top. Reduce the risk of developing type-2 diabetes.	PRODUCT What product is it? What are its three to five stand-out features that set it apart from competing offering? Is it feasible to develop the product? • Measure and record sugar levels in food. • Analyse eating habits and make individualised recommendations. • Seamlessly integrate with leading smart watches and scales.	BUSINESS GOALS How will the product benefit the company that develops and provides it? What are the desired business benefits? Prioritise them and move the most important one to the top. Generate £60-80k in the first 18 months after launch.



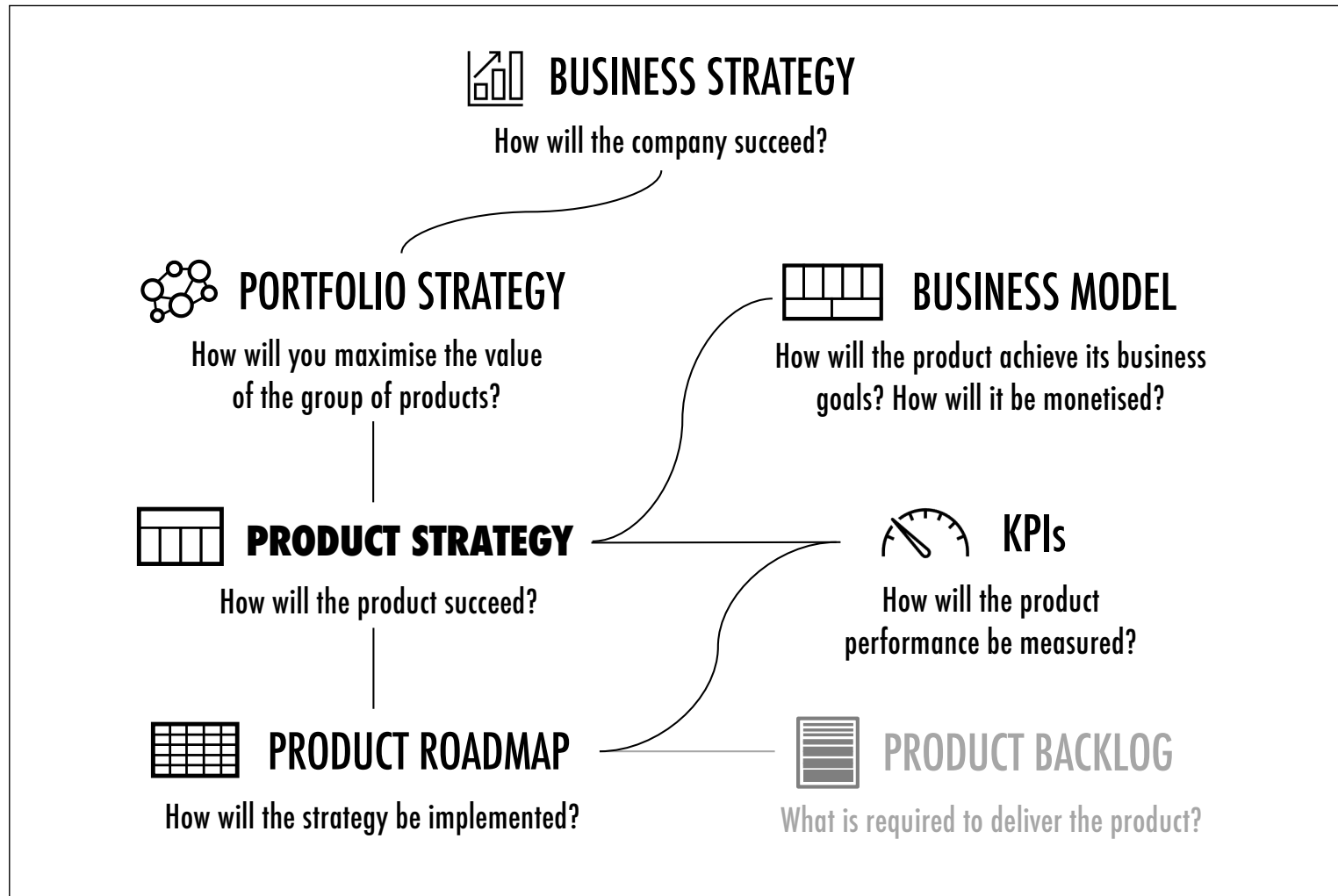
THE PRODUCT STRATEGY IN CONTEXT



THE PRODUCT STRATEGY CYCLE



BEYOND THE PRODUCT STRATEGY: A STRATEGY MAP



SUMMARY

Make sure that you have a **product strategy** in place for your product—no matter where it is in its life cycle.

Focus your strategy on **outcomes**: user and customer needs and business goals.

Validate your strategy and address the **key risks** it contains.

Systematically connect it to the **vision** and **product roadmap**.

Regularly **inspect and adapt** the product strategy.

Involve the **key stakeholders** and **development team members** in creating, validating, and updating the product strategy.

THANK YOU FOR YOUR ATTENTION

For more advice on product
strategy, please visit:

romanpichler.com

