The Basics of Product Planning

Dr. Nir Levy
Product Planning
### Key Elements of Product Planning

#### Voice of Customer
- Who is the target audience?
- What are the needs and pain points?
- What’s the value proposition?
- Who is the customer base today? Can we grow/evolve it?

#### Voice of Business
- Who are the key players?
- What the competition is doing?
- What’s the business potential? (revenue, users, margins, etc.)
- What analysts/press are saying?

#### Voice of Technology
- New trends: cloud/mobile
- Are there other technologies/expertise available that we can leverage?

#### Build-Measure-Learn
- Build/Measure/Learn faster
- Establish baseline and make changes based on learning
Key Elements of Product Planning

Voice of Customer
- Who is the target audience?
- What are the needs and pain points?
- What's the value-proposition?
- Who is the customer base today? Can we grow/evolve it?

Voice of Business
- Who are the key players?
- What the competition is doing?
- What's the business potential? (revenue, users, margins, etc.)
- What analysts/press are saying?

Voice of Technology
- New trends: cloud/mobile
- Are there other technologies/expertise available that we can leverage?

Build-Measure-Learn
- Build/Measure/Learn faster
- Establish baseline and make changes based on learning
# Key Elements of Product Planning

## Voice of Customer
- Who is the target audience?
- What are the needs and pain points?
- What’s the value proposition?
- Who is the customer base today? Can we grow/evolve it?

## Voice of Business
- Who are the key players?
- What the competition is doing?
- What’s the business potential? (revenue, users, margins, etc.)
- What analysts/press are saying?

## Voice of Technology
- New trends: cloud/mobile
- Are there other technologies/expertise available that we can leverage?

## Build-Measure-Learn
- Build/Measure/Learn faster
- Establish baseline and make changes based on learning
Blue-Ocean/Red-Ocean Strategy [W. Chan Kim, Renee Mauborgne]

Overview:
Red oceans represent all the industries in existence today, with companies try to outperform their. Blue oceans, represent all the industries not in existence today, where competition is not present.

Industry examples:
- Blue: Wii
- Red: HTC

So what?
- Are your product in Red or Blue oceans?
- Can the conversation change from Red to Blue Ocean?
Overview:
The five forces framework is an approach for analyzing the competitive nature of an industry to gain an understanding of key factors influencing the profitability and attractiveness of an industry.

Industry examples:
- Suppliers: Pinterest
- Buyers: amdocs
- New Entrants: Google
- Substitutes: Netflix

So what?
- For your product/feature who is/are the new entrants trying to disrupt the market?
- What are the substitutes?
- Are you impacted with strong suppliers’ or buyers’ power?
Overview
The Growth-Share matrix is a tool for evaluating the performance of firm's products or business units versus the performance of the industry.

So what?
- Understand why investments are made
- Justify your place and tune the conversation
- If you are a dog, find growth opportunities
- Remember: growth can be in users first and revenue/margins later

Common mistake: spend cash on themselves rather than fund other efforts
Common mistake: try to maximize short-term
Common mistake: throw resources at all of them
Overview:
SWOT is a method of analyzing an organization by looking at its strengths and weaknesses and the opportunity and threats which it faces.

So what?
- Powerful framework to assess competition
- You must need this for your product!

Strengths
characteristics of the business that give it an advantage over others
- Cost advantage
- Financial resources
- Customer loyalty
- Modern production facilities
- Patents

Weaknesses
characteristics that place the business at a disadvantage relative to others
- Too narrow a product line
- Lack of management depth
- High cost operation due to high labor costs
- Weak Market image

Opportunities
elements that the project could exploit to its advantage
- Add to the product line
- Enter new market
- Acquire firms with needed technology

Threats
elements in the environment that could cause trouble for the business
- Shifting buyer tastes
- Likely entry of new competitors
- Unfavorable government policies
- Potential for technology to radically change image
# Key Elements of Product Planning

## Voice of Customer
- Who is the target audience?
- What are the needs and pain points?
- What's the value proposition?
- Who is the customer base today? Can we grow/evolve it?

## Voice of Business
- Who are the key players?
- What the competition is doing?
- What's the business potential? (revenue, users, margins, etc.)
- What analysts/press are saying?

## Voice of Technology
- New trends: cloud/mobile
- Are there other technologies/expertise available that we can leverage?

## Build-Measure-Learn
- Build/Measure/Learn faster
- Establish baseline and make changes based on learning
The **compelling promise** that a product makes to a **target audience** that outweighs its **total perceived cost and risk** while being **differentiated** from available alternatives and **supported** by reasons to believe.
Enterprise is the neighborhood car rental company that specializes in renting to consumers who need a replacement car as the result of an accident, mechanical repair or theft, and those who need a vehicle for a special occasion. Enterprise’s 7,000 branches are located close to where our customers live and work, and more than 90% of Americans live within 15 minutes of an Enterprise branch.
Overview:
Different needs between “early adopters” and “early and majority” creates a chasm that is hard for companies to cross. Companies need to focus on one target audience at a time and develop the right features, positioning, marketing strategy and pricing, before moving to the next group of users.

Industry example:

So what?
• Where is your product/feature on the curve?
• What the audience in the next tier need?
• What should be the message to that audience?
# Key Elements of Product Planning

## Voice of Customer
- Who is the target audience?
- What are the needs and pain points?
- What's the value proposition?
- Who is the customer base today? Can we grow/evolve it?

## Voice of Business
- Who are the key players?
- What the competition is doing?
- What's the business potential? (revenue, users, margins, etc.)
- What analysts/press are saying?

## Voice of Technology
- New trends: cloud/mobile
- Are there other technologies/expertise available that we can leverage?

## Build-Measure-Learn
- Build/Measure/Learn faster
- Establish baseline and make changes based on learning
Traditional Product Development
Faster Learning and Pivoting

http://www.youtube.com/watch?v=fEvKo90qBns

The Three Learning Milestones

1. Establish the baseline
   - Build a Minimum Viable Product (MVP)
   - Measure how customers behave right now

2. Tune the engine
   - Experiment to see if we can improve metrics from the baseline towards the ideal

3. Pivot or persevere
   - When experiments reach diminishing returns, it’s time to pivot.
# Key Elements of Product Planning

## Voice of Customer
- Who is the target audience?
- What are the needs and pain points?
- What's the value proposition?
- Who is the customer base today? Can we grow/evolve it?

## Voice of Business
- Who are the key players?
- What the competition is doing?
- What's the business potential? (revenue, users, margins, etc.)
- What analysts/press are saying?

## Voice of Technology
- New trends: cloud/mobile
- Are there other technologies/expertise available that we can leverage?

## Build-Measure-Learn
- Build/Measure/Learn faster
- Establish baseline and make changes based on learning
Design Documents Review
# Table of Contents

Table of Contents ......................................................................................................................... 1  
Introduction ........................................................................................................................................ 2  
1.1 Overview ........................................................................................................................................ 2  
1.2 The Market ....................................................................................................................................... 2  
  1.2.1 Users ........................................................................................................................................ 2  
  1.2.2 Needs ....................................................................................................................................... 2  
  1.2.3 Competition ................................................................................................................................. 2  
1.3 Design Goals and Non-Goals .......................................................................................................... 2  
  1.3.1 Goals ......................................................................................................................................... 2  
  1.3.2 Non-Goals ................................................................................................................................. 2  
1.4 Dependencies ................................................................................................................................. 3  
1.5 Assumptions and Design Constraints List ...................................................................................... 3  
1.6 Issues List (Risks) .......................................................................................................................... 3  
2 Application Design .......................................................................................................................... 4  
  2.1 Features and functionalities ............................................................................................................. 4  
  2.2 Screens – Functionality and Flow ................................................................................................. 4  
    2.2.1 Screens Functionality ................................................................................................................. 4  
    2.2.2 Screens Flows ............................................................................................................................. 4  
3 Logical Architecture .......................................................................................................................... 5  
  3.1 Application Context ...................................................................................................................... 5  

# Table of Contents

Table of Contents ........................................................................................................................................... 1
Introduction .......................................................................................................................................................... 2
  1.1 Overview.................................................................................................................................................. 2
  1.2 Design Goals and Non-Goals.................................................................................................................. 2
    1.2.1 Goals.................................................................................................................................................. 2
    1.2.2 Non-Goals ....................................................................................................................................... 2
  1.3 Dependencies ......................................................................................................................................... 2
    1.3.1 Feature Dependencies.................................................................................................................... 2
    1.3.2 Features Dependent on this Feature............................................................................................... 2
  1.4 Audience ............................................................................................................................................... 2
  1.5 Assumptions and Design Constraints List............................................................................................. 2
  1.6 Issues List ............................................................................................................................................. 2
  1.7 To-do List ............................................................................................................................................ 3
2 Logical Architecture ........................................................................................................................................ 4
  2.1 Application Context ............................................................................................................................. 4
3 Design .......................................................................................................................................................... 5
  3.1 Classes ................................................................................................................................................... 5
    3.1.1 Class Diagram .................................................................................................................................. 5
    3.1.2 Class details ..................................................................................................................................... 5
  3.2 Flows ...................................................................................................................................................... 6
  3.3 Synchronization and Protection Mechanisms ....................................................................................... 6
  3.4 Backward Compatibility Support ........................................................................................................ 6
  3.5 Setup ...................................................................................................................................................... 6
4 Physical Architecture ..................................................................................................................................... 6
5 References ..................................................................................................................................................... 6
6 Revision History ............................................................................................................................................ 6