Product Strategy Explained
Who is Brainmates?

A product management consulting and training business

Our mission: To provide experienced Product Management to businesses that want to truly understand their customers’ needs ....
... to develop innovative products that their customers love.
Strategy is a loaded term
What is a strategy?
Strategy is the company’s **compass**
Strategy has both magnitude and direction
Strategy is **NOT** a detailed plan.
Strategy guides the act of **planning**
Strategy must be responsive to change
What the experts say?
According to Michael Porter...

“The essence of strategy is choosing to perform activities differently than rivals do.”

What is Strategy?  
According to Kim and Mauborgne ...

Strategy hinges on the development and alignment of three propositions...
Proposition 1:

A value proposition that attracts buyers.
Proposition 2:

A profit proposition that enables the company to make money out of the value proposition.
Proposition 3:

A **people proposition** that motivates those working for or with the company to execute the strategy.

*How Strategy Shapes Structure?*
*Kim and Mauborgne, Harvard Business Review, 2009*
Henri Mintzberg says strategy is ...

A Plan

A consciously or purposefully intended course of action, a guideline, set of guidelines to deal with a situation.
Henri Mintzberg says strategy is…

A Ploy

As a plan, strategy can be a ploy to outwit an opponent or a competitor.
Henri Mintzberg says strategy is …

A Pattern

Strategy is consistency in behaviour, whether or not intended. A company may exhibit a pattern in its actions. This in itself becomes strategy. There may be a plan behind these set of actions or there may not be.
Henri Mintzberg says strategy is …

A Position

Strategy as a means of locating the organisation in the external environment. The organisation's decision to compete in a specific market is itself strategy. (Niche, Ecological).
Henri Mintzberg says strategy is ...

A Perspective

Strategy as an ingrained way of seeing the world. (Some companies are aggressive pacesetters).

The Strategy Concept I; Five Ps for Strategy
Henry Mintzberg, California Management Review, 1987
Why have a strategy?
Focus on the right set of activities
To maximise the organisation’s resources and efforts
What is a product strategy?
A product strategy is a ...

Set of **guiding principles**

+ 

Product **goal(s)**
The product’s **guiding principles and goals** must be underpinned by the **business strategy**.
What do I need to create a product strategy?
1. Strategy requires knowledge
2. Strategy requires process
3. Strategy requires tools
A process and 10 questions to a product strategy
Formulating a product strategy

10 key questions underpinning a product strategy ….

Create Milestones and Measure

Product Plans and Roadmaps
Answering **10** key questions will help you formulate your product strategy
Question 1:

What is the purpose of the product in the market?
Question 2: What is the purpose of the product for the business?
Question 3:

What do we want the **product** to achieve?
Question 4:

Which markets do we want the **product** to serve?
Question 5:

How do we want the customer to feel?
Question 6:

What additional value do we need to develop in our product?
Question 7:

Who else is offering the same value in the market?
Question 8:

What **capability** do we have to create the value?
Question 9:

What **constraints** do we have to consider?
Question 10:

How **fast** do we have to move?
Some strategic tools
Use the following tools to help answer the 10 questions towards a strategy.
Customer Insights
Business Success Factors: Vision, Mission
SWOT Analysis
Porters 5 Forces
Competitor Analysis
PESTLE
Scenario Planning
Market Segmentation
Value Curve Analysis
Strategic Risk Assessment
Profit & Loss Statement
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