



Patrick Gregory

Product Manager and Leader

PRODUCT GROWTH FOR STARTUPS

Why should you listen to me?

Startups

 wrapbook

interval

Scale-ups

Voices.com

 AUTOVERIFY

Diplly

Enterprise

Sun 
Life Financial

canada  life™



Agenda

- Traps to watch out for!
- Product management framework for growth
- Achieving and maintaining product-market fit
- Conclusion



WATCH OUT!



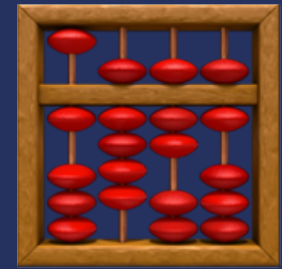
Hamster Wheel

Focus on outputs over outcomes



The Business School

Overuse of science and data



The Counting House

An obsession with internal metrics



The Roller Coaster

Fast paced twists and turns



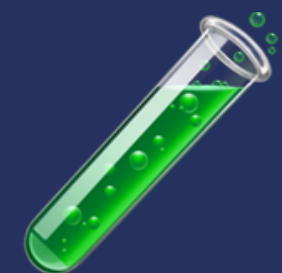
The Ivory Tower

A lack of customer research



The Bridge to Nowhere

Over-engineering for future unknown



The Science Lab

Optimization at the cost of everything else



The Negotiating Table

Trying to keep everyone happy



The Feature Factory

An assembly line of features



The Throne Room

Whipsaw decision making from the person in charge



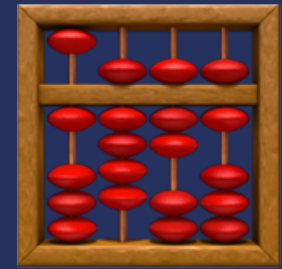
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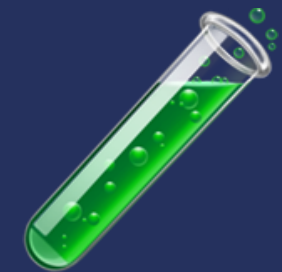
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Hamster Wheel

Focus on outputs over outcomes

Outputs vs Outcomes vs Impact




Output

Tasks/ Todos

- ✓ User stories/epics
- ✓ Features
- ✓ Products
- ✓ Deadlines

Generates
When used
by customers
----->




Outcomes

Customers

- ✓ Problems solved
- ✓ New possibilities
- ✓ Customers adopt or change **behaviours**
- ✓ Timeframes

Generates
----->



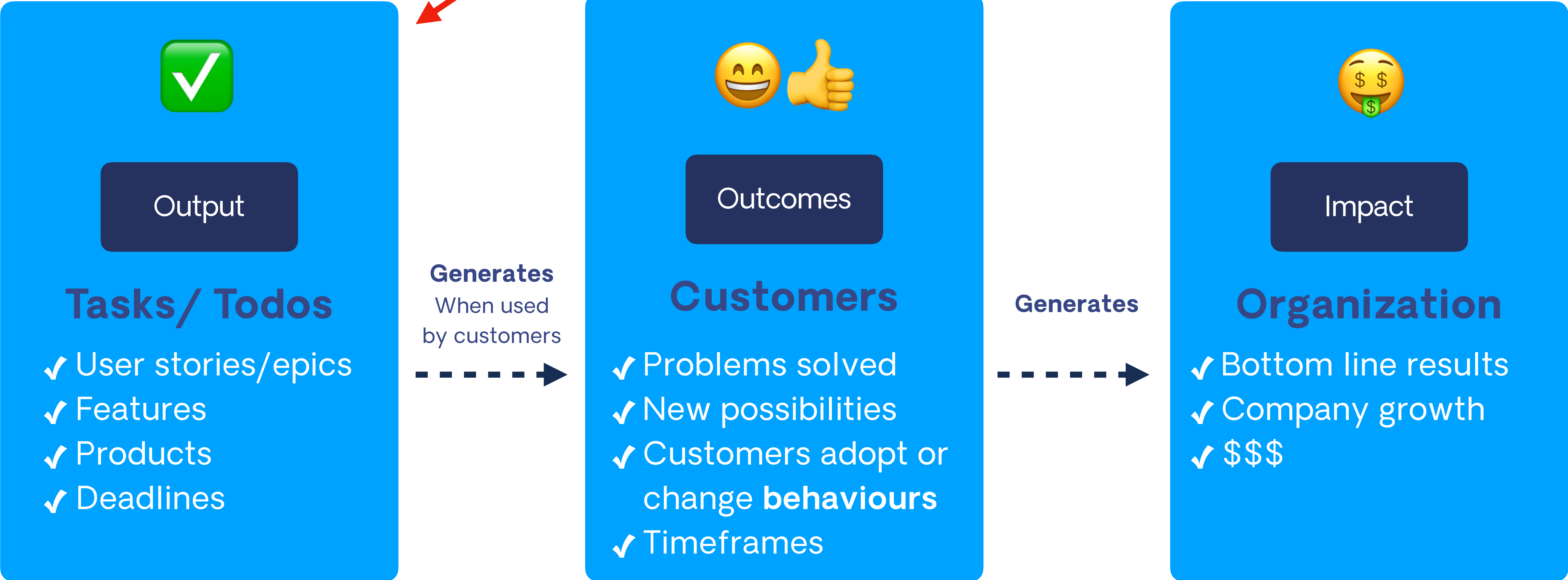
Impact

Organization

- ✓ Bottom line results
- ✓ Company growth
- ✓ \$\$\$

Outputs vs Outcomes vs Impact

Most companies just focus here!



Best to focus on all three



The Feature Factory

An assembly line of features



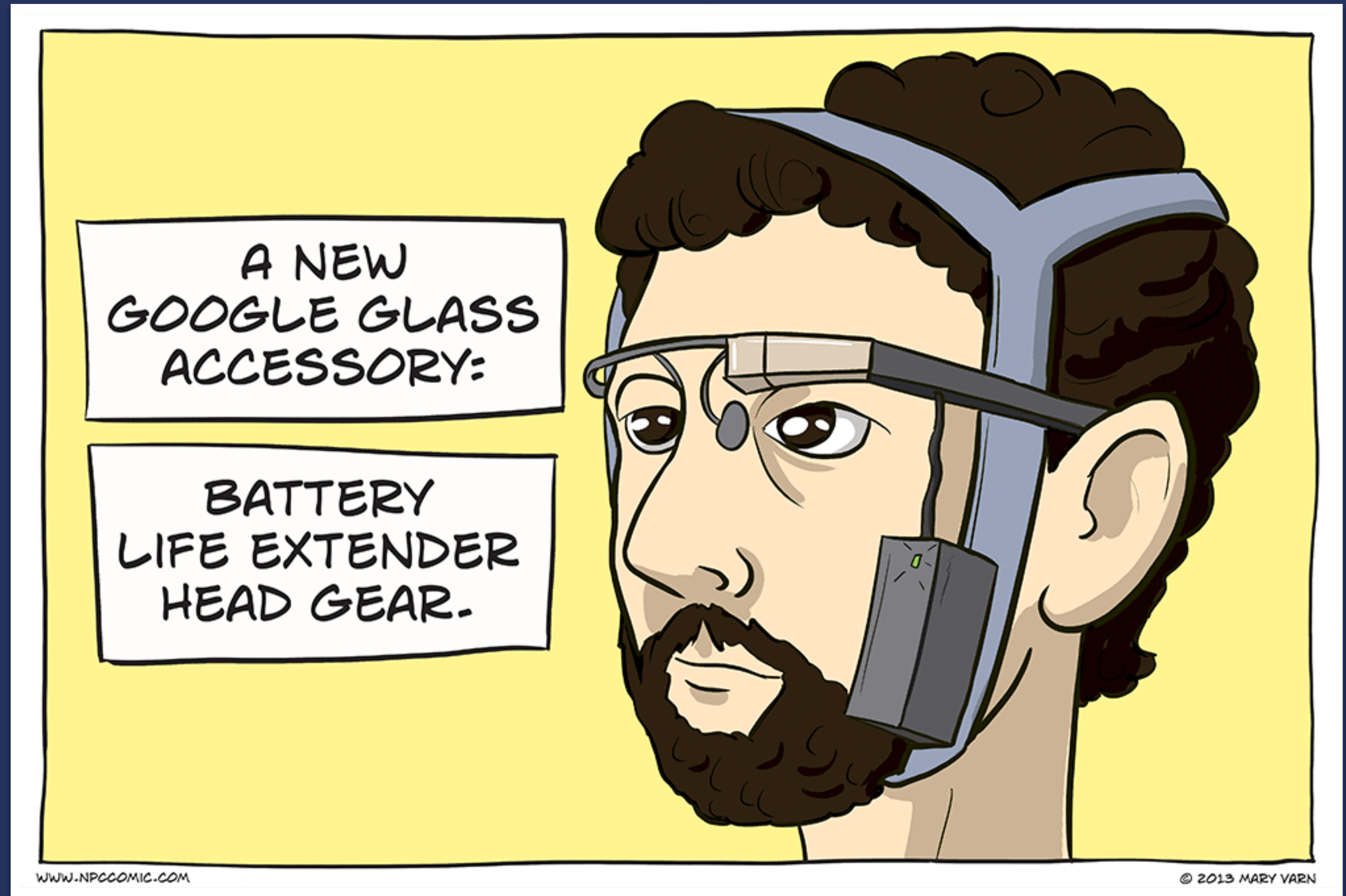
Sales-led



Product strategy is driven by Sales



Technology-led



Product strategy is driven by Engineering

Source: Watterson, Andrew. (2013). "We are a product-led company" Asana Blog

Source: Perri, Melissa. (2018). "Escaping the Build Trap"



The Throne Room

Whipsaw decision making from the person in charge



Visionary-led



You are not Steve Jobs!

Source: Watterson, Andrew. (2013). "[We are a product-led company](#)" Asana Blog

Source: Perri, Melissa. (2018). "Escaping the Build Trap"



Product-led





Product Principles

Your values and beliefs

...more strategic

Product Vision

Where you want to go

Product Strategy

How you'll get there

Objectives and Key Results (OKR)

Setting milestone goals and measuring success

Engineering-Product-Design Teams

Team composition and health

Product Discovery

*Building the **right** product & features*

Product Delivery

*Building the **product & features** right*

...more tactical



Product Principles

Your values and beliefs

...more strategic

Product Vision

Where you want to go

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Most companies just focus here!

Product Discovery

Product Delivery

*Building the **product & features** right*

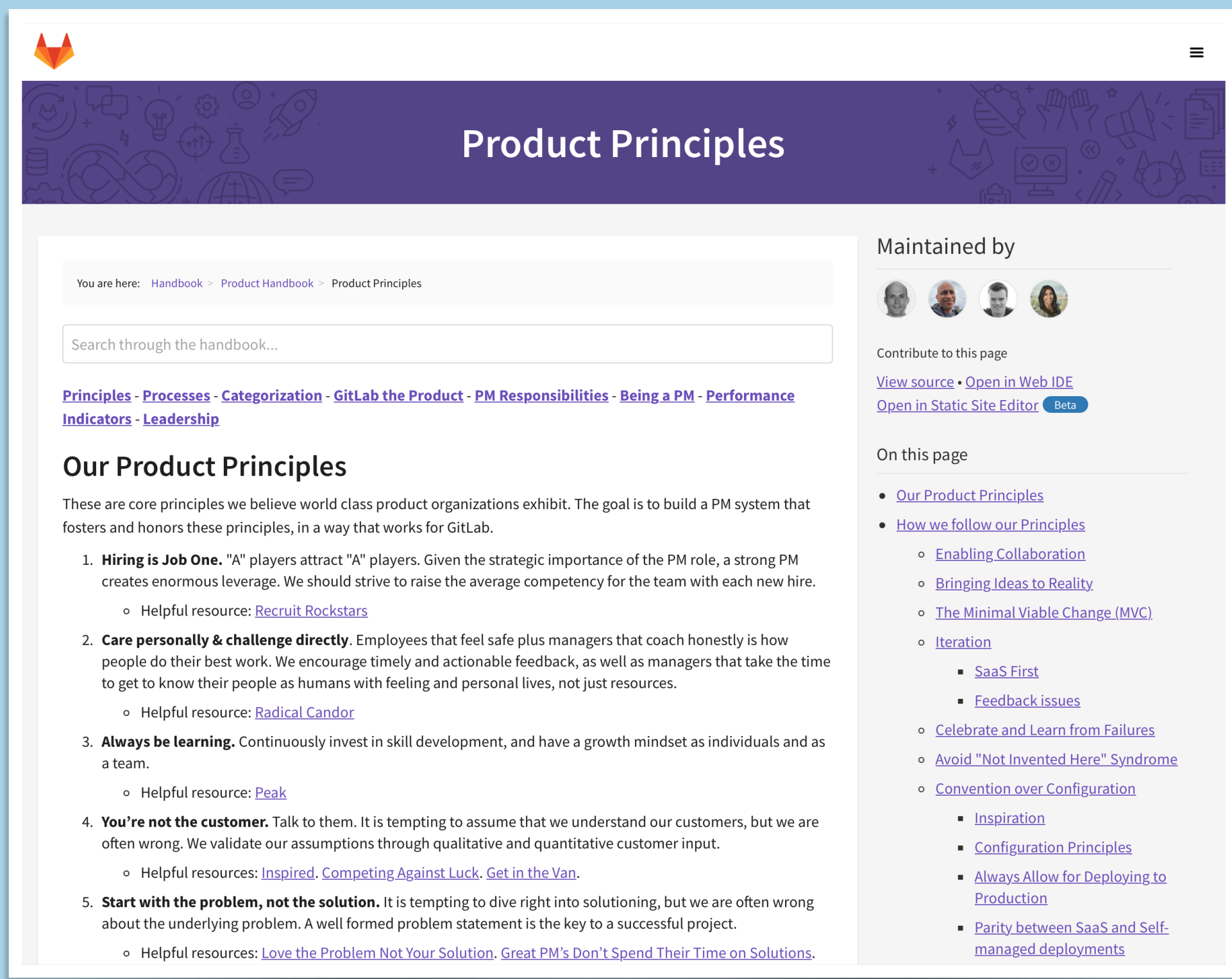
...more tactical

Product Principles - *Your values and beliefs*

You are not the customer	Be obsessed with the problem not the solution	Create a compelling vision of the future	Don't ask the customer to solve their problem - that's your job.	Know, don't guess.
Iterate to success	Outcomes over outputs	Change from within	Measure outcomes not velocity	Create a lovable product
Focus on creating customer value	Ship to learn... yet release with confidence	Validate before building	Deep knowledge of the customer, product, market and data	Be smart, curious, creative and persistent

Source: Doherty, Jason. (2020). "Product Principles for Development Teams" <https://medium.com/swlh/product-principles-for-teams-76278654eef0>

Product Principles – Our values and beliefs



The screenshot shows the GitLab Product Principles page. At the top, there is a purple header with the GitLab logo and the title "Product Principles". Below the header, there is a navigation breadcrumb: "You are here: Handbook > Product Handbook > Product Principles". A search bar is present with the text "Search through the handbook...". A list of links is provided: "Principles - Processes - Categorization - GitLab the Product - PM Responsibilities - Being a PM - Performance Indicators - Leadership". The main content area is titled "Our Product Principles" and contains a paragraph: "These are core principles we believe world class product organizations exhibit. The goal is to build a PM system that fosters and honors these principles, in a way that works for GitLab." followed by five numbered principles:

- Hiring is Job One.** "A" players attract "A" players. Given the strategic importance of the PM role, a strong PM creates enormous leverage. We should strive to raise the average competency for the team with each new hire.
 - Helpful resource: [Recruit Rockstars](#)
- Care personally & challenge directly.** Employees that feel safe plus managers that coach honestly is how people do their best work. We encourage timely and actionable feedback, as well as managers that take the time to get to know their people as humans with feeling and personal lives, not just resources.
 - Helpful resource: [Radical Candor](#)
- Always be learning.** Continuously invest in skill development, and have a growth mindset as individuals and as a team.
 - Helpful resource: [Peak](#)
- You're not the customer.** Talk to them. It is tempting to assume that we understand our customers, but we are often wrong. We validate our assumptions through qualitative and quantitative customer input.
 - Helpful resources: [Inspired](#), [Competing Against Luck](#), [Get in the Van](#).
- Start with the problem, not the solution.** It is tempting to dive right into solutioning, but we are often wrong about the underlying problem. A well formed problem statement is the key to a successful project.
 - Helpful resources: [Love the Problem Not Your Solution](#), [Great PM's Don't Spend Their Time on Solutions](#).

On the right side, there is a "Maintained by" section with four profile pictures. Below it, there are links to "Contribute to this page" (View source, Open in Web IDE, Open in Static Site Editor) and "On this page" (Our Product Principles, How we follow our Principles, Enabling Collaboration, Bringing Ideas to Reality, The Minimal Viable Change (MVC), Iteration, SaaS First, Feedback issues, Celebrate and Learn from Failures, Avoid "Not Invented Here" Syndrome, Convention over Configuration, Inspiration, Configuration Principles, Always Allow for Deploying to Production, Parity between SaaS and Self-managed deployments).

Examples from Gitlab

- Hiring is job one
- Care personally & challenge directly
- Always be learning
- You're not the customer
- Start with the problem, not the solution
- Not your solution
- Prioritize relentlessly
- Assume you are wrong
- Iterate
- Be data driven
- Use product-led growth techniques

Product Vision - *Where we want to go*

Product Principles

Product Vision

Product Strategy

Objectives and Key Results (OKR)

Engineering-Product-Design Teams

Product Discovery

Product Delivery

FOR { target customer }

WHO { statement of need or opportunity }

THE { product name } IS A { product category }

THAT { key benefit, reason to buy }

UNLIKE { primary competitive alternative }

OUR PRODUCT { statement of primary differentiation }

Product Strategy - *How we'll get there*

Product Principles

Product Vision

Product Strategy

Objectives and Key Results (OKR)

Engineering-Product-Design Teams

Product Discovery

Product Delivery

- Forces you to make tough choices (you can't do everything)
- Use qualitative and quantitative data as input into your strategy
- Strategy can be visualized using a series of document types
 - Canvases
 - One-pagers
 - Flow charts
 - Roadmaps

Product Strategy Examples

CUSTOMER

Segments

Target segment size and growth rate.

Retention

Organic frequency of how often the product is needed.

Customer Pain

How much of the user's pain are you solving?

PRODUCT

Unfair Advantage

Strength of your expertise/insights & amount of experience in the domain.

Reach

Strength of the product's reach across different distribution channels.

Replicability

Your competitor's ability and likelihood of copying your Product's feature set.

COMPANY

Technical Feasibility

Can you build it?

Go-To-Market Viability

Can you market & sell it?

Supplier Power

How much power do your suppliers have?

COMPETITION

Competitive Rivalry

The # and size of competitors in your space.

Barriers to Entry

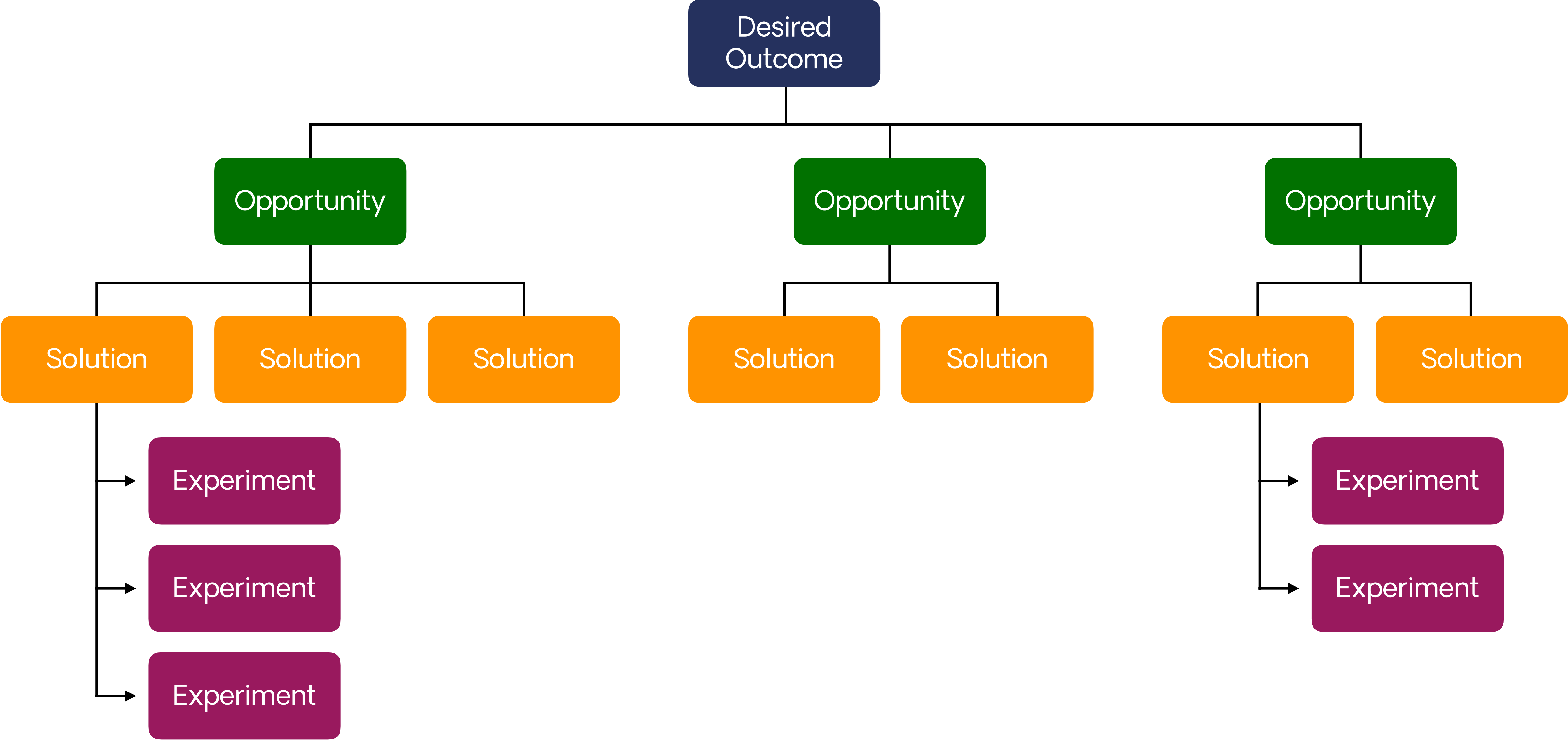
How easy is it for new competitors to enter your space?

Brand Power

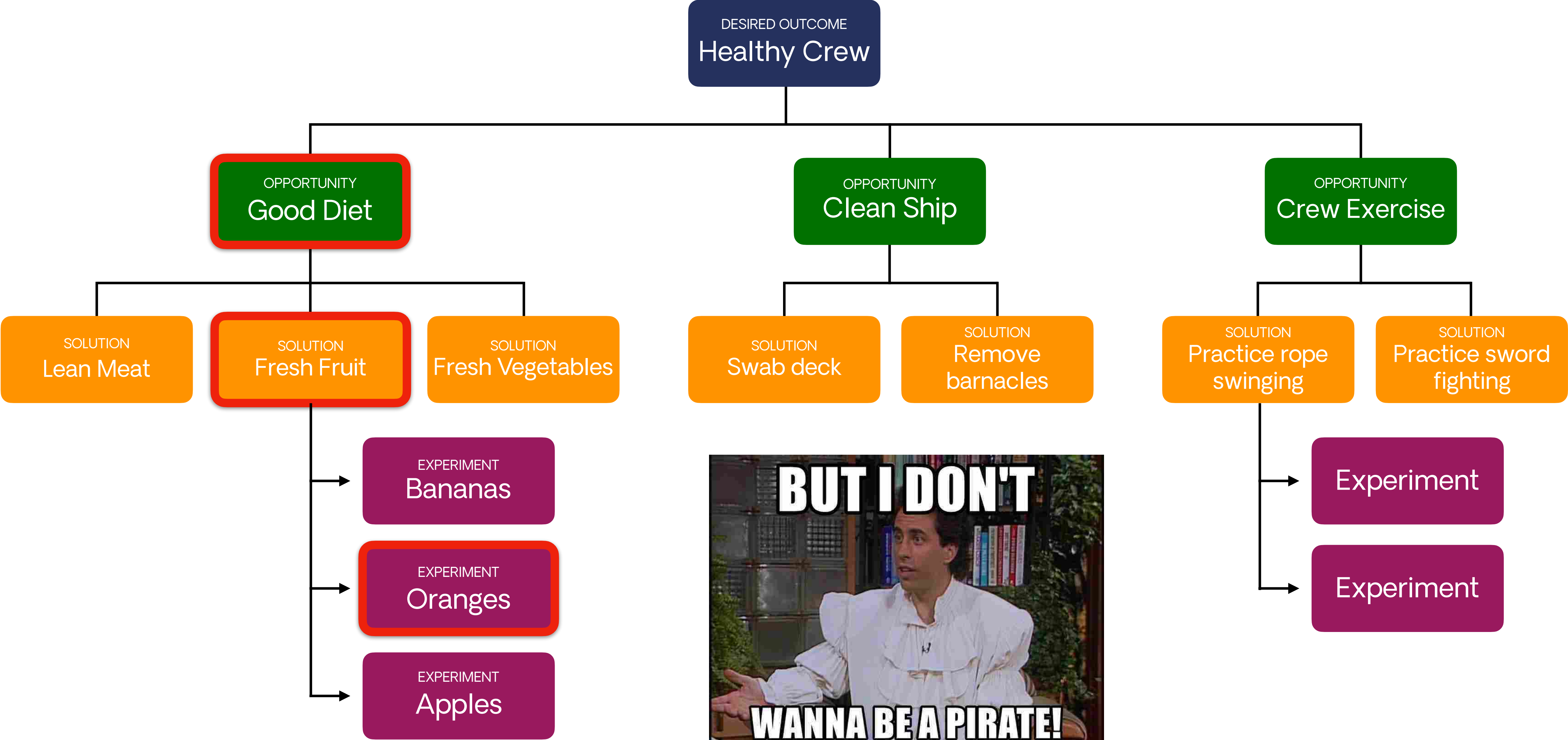
How much brand awareness do you have?

Source: Product Faculty. "Product Strategy Playbook"

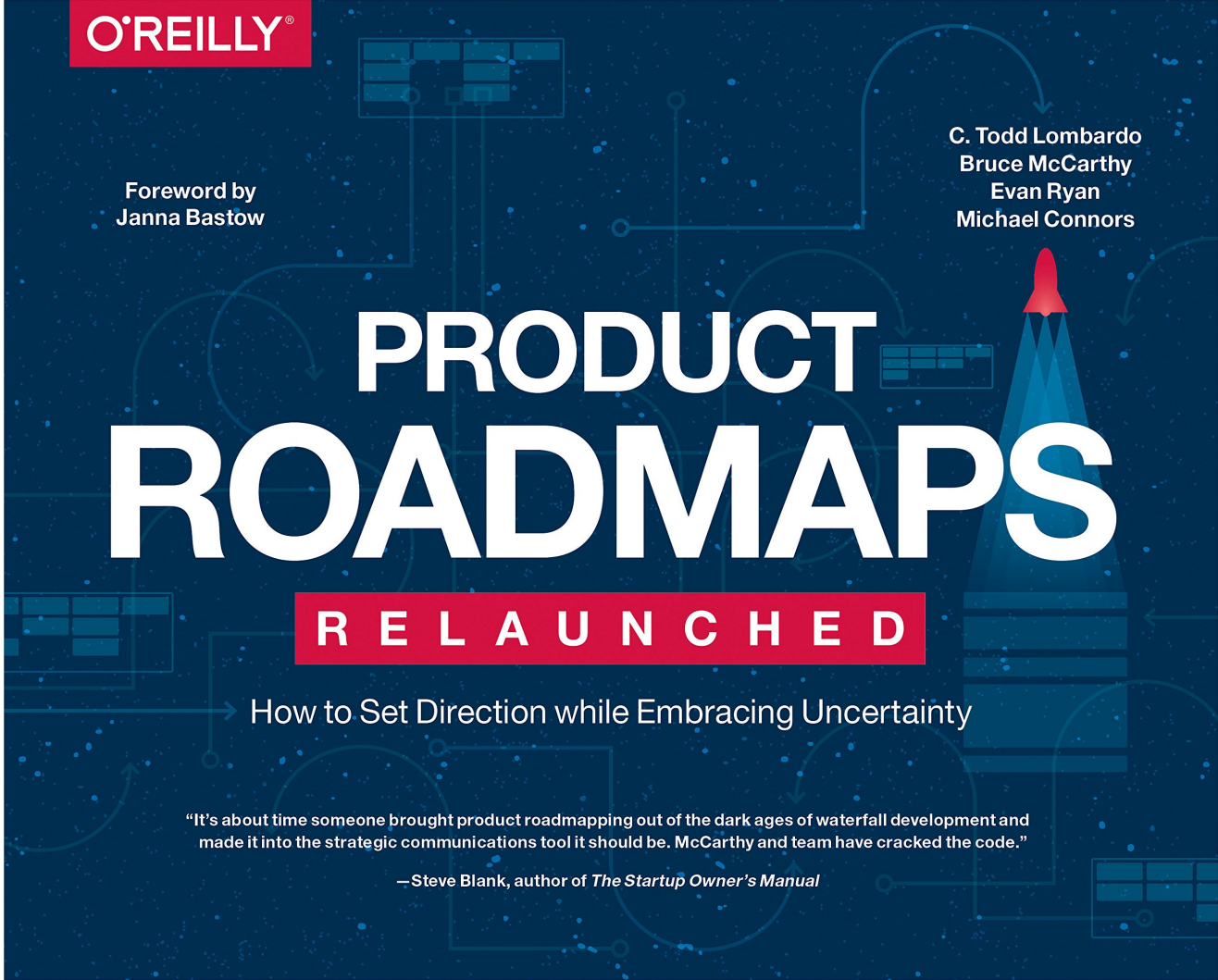
Product Strategy Examples



Product Strategy Examples



Product Strategy Examples



Product Roadmaps Relunched
C. Todd Lombardo

Product Vision

Our garden hose exists to help American consumers pursue the perfect landscapes they so seem to crave. The product vision directly reflects this in compact form, providing an effective framing for everything that comes after.

Timeframes

Our garden hose roadmap provides for wide half- and whole-year timeframes to ensure the team has the latitude to explore the best ways to solve customer problems.

Themes

The key problems customers face when watering their landscapes form the themes in the timetable at the heart of the roadmap

THE WOMBATTER Hose

PRODUCT VISION
Perfecting American lawns and landscapes by perfecting water delivery

H1'17	H2'17	2018	Future
Indestructible Hose Objectives: • Increase unit sales • Decrease number of returns • Decrease overall defects	Delicate Flower Management Objective: • Double ASP	Putting Green Evenness for Lawns	Infinite Extensibility
	Severe Weather Handling Objective: • NE Expansion	Extended Reach	Fertilizer Delivery

Updated 3/30/17, subject to change without notice.

Business Objectives

Each garden hose theme has one or a few objectives, each of them measuring the business improvement hoped for from solving the customer problems expressed in the theme.

Disclaimer

A simple date and "subject to change" notification at the bottom of the timetable is sufficient for the limited audience of this roadmap.

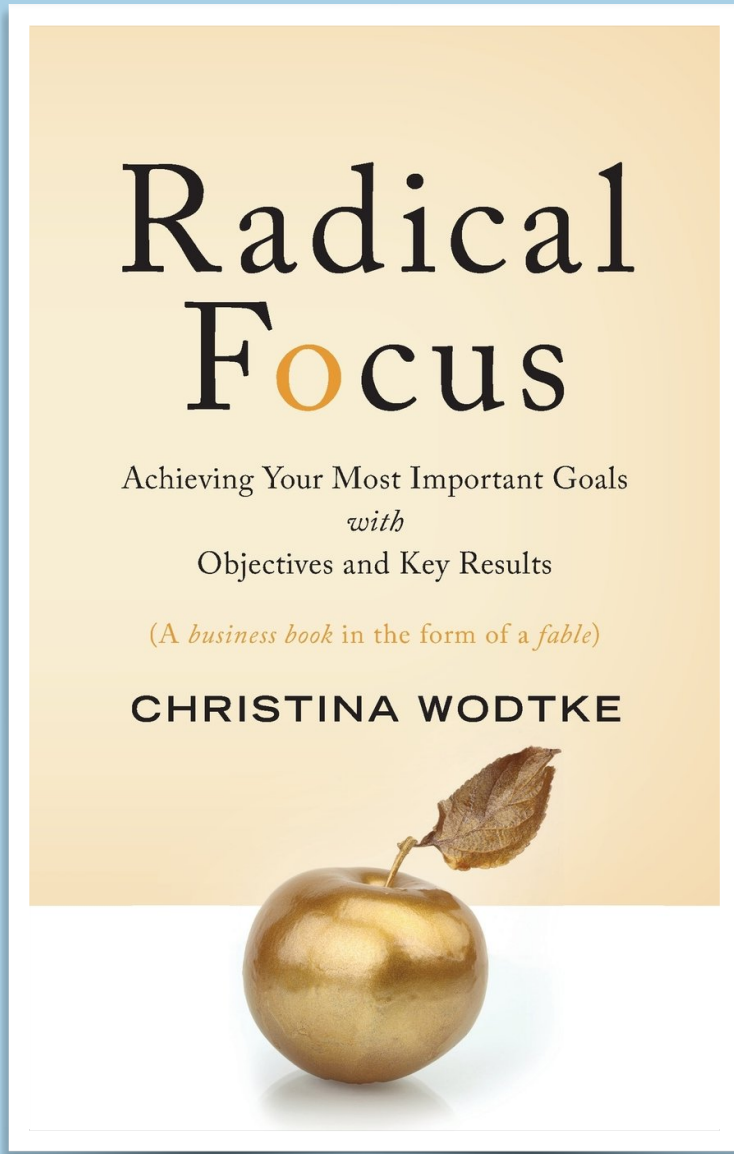
YOUR PRODUCT ROADMAP IS NOT A RELEASE PLAN!

More detail to less detail

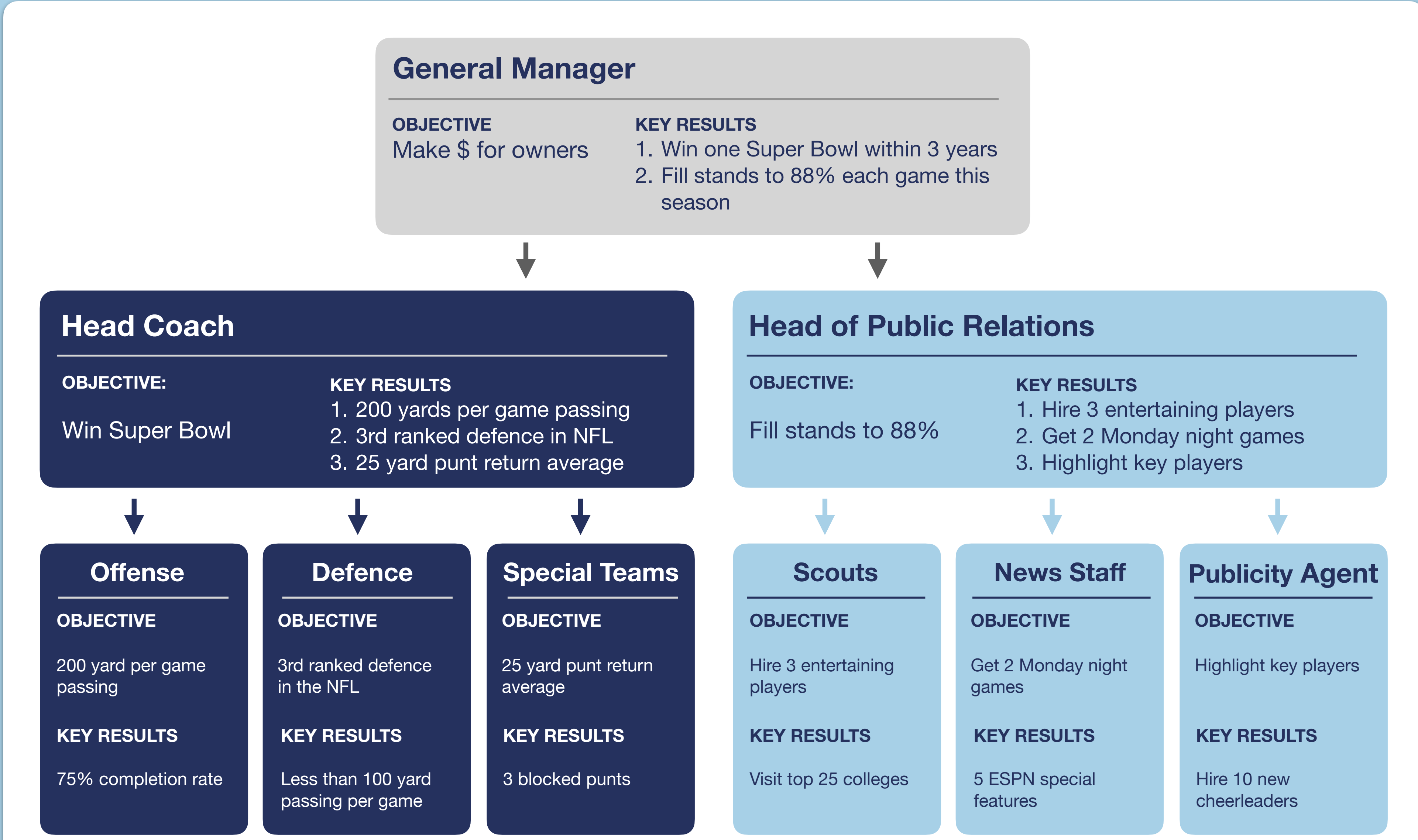
Product Strategy Examples

 PRODUX LABS 16 Product Strategies for Growth and the metrics they impact	Add New Customers <i>Serve new markets or segments and improve your ability to win in those segments</i>		Grow LTV <i>Earn more from your customers and keep them around longer</i>		Improve Profitability <i>Consider the scalability of your product strategies to maximize enterprise value</i>		
	Grow TAM	Expand SAM/SOM	Increase Retention	Increase Rev. per Customer	Reduce CAC	Reduce Marginal Support Costs	
1. Innovate to Be Best In Breed		✓	✓	✓			
2. Build+Bundle Complementary Product	✓	✓	✓	✓		✓	
3. Acquire Complementary Products	✓	✓	✓	✓			
4. Integrate with Partner Products		✓	✓	✓	✓		
5. Develop Tangential Product Lines	✓	✓		✓			
6. Go Up Market		✓		✓			
7. Go Down Market		✓			✓		
8. Attack New Markets / Verticals	✓	✓					
9. Expand into New Geographies	✓	✓					
10. Create Self Service Channel		✓			✓	✓	
11. Establish a Partner Channel		✓			✓	✓	
12. Become an Open Platform		✓	✓	✓		✓	
13. Increase Your Prices				✓			
14. Merge with Competitors		✓	✓			✓	
15. Improve Product Value Realization			✓			✓	
16. Sunset/Sell a Product Line	Sunsetting or selling a product line allows you to focus on the activities that will drive growth						✓

Objectives and Key Results - Setting milestone goals and measuring success



Radical Focus
Christina Wodtke



Source: Lee, Kevan. "All About OKRs." 2016. Trello Blog.

Objectives and Key Results – Setting milestone goals and measuring success

How to write an OKR example:

The Objective is an aspirational statement

OBJECTIVE:
Create an awesome customer experience

Key Results are always measurable and focused on achieving business outcomes or changes in customer behaviour (not outputs of features to be released)

KEY RESULTS:

- Improve Customer Satisfaction Score from X to Y
- Increase Repurchase Rate from X to Y
- Maintain Customer Acquisition Cost under X

NOTE:
Helps to use “from X to Y”

Activities are the lists of output or things you are going to do to move the Key Results

ACTIVITIES:

- Launch feature X
- Redesign the customer journey for X
- Run 3 new experiments
- Develop a new customer engagement metric

EPD - Engineering, Product and Design Teams - *Team composition and health*

Product Principles

Product Vision

Product Strategy

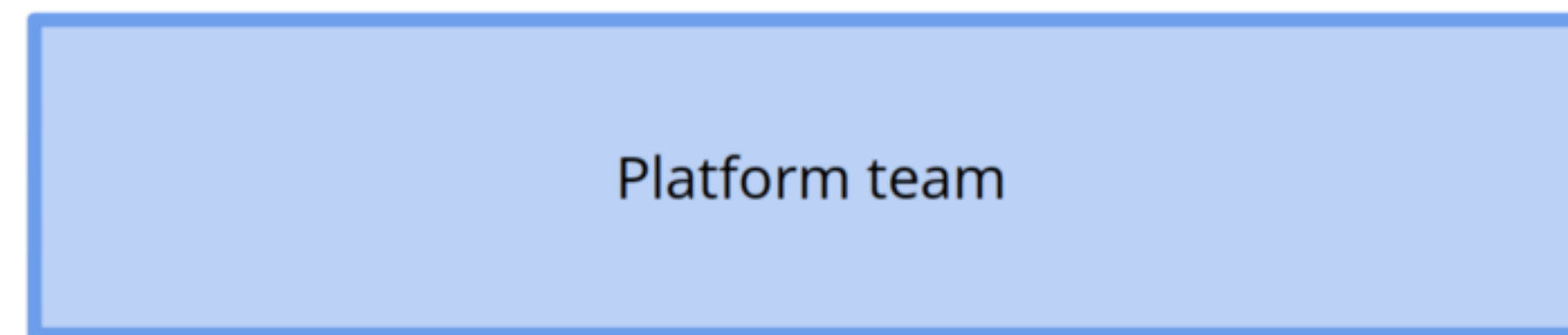
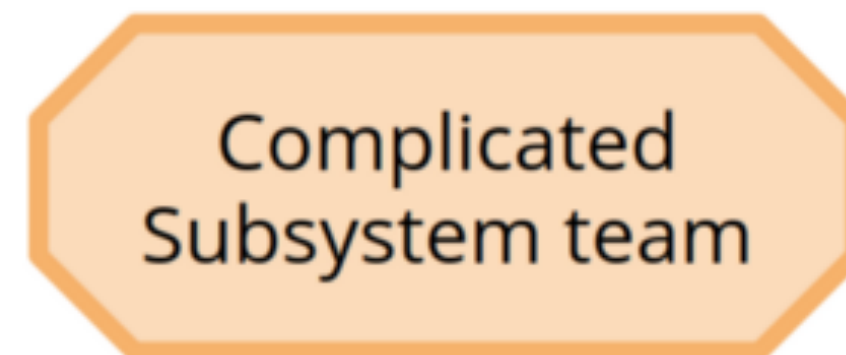
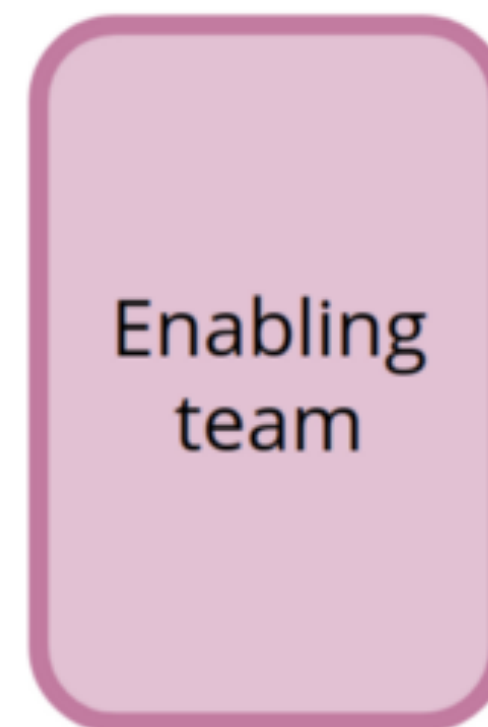
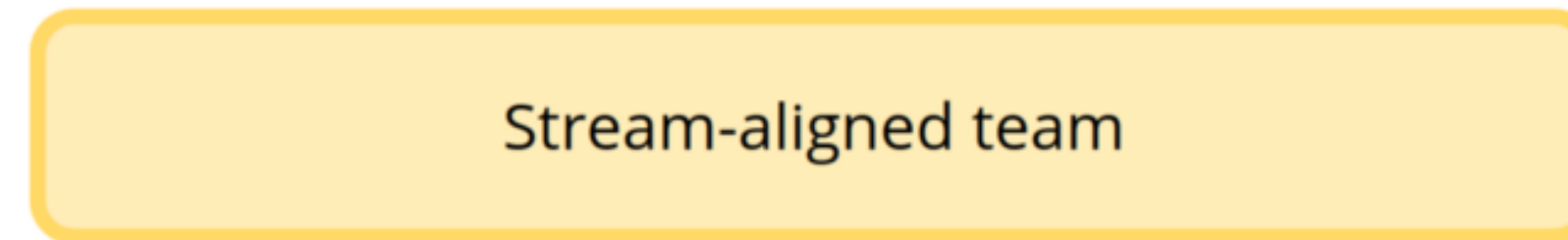
Objectives and Key Results (OKR)

Engineering-Product-Design Teams

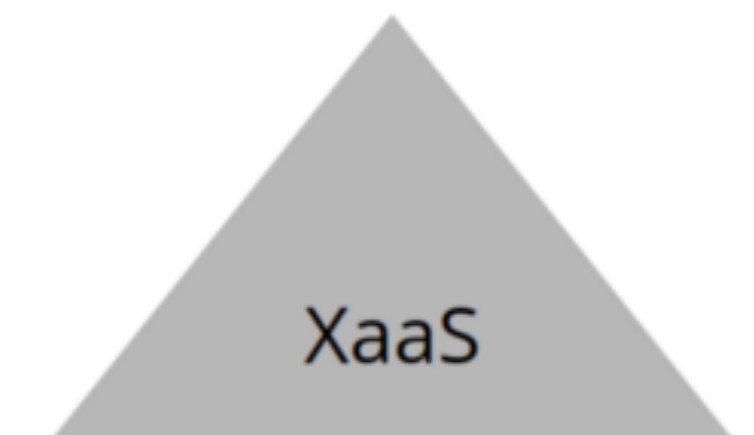
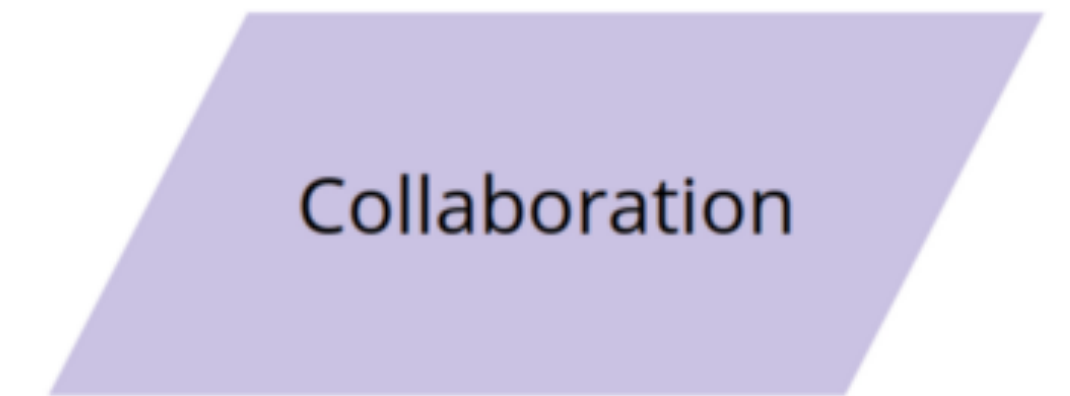
Product Discovery

Product Delivery

Fundamental Team Types

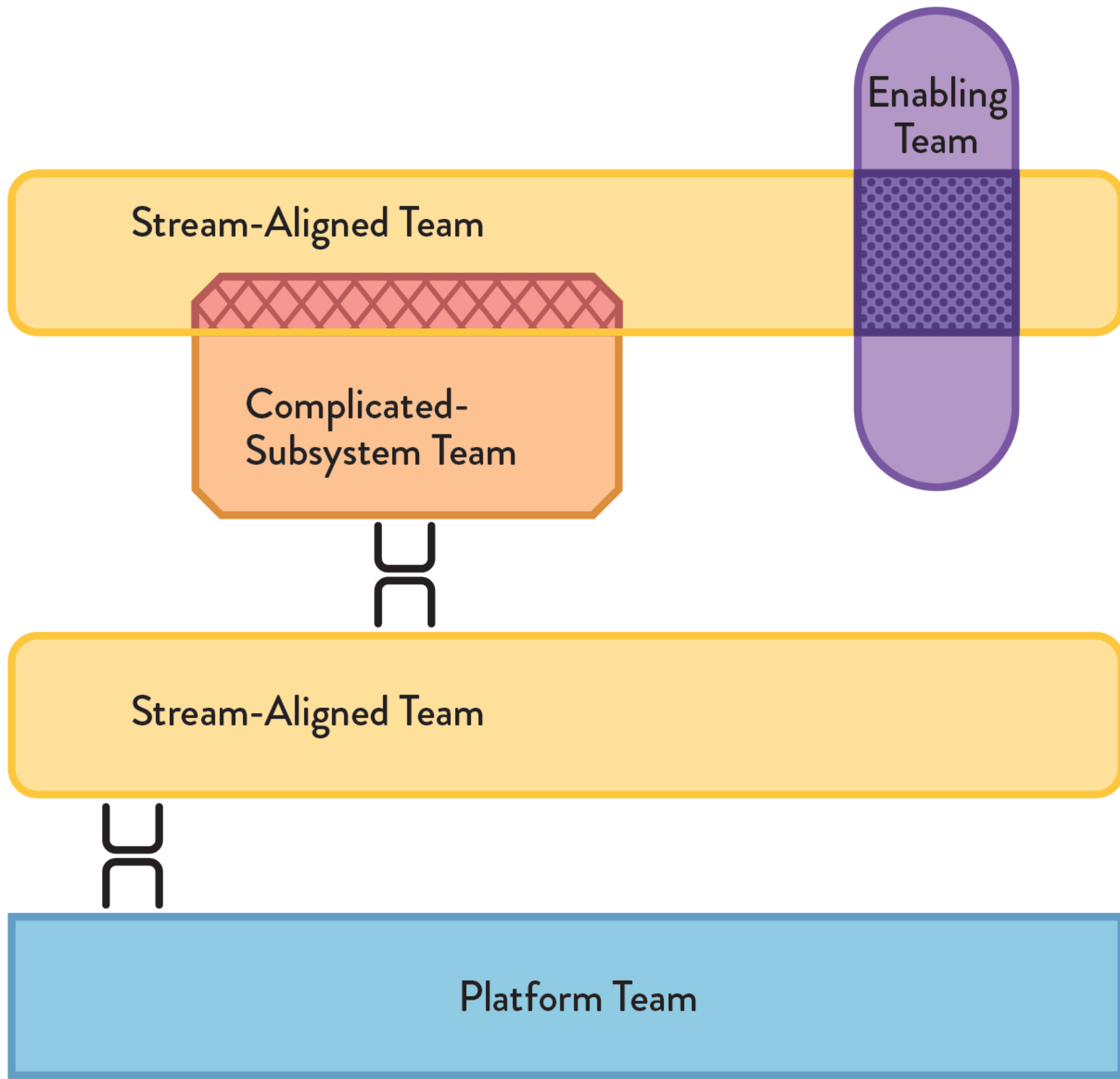


Team Interaction Modes



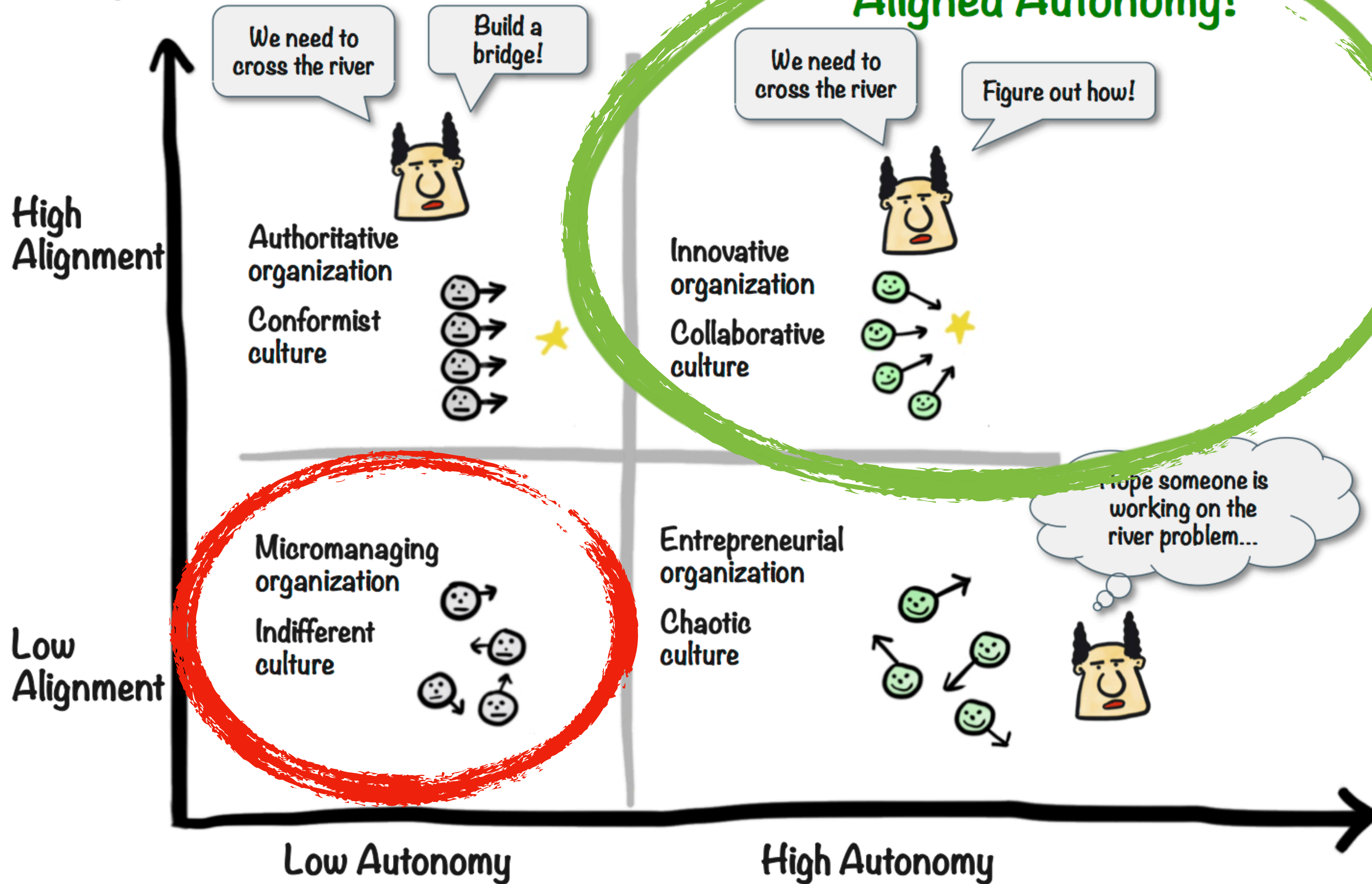
EPD - Engineering, Product and Design Teams - *Team composition and health*

- Product Principles
- Product Vision
- Product Strategy
- Objectives and Key Results (OKR)
- Engineering-Product-Design Teams**
- Product Discovery
- Product Delivery



Source: Matt Skelton and Manual Pais. "Team Topologies." 2019

Alignment enables Autonomy





Team Boundary

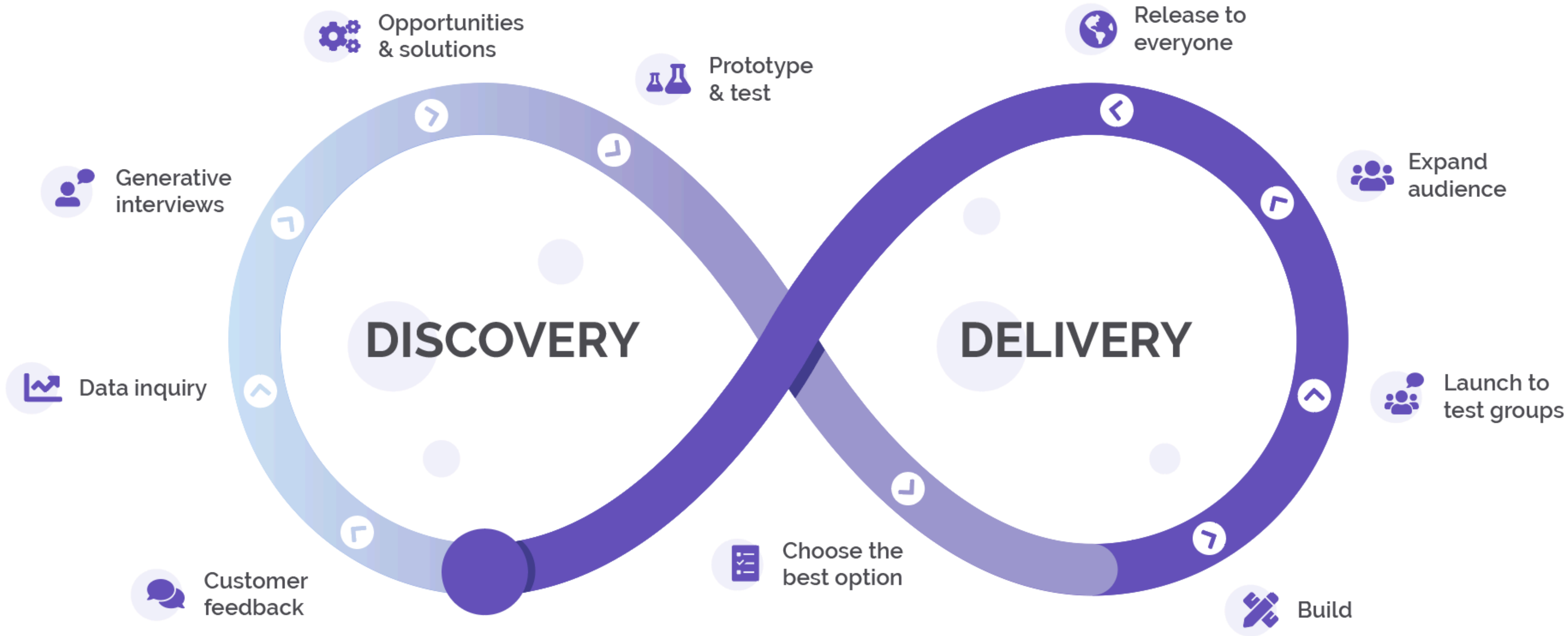
External handoff

Internal handoff

Cross-functional collaboration
Start | Work | Finish together



Product Discovery and Delivery



Product Discovery - *Building the right products & features*

Product Principles

Product Vision

Product Strategy

Objectives and Key Results (OKR)

Engineering-Product-Design Teams

Product Discovery

Product Delivery

Best practices for product discovery

- Endeavour to talk to customers weekly
- Prioritize opportunities or customer problems, not solutions
- Validate solution ideas before building (prototypes)

Five step survey process:

1. Survey
2. Segment
3. Analyze
4. Update
5. Track

Delighted
by qualtrics.^{XM}

**PMF
SURVEY**



Starts with a four question survey

1. How would you feel if you could no longer use “the product”?
 - a. Very disappointed
 - b. Somewhat disappointed
 - c. Not disappointed
2. What type of people do you think would most benefit from “the product”?
3. What is the main benefit you receive from “the product”?
4. How can we improve “the product” for you?

Delighted
by qualtrics.^{XM}

**PMF
SURVEY**

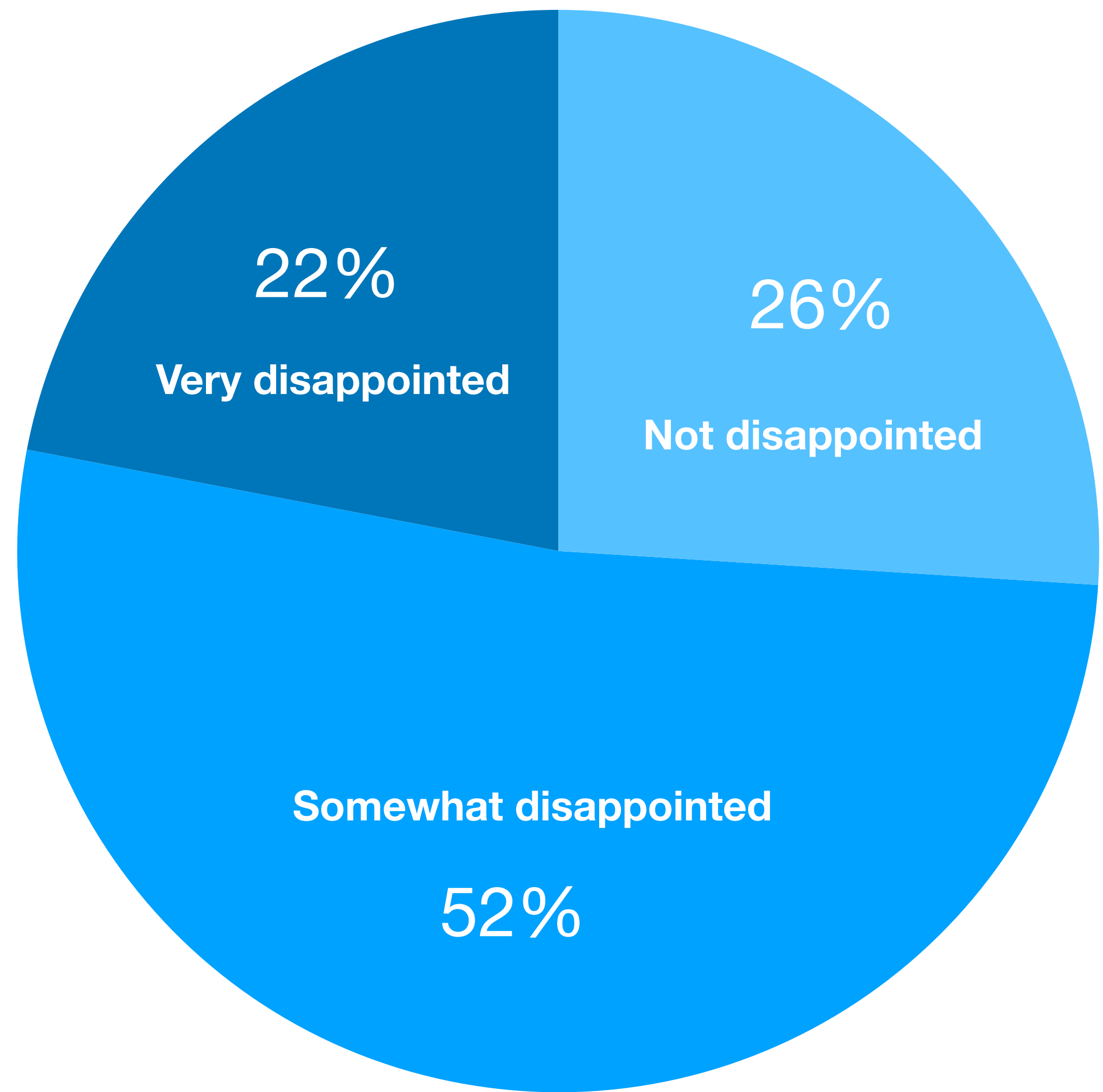
How would you feel if you could no longer use... “insert product name here”?

How would you feel if you could no longer use Slack?

731 out of 731 people answered this question



Step 1 of 5 - SURVEY



Step 2 of 5 - SEGMENT - Highest Expectation Customer (HXC)

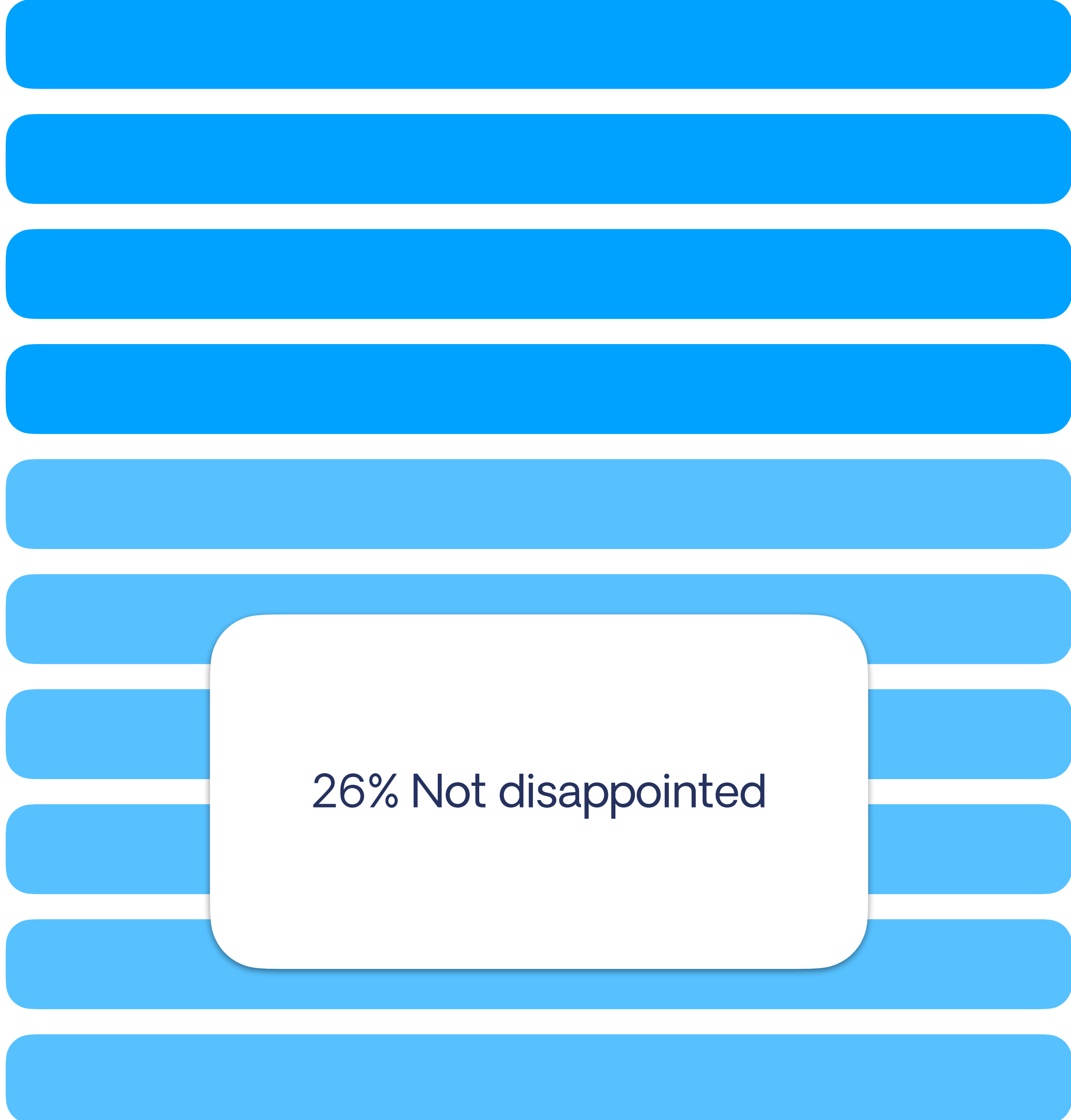
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SURVEY**

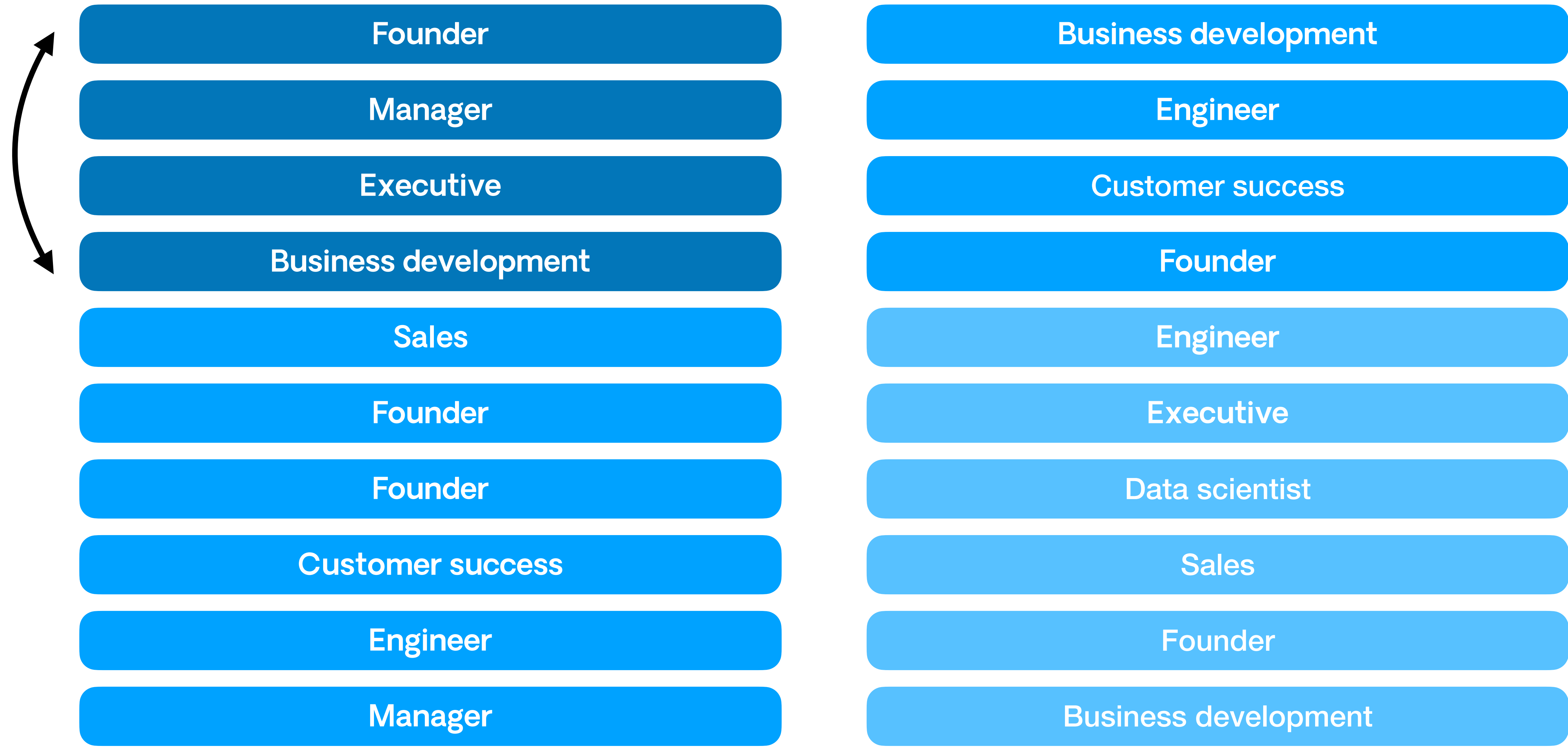


- The most discerning person within the target demographic
- It is someone who will acknowledge and enjoy the product/service for its greatest benefit.
- They look things up and research things
- They have ideas for new types of products or services that can help save money, time and become more productive

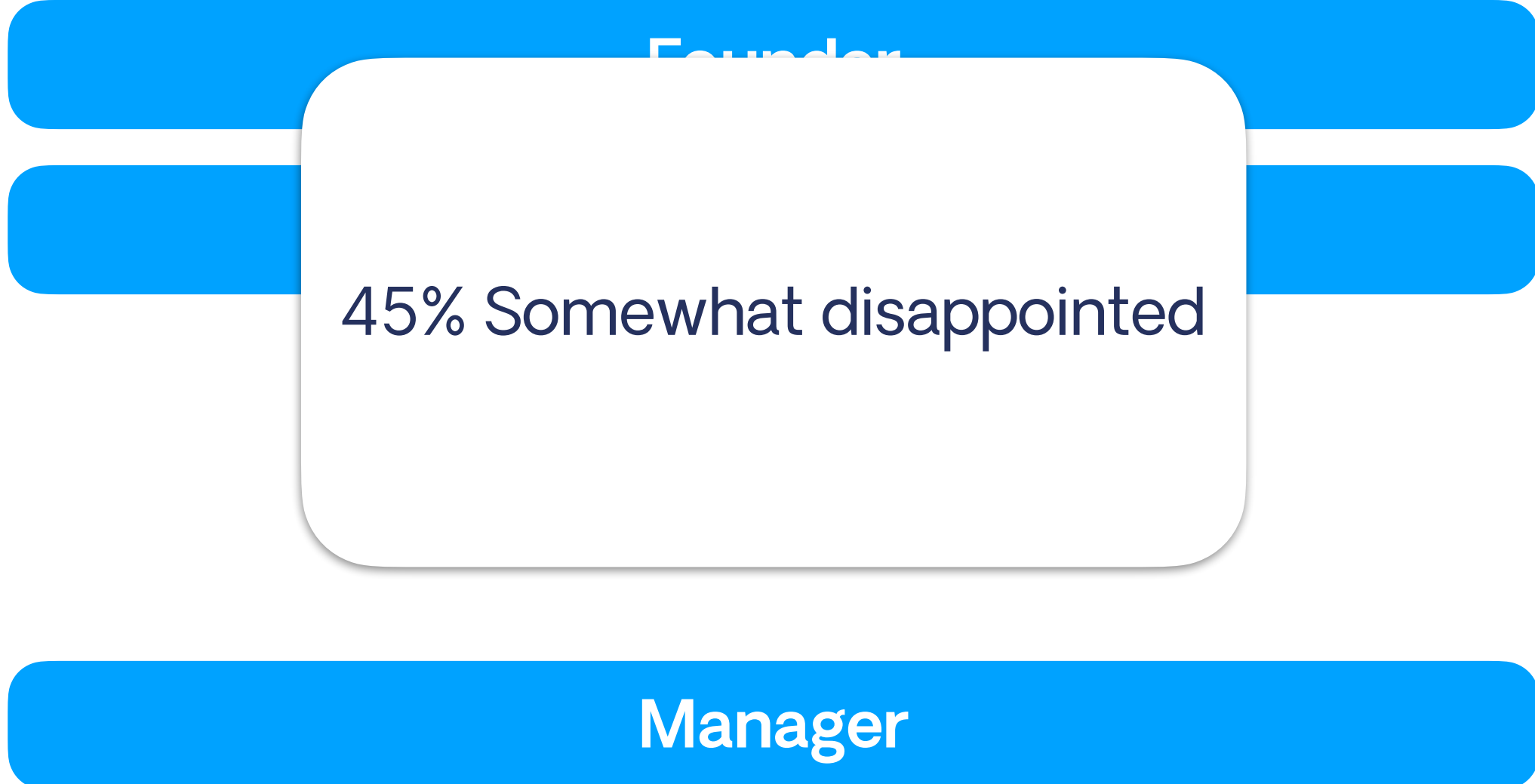
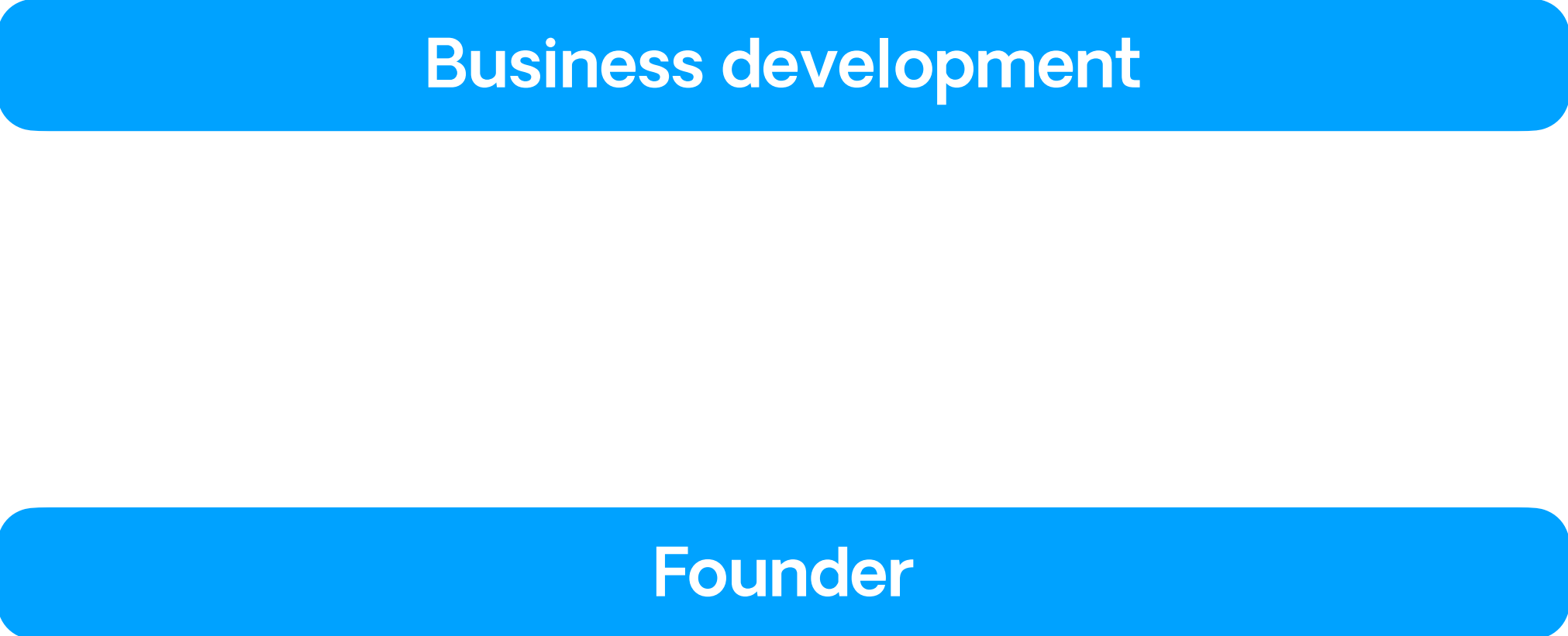
Step 2 of 5 - SEGMENT



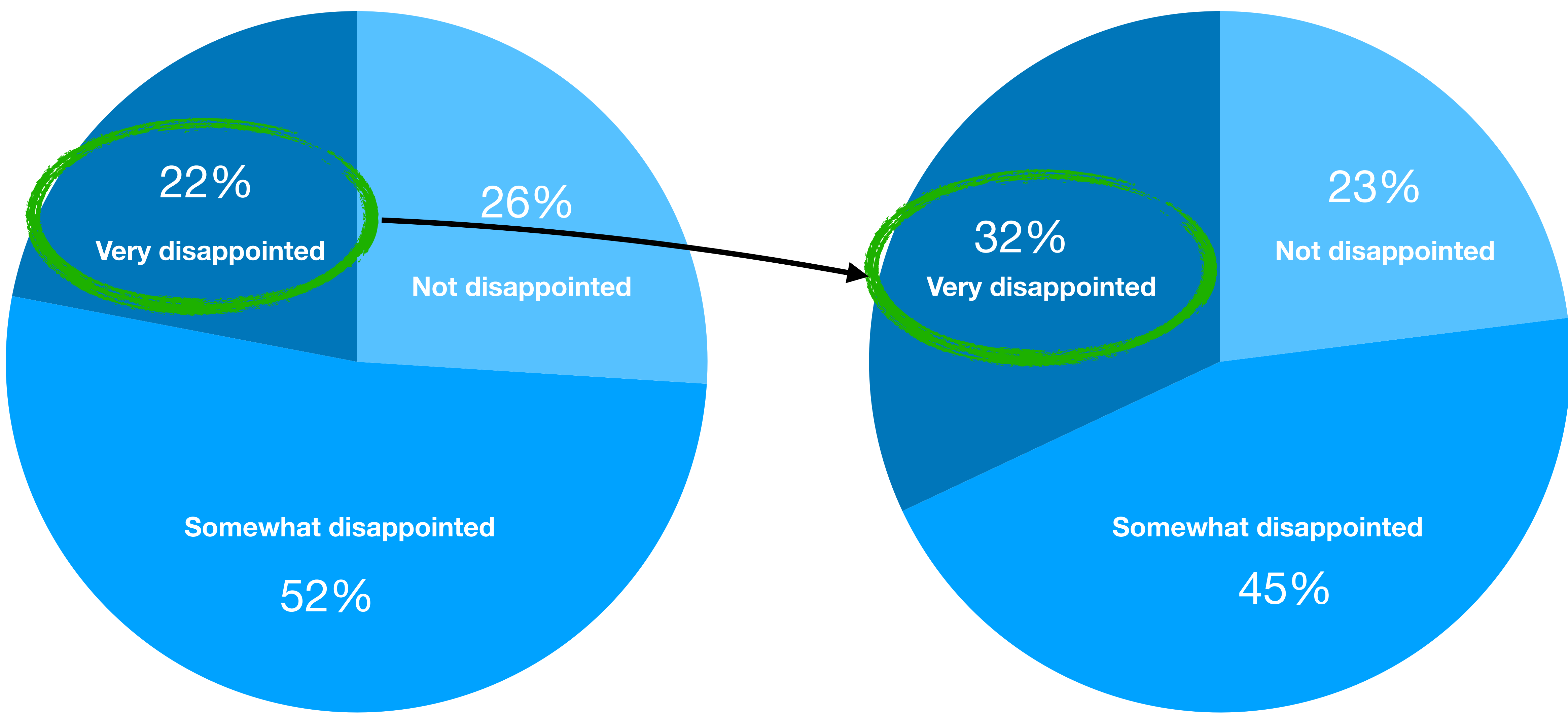
Step 2 of 5 - SEGMENT



Step 2 of 5 - SEGMENT



Step 2 of 5 - SEGMENT



What is the main benefit you receive from the product?

1. Collect all the responses from very disappointed users
2. Strip out all the extraneous words
3. Place in a word cloud and share with your team

Delighted
by qualtrics.^{XM}

**PMF
SURVEY**

Step 3 of 5 - Analyze



What is the main benefit you receive from the product?

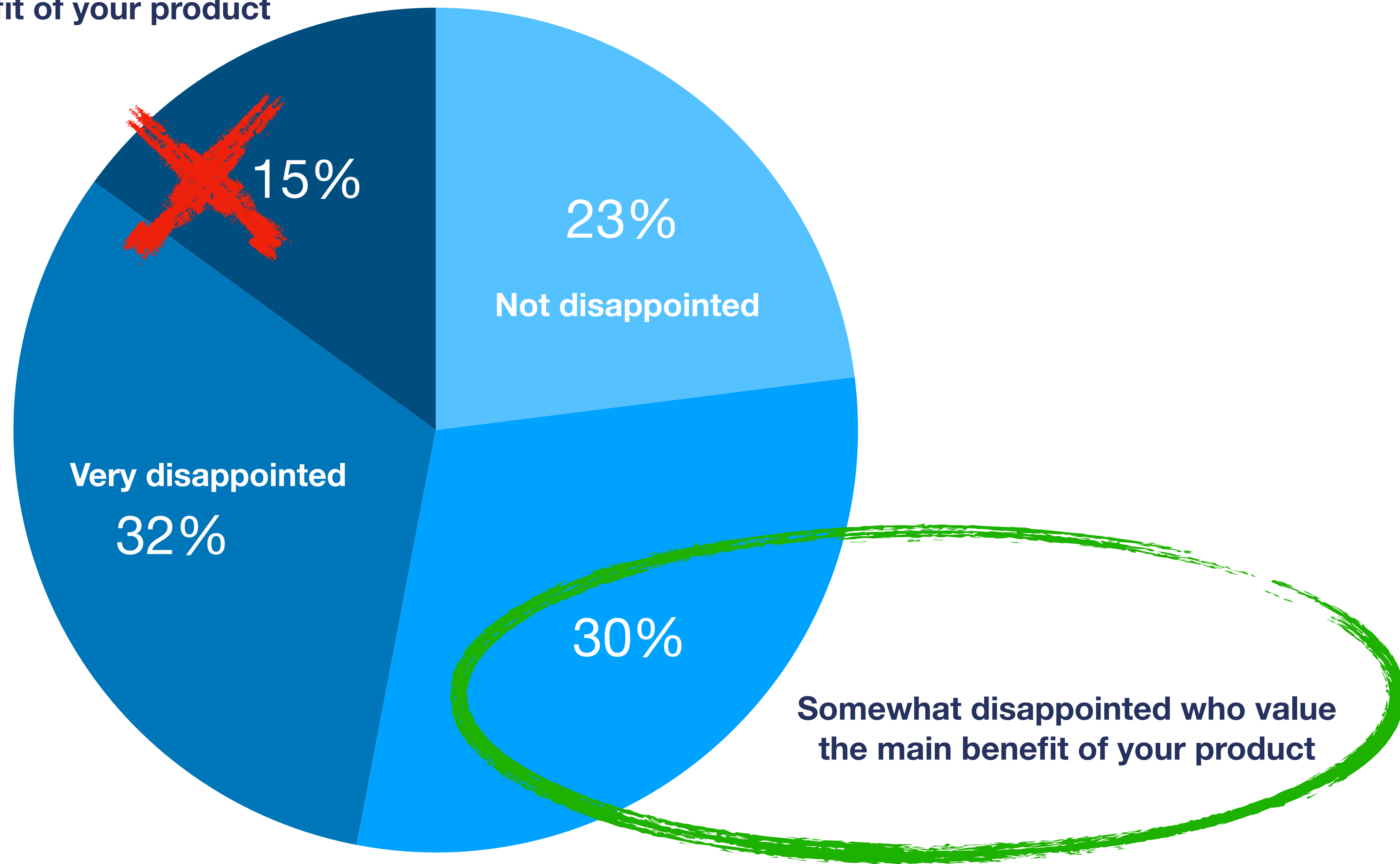
1. Ignore feedback from “not disappointed” users
2. Look to “somewhat disappointed” users next to see how you can convert them
3. Look at results from “somewhat disappointed” users for whom the main benefit of the product resonates

Delighted
by qualtrics.^{XM}

**PMF
SURVEY**

Step 3 of 5 - Analyze

Somewhat disappointed who don't value the main benefit of your product



Somewhat disappointed who value the main benefit of your product

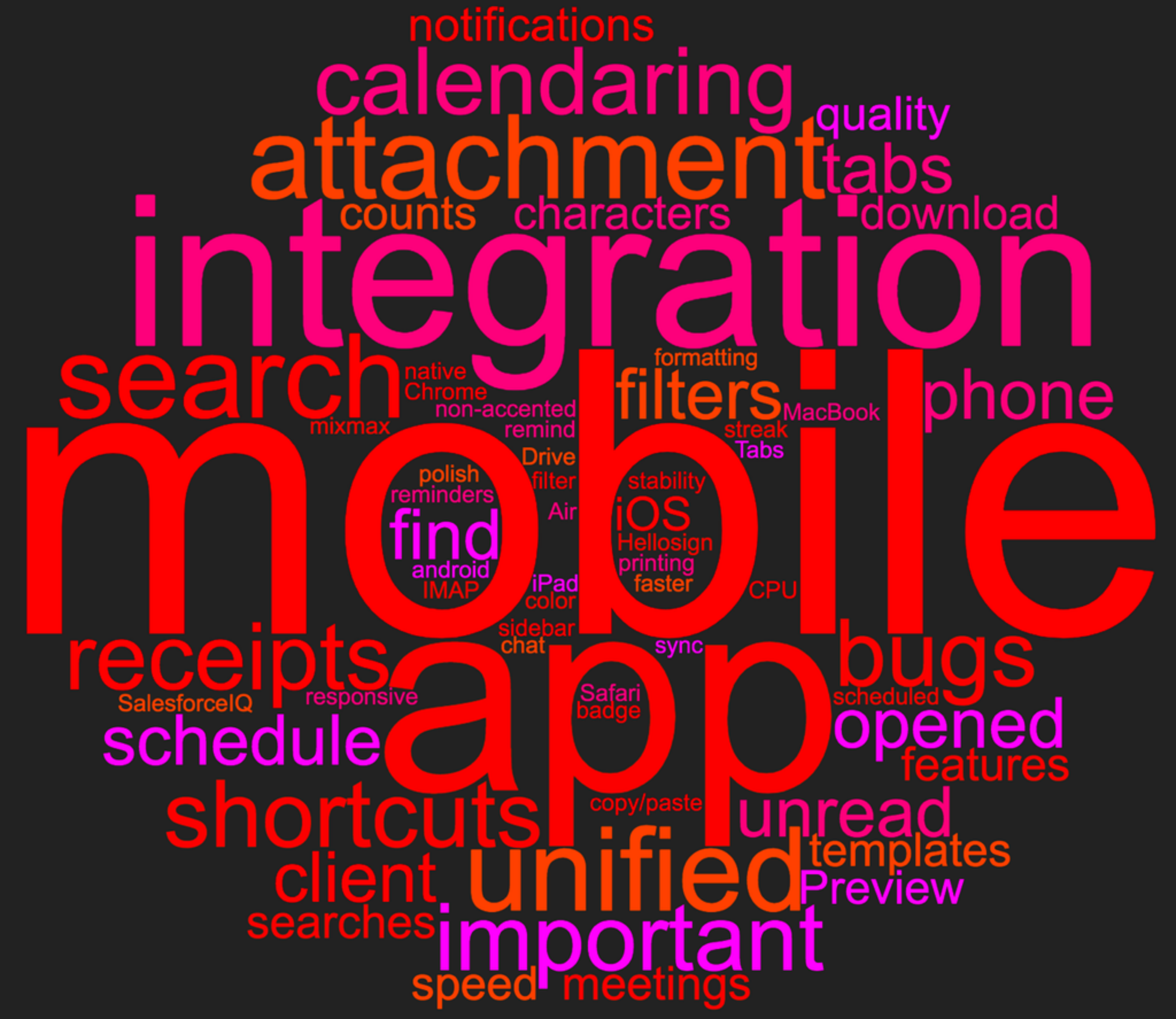


**PMF
SURVEY**

How can we improve the product for you?

1. Take “somewhat disappointed” users who value the main benefit and look at their response to question four
2. Strip out extraneous words
3. Create a word-cloud

Step 3 of 5 - Analyze



Step 4 of 5 - Implement improvements to your product



50% of time doubling down on improvements for “very disappointed users”

- ✓ Feature 1
- ✓ Improvement 1
- ✓ Feature 2

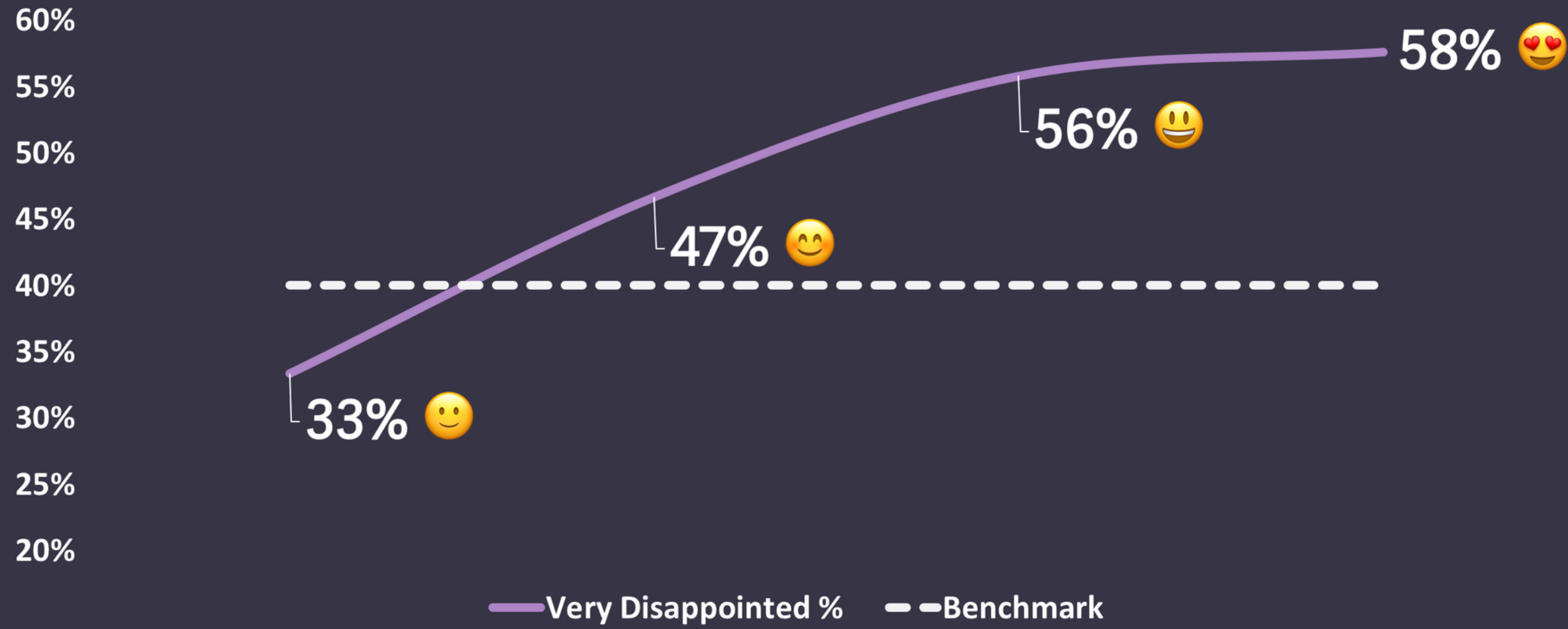


50% to address new requests by “somewhat disappointed” users who value the main benefit

- ✓ Feature 1
- ✓ Feature 2
- ✓ Feature 3

Step 5 of 5 - Track results over time

Results



Product Delivery - *Building the product & features right*

Product Principles

Product Vision

Product Strategy

Objectives and Key Results (OKR)

Engineering-Product-Design Teams

Product Discovery

Product Delivery

- Product delivery is really the tactical execution of building and releasing the product
- Collaborating with other stakeholders to launch the product into the market
- Ensuring the product solution is built and performs correctly to achieve the customer value and business goals

Product Delivery - Building the product & features right

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- Product Delivery

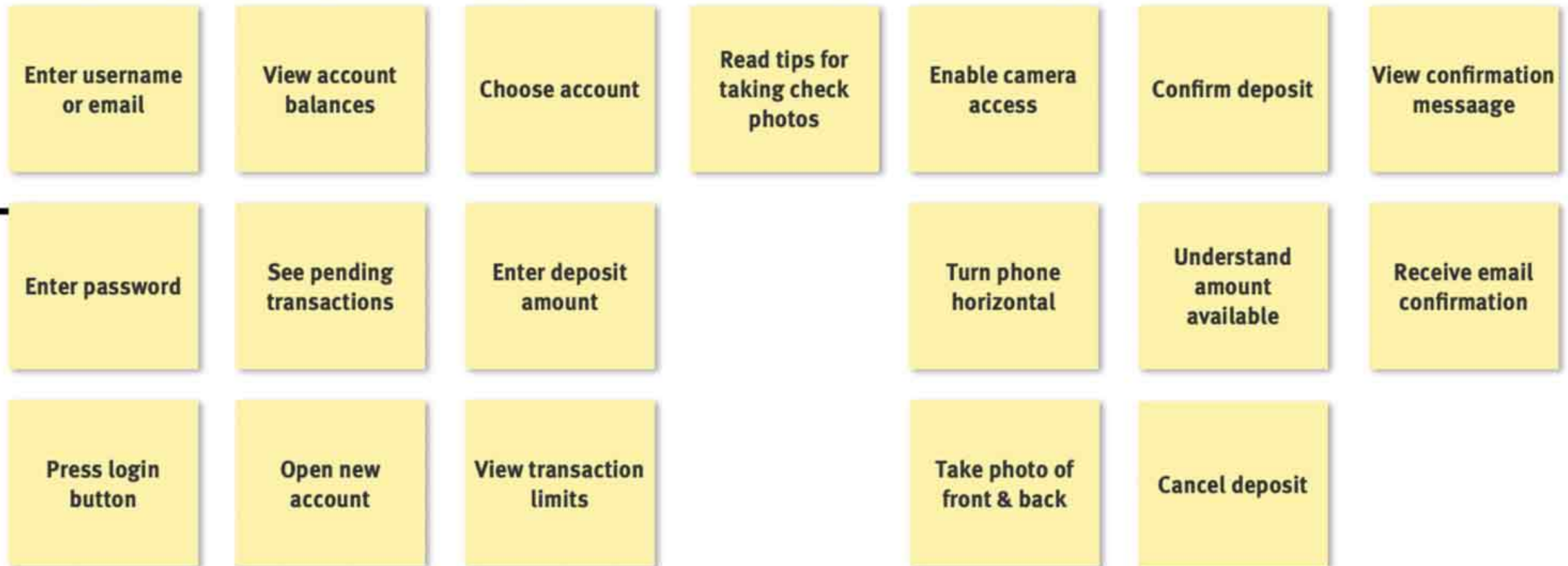
1. Activities:
High-level tasks users can do in the digital product



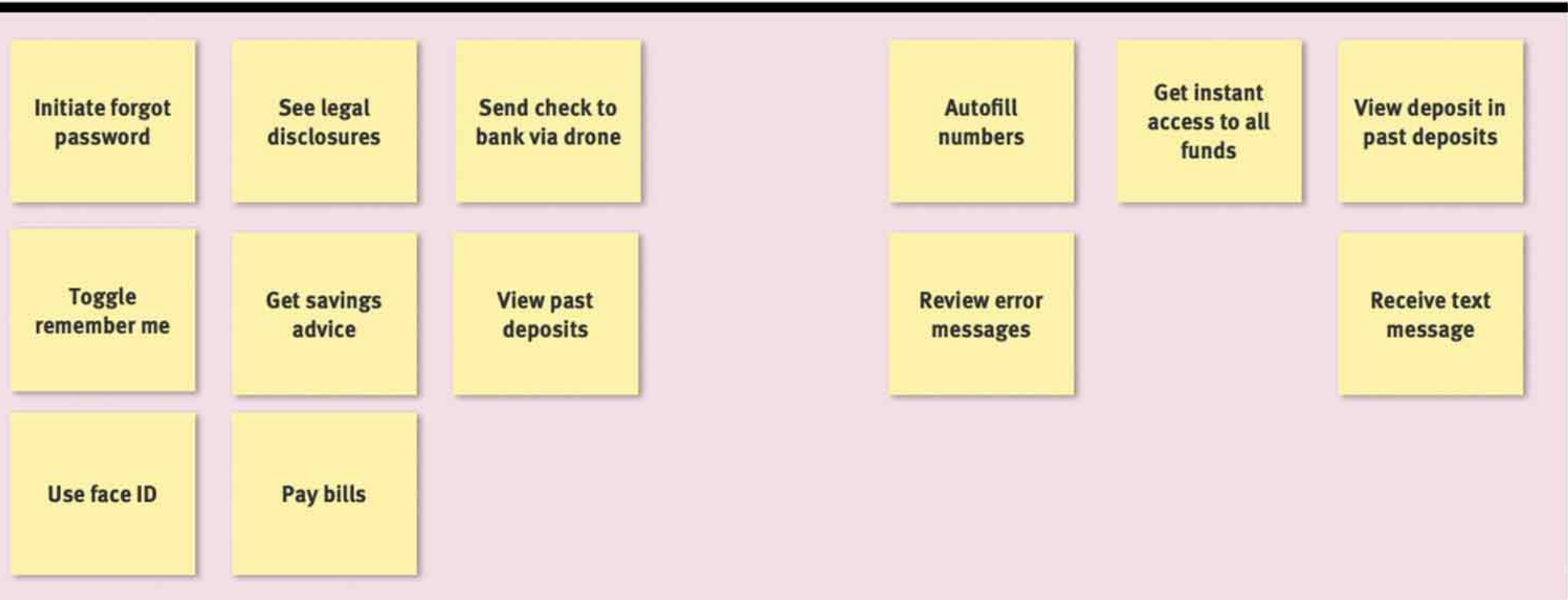
2. Steps:
Steps users go through to complete the activity above



3. Details:
Granular, discrete interactions to complete the step above



MVP Release 1:
Create a prototype of the flow, including everything *above* this line to learn if users understand the process (*goal*) and can successfully deposit a check (*outcome*).



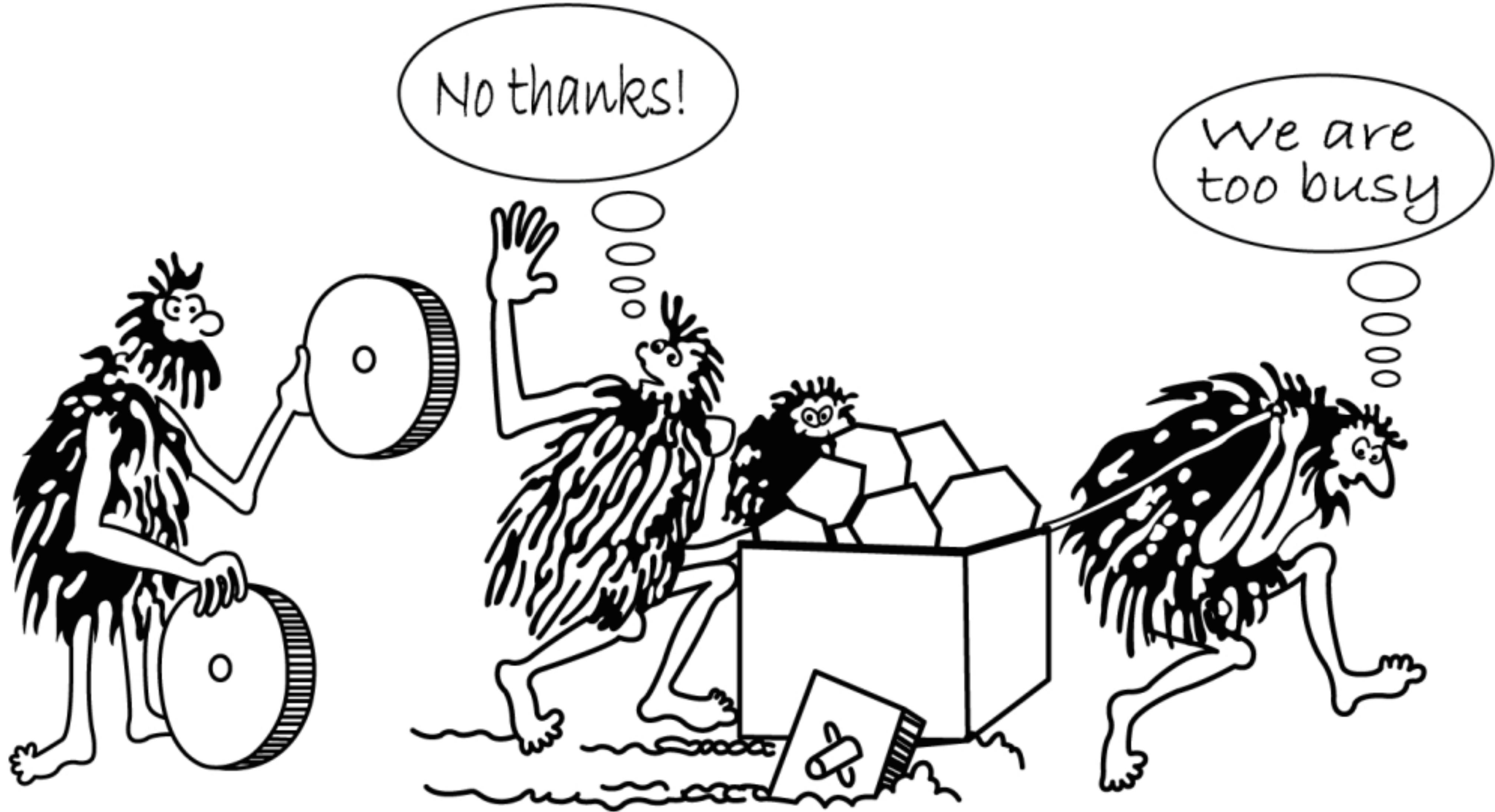
CONCLUSION...

Too busy to improve?

Need more slack in your system!



Henrik Kniberg



No thanks!

We are too busy

**Treat your product process and your
company like a product.**



Patrick Gregory

Product Manager and Leader

THANK
YOU!

patrick@patrickgregory.com

<http://www.patrickgregory.com>