Product Strategy

What comprises a good product strategy

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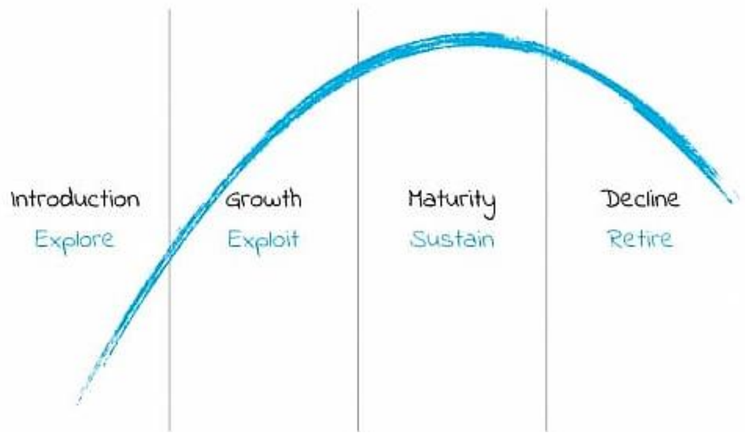
Introduction

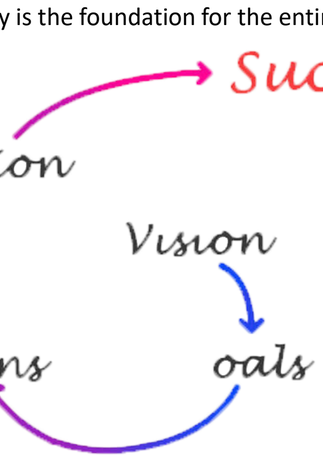
It is important to emphasize that all strategy is settled in three major components vision, goals and initiatives.

(Cooper & Kleinschmidt, 2011) *"New products are central to the success of the modern company."*

According to (Kotler, 2009) marketers use numerous tools to captivate their designated targets, these specific tools constitute the well-known marketing mix. These tools are classified into four broad groups as mention by (McCarthy, 1960) there are called the four P's of marketing. These are Product, Price, Place and Promotion all of these are controllable.

As (Parente & Strausbaugh-Hutchinson, 2014) affirm a marketing strategy revolves around a careful management of the four P's of marketing. A key concept of marketing is that successful companies create products that have a unique characteristic, that the consumer is looking for, and not just a unique feature or features. A product strategy is the foundation for the entire product lifecycle.





The Principles Of Product Strategy By Marty Cagan

According to (Cagan M. , 2017) a "good" product strategy follows five simple elements. They are:

First "Focus on one target market or persona at a time." In the first point the author states that one should not try to please everyone in a single release. Instead to focus on one new target market, or one new target persona, for each release.

Second point "Product strategy needs to be aligned with business strategy." the vision is meat to inspire the organization, but that ultimately the organization is there to think of solutions that end up delivering on the business strategy.

Third point, "Product strategy needs to be aligned with sales and go-to-market strategy." if the company as a new sales and marketing channel, then they need to ensure that their product strategy is aligned with the new channel.

Fourth point "Obsess over customers, not over competitors." too many companies when they face a serious competitor, they end up completely forgetting about their product strategy. According to the author this happens because the companies panic, and they end up following their competitor's actions and completely disregard their own customers.

Fifth point "Communicate the strategy across the organization." this is an important part of evangelizing the vision. It is important that all key business partners in the company know the target they are focused on at the moment.

The Three Elements That Comprise An Effective Strategy By Roman Pichler

According to (Pichler, 2016), what makes a product strategy "good", are only three elements.

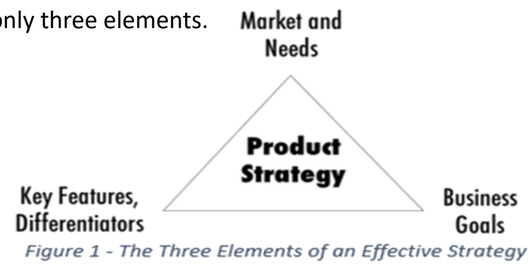


Figure 1 - The Three Elements of an Effective Strategy

First "Market and Needs" these one is where one describes the target customers and users of the product, as the author says the people who are likely to buy and to use it;

Second "Key Features, Differentiators" are those aspects of the product that are crucial to address the main problem or create the primary benefit and that make people choose it over the also recommends that one should focus on three to five key aspects that make people buy and use the product, and even sets up examples;

Third "Business Goals" captures how the product is going to benefit the company that it represents. According to the author being clear on the business goals allows one to select the right key performance indicators, and with that measure the product's performance.

Conclusion

The two points of view by different authors' (Cagan M. , 2017; Pichler, 2016) , in a sense, tell what elements or components are present in a product strategy to classify it as good. Their points of view converge, where they become somewhat similar, in some topics. Although ultimately, they tend to distance themselves.

Where (Cagan M. , 2017) point of view seems to tend to a more affective side of product strategy and how all must work together and all is influenced simultaneously, he also gives extreme importance to the consumer and treating him well to the point where the company must concern more about the consumer and less about the competition.

In a contrast to this, (Pichler, 2016) point of view seems to be one of a more practical and less affective side of the product strategy, to the author although it is important to know the needs and wants of the target market or consumer the author seems to look at the product strategy as a way to create value to the company, and nothing more.

In this regard (Pichler, 2016) as a very different view from (Cagan M. , 2017), when talking about product strategy and its intended results. Although they have similar elements present in their points of view in regards to what can help classify a product strategy as "good".

Ultimately, in my opinion both authors are right, and none is righter than the other. In order to make a product strategy "good", go with a hybrid of both authors' guidelines, in order to not lose to much of the emotional side neither the practical side of product strategy.

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