The Roadmap to

Mission-Critical Product Development
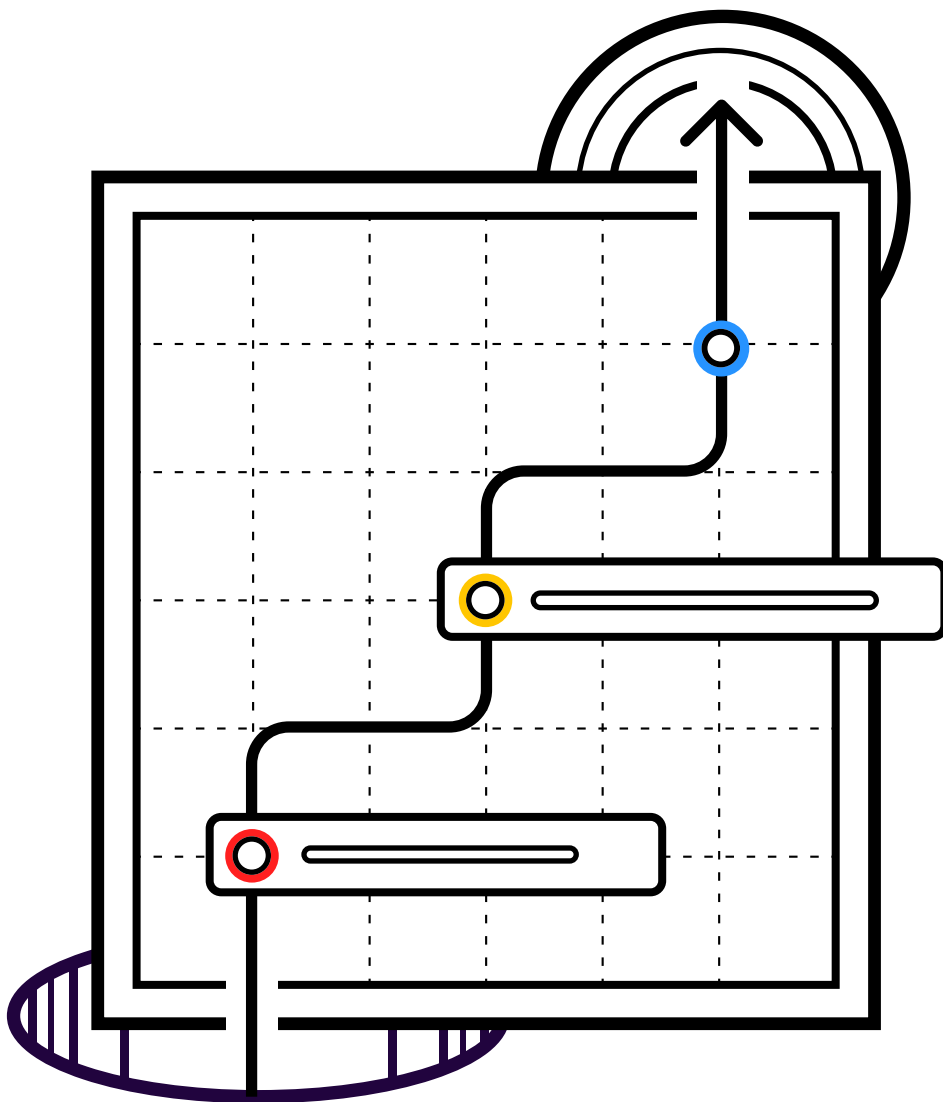
productboard

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Introduction

Today's macro-economic landscape is defined by things that make any business nervous: high inflation, missed growth targets, waves of layoffs, and frozen or shrinking budgets. This has resulted in a hyperfocus on efficient growth, customer retention, and moving faster.

While the pressure is certainly up for product teams, downturns like this are also historically times when the best companies are born and when the winners are separated from the rest. But coming out ahead is easier said than done– it depends largely on a company's ability to place the right bets and be operationally intelligent.

To successfully navigate today's market volatility and come out stronger in the future, product teams must narrow to mission-critical work and ensure the output is central to customer needs. With a customer-centric, integrated approach, product teams can confidently make the right bets to retain today's customers and future successes, and execute effectively to capture opportunities.

Let's take a closer look at what that means in practice.
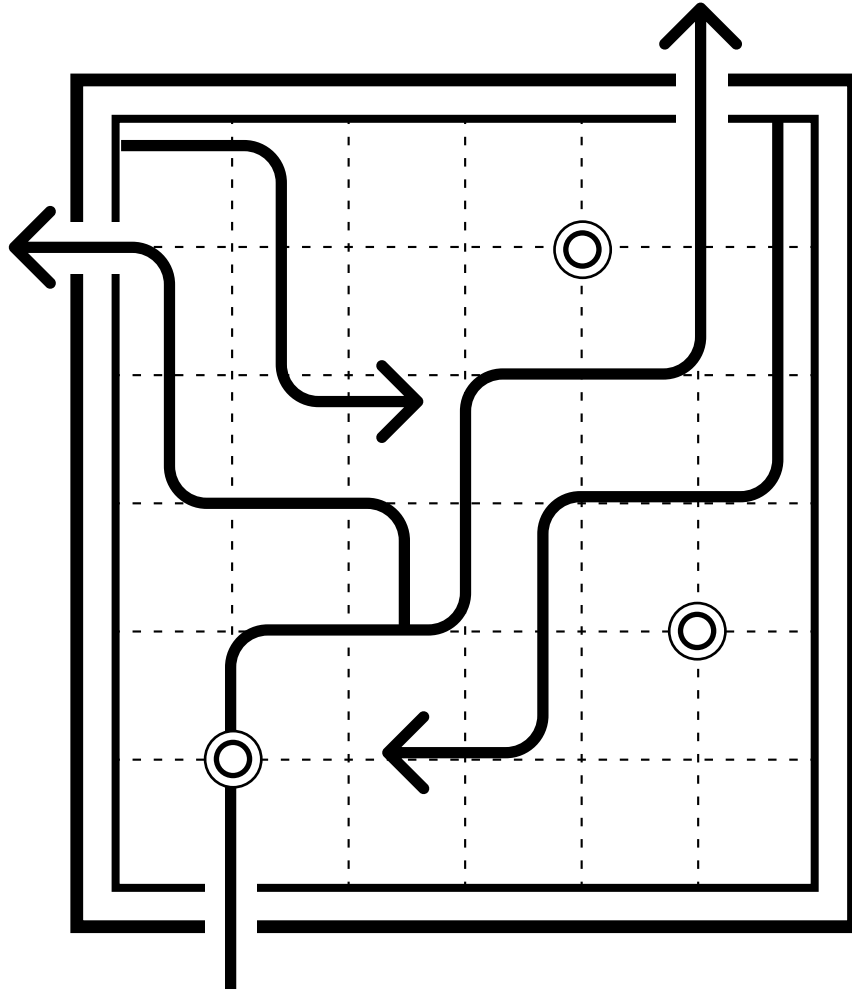
The state of product management: old problems with a new twist

One of the best things about being a product manager is the number of hats they must wear — no day looks the same! This role gets to split their time listening to users, prioritizing what to build next, executing on their roadmap, and interacting with departments across the organization along the way, balancing the needs and goals of diverse stakeholders with the most impactful initiatives for the broader business.

In fact, McKinsey broke down the typical time spent by product managers on each activity:

How Product Managers Spend Their Time

Average % of time spent on each activity across respondents

Collaborating with technical and design functions — 15%

Defining product requirements — 14%

Collaborating with other functions — 12%

Planning and maintaining the roadmap — 10%

5%

2

4%

8%

Defining product strategy — 18%

Engaging with customers and partners — 12%

Reviewing metrics

Researching market and competition

Pricing and packaging

Coaching, team management, recruiting

Source: McKinsey Product Management Index

During times like today's, however, when the resources are low but the stakes are abnormally high and, as a result, so are expectations, splitting time across a variety of responsibilities can be a significant challenge.

Higher demands from leadership

In addition to all the hats they wear, product managers also need to keep up stellar communication with stakeholders across the organization to share key information and get buy-in on new product ideas. As the economy continues its painful trek into a downturn, business leaders need to be updated more often, and have more frequent questions about product development.
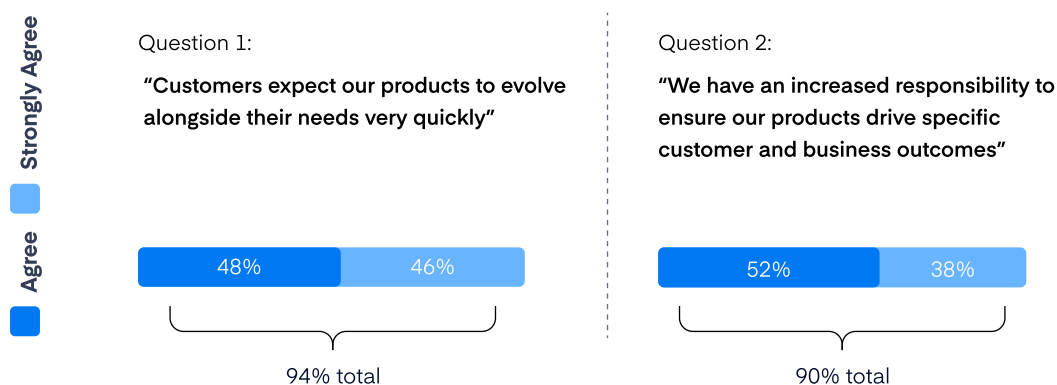
According to a 2022 Bain & Company study, only 25% of CTOs report hitting ROI expectations (e.g. becoming an accountable and trusted partner to customer-facing teams) on software development efforts.

They cite the following product-related factors:

- ◆ Underdeveloped roadmap
- ◆ Roadmap not aligned with company strategy
- ◆ Poorly prioritized features
- ◆ Products don't address customer problems
- ◆ Poor software development execution

Higher demands from customers

As if more demanding leadership wasn't already enough, customers have become equally ambitious with their wants and needs– and rightfully so. Economic conditions require them to be more discerning with what they're willing to spend their tightened budgets on, causing diminished loyalty in favor of faster output at less cost. This puts added pressure on product managers to respond even more quickly to evolving needs and to cater to them directly.

Question 1:

"Customers expect our products to evolve alongside their needs very quickly"

| 48% | 46% |

94% total

Question 2:

"We have an increased responsibility to ensure our products drive specific customer and business outcomes"

| 52% | 38% |

90% total

Strongly Agree

Agree

The Business Impact Of Investing In Product Management,
commissioned by Productboard and conducted by Forrester Consulting, November 2022

All in all, there's mounting pressure from the top to offer products and features faster, more efficiently, and to get it right the first time with fewer resources (and perhaps headcount, considering record-breaking layoffs in the tech space). This means everyone's eyes are on the product team.
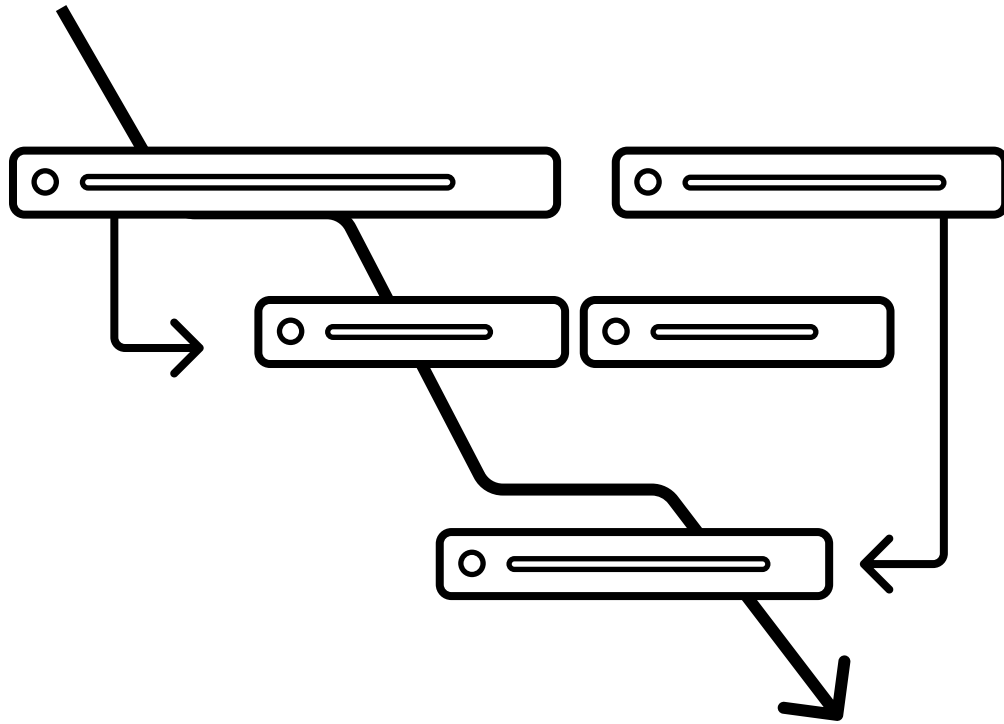
Hitting the road: 5 product leadership strategies learned from past recessions

The accelerated pace of technology markets, the new industries being disrupted by digital transformation, and rising customer expectations have certainly been on the radar since before COVID-19. Now that we're feeling the shock waves of the pandemic, however, those signals have been upgraded to a full-on alarm, causing product managers to feel even more pressure to get the right products to market, faster. As the likelihood of churn increases and sales pipelines narrow, it's safe to bet that there really is no longer room for error.

While there's no one roadmap to rule them all, there are certainly frameworks we can use to guide us to success. In this instance, we can turn to learnings from leaders that have not only survived, but thrived during past economic recessions.

1. Relearn customer needs

Today, it's up to product managers to envision how a product will fit into their customers' new reality. In order to achieve this, it's important to take the time to [understand what your customers are facing](#) and adapt accordingly. Companies that do this will not only maintain their existing customer base, but expand it.

Salesforce faced a product-market fit problem in the aftermath of the dot-com crash in 2000. Investors and potential customers were wary of cloud-based solutions after so many startups had failed. Salesforce also felt the impact, laying off 20% of its workforce. The problem was clear: convincing customers that Salesforce fulfilled a business need and that cloud-based products were the future.

Amid these losses, Salesforce began aggressively marketing itself as a cloud-based platform with its "The End of Software" (specifically, on-premise software) tagline. Salesforce had to change the conversation to ease customer apprehension. The continued investment in the product and positioning paid off: revenue jumped to over $100 million by the end of 2003.

Talk to your customers

If you want to relearn customer needs, the best place to start is simply by [talking to them](#). Your questions should be very pointed: What are they experiencing? What has changed? What exists now that didn't exist in a non-recession world?

Gaining this deep level of user insight doesn't just take place at one level or on one team— it's a concerted effort that involves people from the entire organization. In the top customer-driven product organizations, everyone is equipped with an understanding of user needs. This allows them to excel in their work—whether that's prioritizing, designing, developing, promoting, supporting, or selling. After all, product touches every team, and everyone benefits when it is excellent.

Past recessions have led to macro trends, such as regulatory changes that followed the 2008 financial crisis. Even now, digital transformation has been on the rise and will continue, but may happen in smaller steps or with reduced budgets as companies look to cut costs. Be hyper aware of these shifting priorities by [talking to average users](#) who are relying on your product for their everyday work. Take a look at our step-by-step guide at gathering valuable insights [here](#) for tips and tricks.

Evaluate your ideal customer profile

Not all customers may continue to be a good fit for your product during a recession and beyond. This might be based on their size, budgets, or cost to serve. Or perhaps they were just barely within your ICP and changes caused by the recession put them outside of your ICP.

Hone in on your core customer base and look to serve their needs first. This way, you'll be able to retain their business as well as draw in new customers that fit that ICP through sales and marketing. This re-evaluated, redefined ICP will give your organization clarity across all teams.

2. Shift the short-term strategy

When your customers are stressed, they're not thinking about the "nice-to-have" products. They're thinking about the "must-have, need-this-to-get-my-job-done" products.

This means rethinking your short-term product strategy. The shiny features that might make your product appealing during a free trial or a demo, or to a small set of customers, aren't going to be as important as the core features that enable your customers to do efficient work. Your intuition as a product manager, combined with discussions with your customers, will be placing a bet on future needs. You may also notice changes within product data, indicating that certain features are getting more usage than before. Your discovery process should evaluate the market—and your product's place in it—from all angles.

As you re-examine your product strategy and roadmap, ask yourself:

◆ **What fills your customer needs now?**

◆ **What can wait until conditions improve?**

◆ **What needs to be reevaluated entirely?**

In some cases, a planned feature or new product may no longer be viable. Recognize that — even if work has already started — it may no longer make sense for your customers. When you see signs of economic recovery, you can look at the project with a fresh perspective.

3. Keep an eye out for the quick wins without over rotating

Budget and resource limitations are common during a downturn. The key to working under these circumstances is finding ways to innovate without the luxury of time to try different tactics. In this case, the best use of your resources might be a "quick win": solving an immediate need that your core customers have and further cementing your product as a must-have.

Executing quickly means tightly aligning your product, sales, and marketing teams. Any changes need to get into customers' hands quickly, with the right resources and the right messaging to catch their attention.

During the 2008 recession, email marketing platform Mailchimp was hit hard. Its customers needed help badly, so Mailchimp reinvented itself with a freemium version and doubled down on brand, with the messaging "You're a small business, and so are we." As their customers recovered, so did their product needs and Mailchimp subscriptions on paid plans soared. Within a year, Mailchimp had increased its user base by 5x. Small businesses turned into bigger businesses that outgrew the freemium plan. Over 4,000 new paying customers were being added each month and the company profit had grown 650%.

By offering a quick way for customers to say "yes" (the freemium version) and aligning its marketing with its customers ("You're a small business, so are we"), Mailchimp built a loyal customer base and increased its market share. The company continued to flourish, resulting in its 2021 acquisition by Intuit.

4. Reconsider the value of partnerships

As you face the challenges of meeting customer needs with your own internal constraints, strategic partnerships can help you achieve product goals.

A partnership can complement your product and reduce the risk involved with building from scratch. Integrations with partners can give your customers access to new features and may be far quicker to implement. Your product will also become more "sticky" if it becomes tied to a larger process or ecosystem of tools.

During The Great Recession, Netflix partnered with Microsoft to bring streaming services via the Xbox console. This allowed Netflix to access a new market and expand its reach, while not needing to build any type of streaming console of its own. Netflix continued to partner with other platforms and consoles, making its streaming product easily accessible to customers.

If you're able to unlock new acquisition or distribution streams through a partnership, you can further grow your customer base without increasing your own sales or marketing efforts.

5. Keep the long-term in mind

While short-term pivots might be necessary, it's important to stay true to your overall product vision. Otherwise, you'll end up with features that "don't quite fit" in a post-recession world and have unforeseen future costs.

It's a combination of product and messaging: even as you are acknowledging the changes in customer needs today, you are reminding them that they chose your product for a reason and that you'll continue to be with them in the future.

During the Covid-19 pandemic, Asana leaned into the hybrid workforce and future of work conversations, emphasizing that its product helps teams collaborate. Even while launching features that addressed current market demands (such as an app for Zoom in July 2021), Asana has continued to emphasize its value as a productivity tool.

You'll risk becoming a product that doesn't make sense to your current customer base if you veer too far off course. While companies certainly reinvent themselves, they still keep their eyes on their original purpose. Don't build for building's sake: your short-term innovation should still align with your core value proposition.
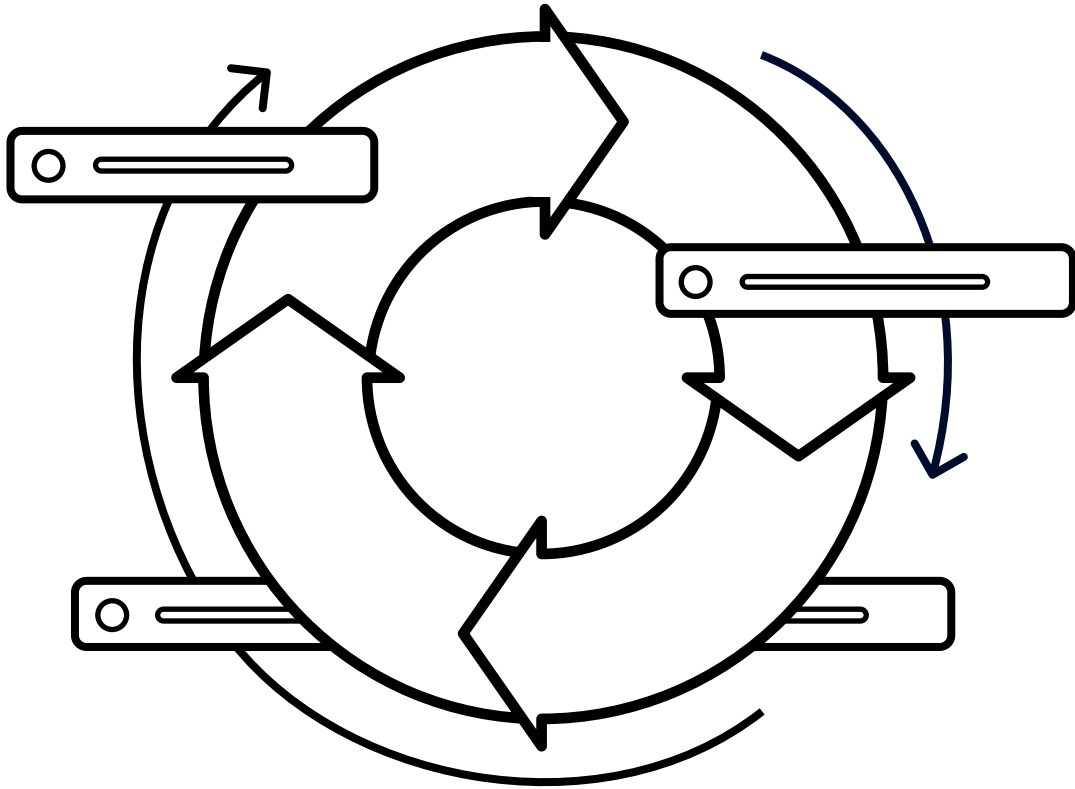
Next stop: re-assessing your approach to product management

With strategies from past recessions in your toolkit, the next step is to make sure you've got the right mindset to move forward. At Productboard, we make it our job to know what the best product management teams are doing differently, so we know that making your product mission-critical rests on five factors:

1. Customer-centricity

Customer-centricity is an approach that puts the pains, needs, and desires of customers at the heart of product development. To ensure that your product team is truly customer-centric, your customers must be a persistent, visible, and respected presence at every stage of the product process — from research and discovery to strategy and roadmapping. Not only the challenges and needs they share, but also their differences and how you prioritize multiple approaches.

We recommend establishing a systematic way of collecting, synthesizing, and acting on customer feedback so that your organization can more easily focus on identifying foundational customer problems and implementing a process of continuous discovery and validation to iterate on the solution. Our top three best practices are:

Deep user insights

Foster deep empathy and genuine curiosity around customer pain points, goals, and motivations

Formulate a customer-centric product strategy

Solve the right problems for all of your customers

Invest customers in the product

Turn customers into fans by showing them that you're listening

Deep user insights

◆ Foster deep empathy and genuine curiosity around customer pain points, goals, and motivations

◆ Constantly interact with customers at every touchpoint

◆ Observe customers in their "natural habitat"

◆ Set up systems for consolidating feedback

◆ Create a company-wide culture around sharing insights

◆ Establish a process for validating needs and solution ideas

Formulate a customer-centric product strategy

◆ Solve the right problems for all of your customers

◆ Identify what customers need based on data/feedback

◆ Perform customer segmentation

◆ Develop a customer-centric prioritization framework

◆ Balance priorities: Tackling innovation vs. gaps and pain points

Invest customers in the product

- Turn customers into fans by showing them that you're listening
- Close the loop with customers on their specific requests whether the news is good or bad
- Inform customers about new capabilities that address their needs
- Share what's coming on the product roadmap
- Communicate your product vision and earn emotional buy-in

CUSTOMER STORY

Customer-centricity at GSoft makes product development collaborative

When Canadian software company, GSoft, began growing too quickly to keep internal collaboration operating smoothly, the company created an employee experience platform dedicated to remedying the issue for good. Now known as Officevibe, the platform helps teams around the world form better relationships by sharing honest feedback.

Productboard provides a single place for all the customer feedback GSoft receives. With this single system of record driving their decisions, GSoft's Officevibe team has seen valuable results across the board, including a 2x increase in customer feedback.

> "When champions know we are responsive to their feedback, when they see we incorporated their ideas throughout our product journey, they will increase usage and think to recommend us to anyone considering us."
>
> — Guillaume Roy
> Co-Founder & VP of Product, GSoft

Read more about GSoft + Productboard

2. Data-driven

These days, it seems like the prefix 'data-driven' is attached to just about every function in both our professional and personal lives, but when it comes to product management, it's so much more than a buzzword.

Data is absolutely central to a product manager's job, enabling them and their teams to determine things like which product to prioritize, and whether an initiative yielded the expected outcome or needs to be rethought in order to achieve success. It's also needed for making the right product bets, better product investment decisions to deliver on strategic objectives, and finding opportunities to continue to optimize and uncover opportunities for growth.

CUSTOMER STORY

Salesforce aligns teams faster with data-driven prioritization

No product manager will say it's easy to convince a cross-functional team — especially developers and leadership — about a big product bet. But extensive insights and feature scoring capabilities have helped Drew Lau and Andrew Lawrence, both senior directors of product management at Salesforce, to more effectively advocate for roadmap decisions.

Today, the duo uses Productboard to:

- Aggregate user feedback coming in from a range of channels
- Plan feature releases in collaboration with multiple orgs and stakeholders
- Manage real-time roadmaps that inform product delivery

> "If we're looking at a feature that is attached to a lot of red accounts or a larger customer who has a major impact on our revenue, we can really get into that segmentation in Productboard."
>
> — Drew Lau
> Senior Director, Product Management, Salesforce

Read more about Salesforce + Productboard

3. Strategically aligned

The importance of strategic alignment is without question, but achieving it is easier said than done. Across numerous product teams, with engineering and design, as well as business stakeholders, the tasks associated with keeping everyone on the same page are often buried and forgotten. Product teams, as a result, begin to drift away from strategy and objectives put in place, building out features and functionality that don't necessarily qualify as top priority.

Further, different product teams commonly look at strategy from different angles. They don't necessarily know how their work impacts the work of other teams, and often lack strategic context to make better decisions. Improving strategic alignment is key to getting everyone rowing in the same direction, identifying dependencies, surfacing new opportunities, reducing rework, eliminating the ongoing alignment meetings, and a whole host of other benefits.

CUSTOMER STORY

CMC teams align seamlessly on a customer-centric strategy

Alister Sneddon's first move joining Invest at CMC Markets as Head of Product was to help the financial services company shift its product management approach. Rather than focus on solutions first — "build it and they will come" — he wanted a strategy to center on customer value and outcomes.

His second step was to install a single source of product feedback truth. In doing so, CMC increased customer engagement, decreased the amount of time spent in meetings, and transformed sprint cycles by identifying customer problems that can be solved by one technical team and deliver value in a single day.

> "We needed a strategic view for the business, to be able to say what is the strategy, where are we going, why are we doing this, how is my squad supporting it. We chose Productboard because it could not only solve all of these problems for CMC Invest, but also for the entire org."
>
> — Alister Sneddon
> Head of Product, Invest, CMS Markets

Read more about CMC+ Productboard

4. Accountable

By now, we're all familiar with the blame game, and it's particularly troublesome in the world of product management. Measuring and holding teams accountable to outcomes while knowing PMs don't have total control over a product's success or failure is tough, as every other discipline plays a role. But during a time when there's no room for failure, the weight of responsibility cannot be ignored or displaced.

The key to product accountability, then, is building a level of trust between teams that will drive cooperation and an equal feeling of duty. One effective route is through increasing transparency. Product can sometimes be seen as the black box of an organization and oftentimes there's a lack of visibility across the org and among business stakeholders into progress. Tools and processes that can open up the inner workings of product for all other departments to see, share, and act on can greatly aid accountability.

CUSTOMER STORY

Canto strengthens trust and increases accountability between Product and Eng

When Josh Gibbs joined Canto as VP of Product, he found his team was hungry for cross-functional alignment, particularly with Engineering, but there was no direct way to translate roadmap items into software action items, resulting in completely disconnected backlogs.

Josh prioritized integrating a platform that would let Product reconfigure roadmaps and prioritization frameworks seamlessly, without losing any momentum, in case a change in strategy required a new approach.

> "The view that Productboard provides has opened up communication channels across the organization and has helped establish trust. Everyone now has more visibility across the product lifecycle, making it easier for us to see gaps and roadblocks and sense risks earlier on, because we can quickly grasp the status of our initiatives and how much work there is to do across the portfolio. Now, we're more effective at reallocating resources, sliding in new hires, and understanding where to focus our efforts to drive the business forward."
>
> — Josh Gibbs
> VP of Product, Canto

Read more about Canto + Productboard

5. Continually improving

The journey of product management and development requires non-stop, focused attention. While most other departments experience the sense of an ending–marketing completing a campaign, sales closing a customer, etc.–product must continue to improve the effectiveness and efficiency of what has already been released– as well as develop new offerings. A big step forward lies in recognizing that and having a culture of continuous learning and upskilling.

Although we're providing a roadmap to mission-critical success, there is no true final stop on this journey. Product teams must always strive to aim higher, as customer expectations and economic macros are always shifting and changing. It's important to note that continuous improvement is not the same as continuous delivery, the latter being more focused on agile development practices. Continuous improvement, rather, is a strategy that focuses on regularly touching base with customers, improving processes, increasing quality, and cutting waste.

CUSTOMER STORY

CompuGroup gives devs context, reqs, and time needed to enhance delivery

When Stefan Zorn started at CompuGroup Medical in November 2020, he quickly identified that the CLICKDOC product team's use of disconnected tools was straining visibility into feature progress and dependencies. Relying on multiple systems also affected the team's ability to easily incorporate valuable customer feedback into the prioritization process.

Stefan needed a tool that would encompass feedback through roadmaps. Without it, it was difficult to understand the progress of features in production — an essential first step to addressing roadmap risks or devoting additional developer resources where necessary. Ultimately choosing Productboard, he succeeded in strengthening Product-Engineering collaboration by giving developers the relevant customer feedback and clear requirements needed to help devs understand more about the value their work drove.
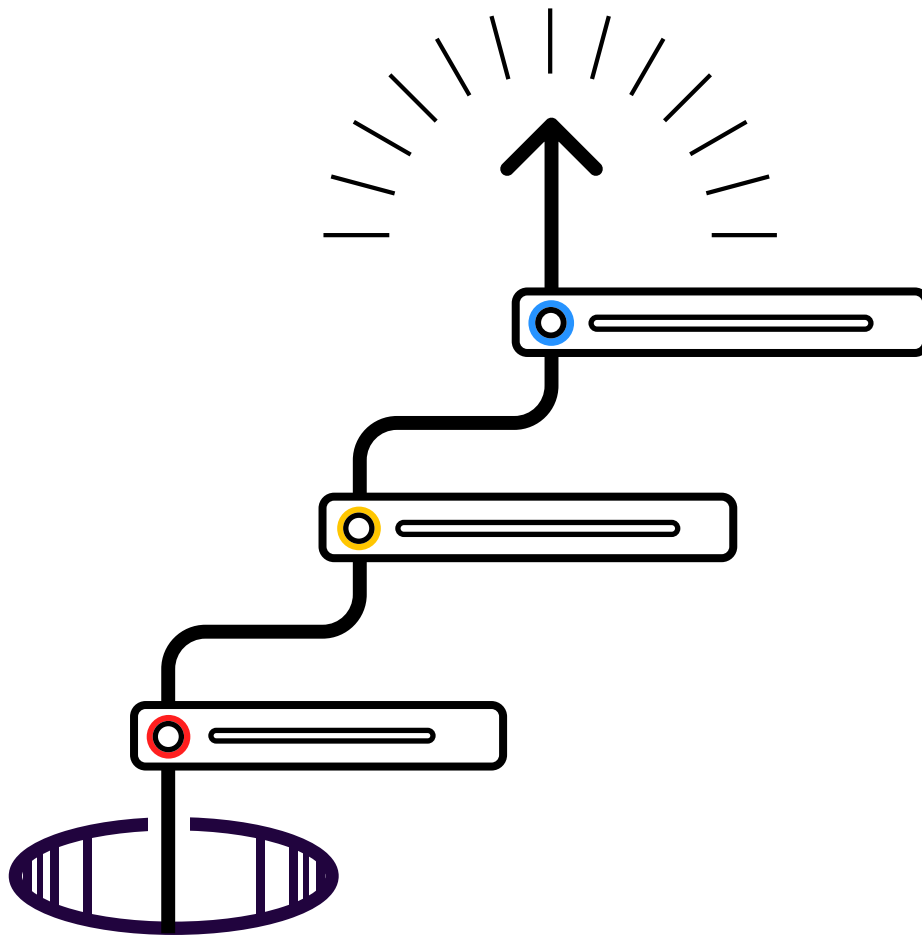
> "Everyone is more involved because they have more information earlier on. They can now say, 'I need new team training to support something we're implementing,' or 'we'll need more resources to support the new app.'"
>
> — Stefan Zorn
> CMO, Former Chief Product Architect, CompuGoup Medical

Read more about CompuGroup + Productboard

The destination: better outcomes enabled by the right processes and tooling

Business success, and today business viability, hinges on making sure that your product is mission-critical to customers and continues to meet their evolving needs better than the alternatives. But there's no simple roadmap for this, especially at a time of increased market volatility and uncertainty. By applying lessons learned from leaders in previous downturns and improving product management practices, you'll be better set up for success.

Building mission-critical products is one of the best routes to long-term business success, regardless of economic climate, but the journey isn't easy. It requires sharpening your focus and performing a tough balancing act that prioritizes today's customer and conditions, but keeps long-term vision in mind. The five-factor framework above will help put the guardrails you need in place, and work best in conjunction with the right tooling. While there's no tool that can guarantee success, failing to adopt the right solution that supports best-in-class product management practices can be a major disadvantage in this age of acceleration and data deluge, where mission-criticality and Product Excellence are no longer optional.

If you're still using spreadsheets for product management, you can bet competitors are finding better ways to systematically capture user feedback from support, sales, and marketing, track which customers have which needs, and use these insights to ship features faster, requiring fewer iterations to get features right.

A dedicated product management platform can help you accomplish 3 primary goals now, during this delicate time in the market, and onward:

1. **Run exceptional product teams:**

   building out and managing high-functioning product teams is key to becoming a high-functioning organization. Standardizing modern product practice and fostering great structure and collaboration can grow a product team's impact and speed by empowering them with greater clarity, decision-making, knowledge sharing, and coordination.

2. **Unite the entire business:**

   bringing everyone together via product is about becoming a trusted counterpart to stakeholders outside of the product teams (e.g. customer-facing, marketing, finance, board of directors). Through this level of democratization, everyone feels like they can provide input, work well with product, and be informed about what product will be doing to help customers.
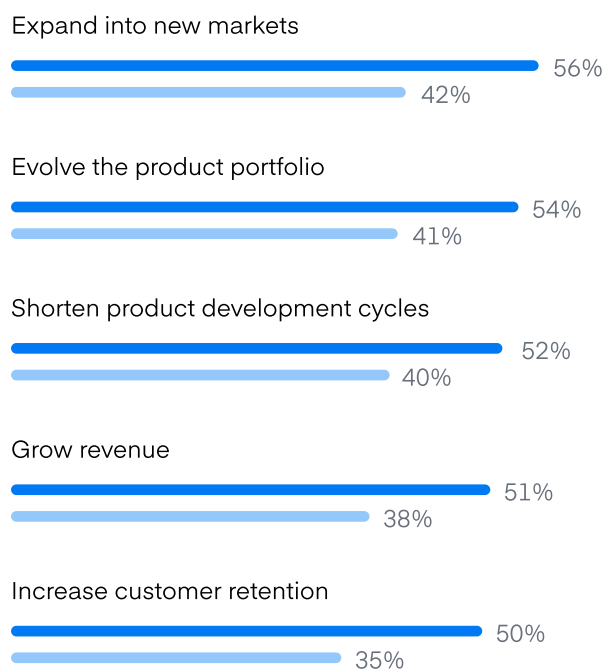
3. **Go deeper with customers:**

   Going deeper with customers means more than just collecting feedback. This is about truly bringing the customer into the center of your product process to co-create, track their most important asks, or identify trending topics for new segments you are interested in targeting.

In fact, according to Forrester, those using a dedicated PM platform are much more 30%+ more likely to not only shorten product development cycles, but also expand into new markets, grow revenue, increase customer retention, and evolve the product portfolio in the right direction.

Organizations using dedicated product management platforms are more likely to exceed business goals

Showing "Will overperform" and
"Will significantly overperform" on goals

	PM Platform Overperformance Increase

Expand into new markets

56%
42%

33%

Evolve the product portfolio

54%
41%

32%

Shorten product development cycles

52%
40%

30%

Grow revenue

51%
38%

34%

Increase customer retention

50%
35%

42%

■ **Product management platform**   ■ **No product mangement platform**

The Business Impact Of Investing In Product Management,
commissioned by Productboard and conducted by Forrester Consulting, November 2022

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We believe that Productboard can drive meaningful business impact during this mission-critical era, and if we are preaching to the choir, we want to equip you with value metrics to share with your stakeholders to justify any spending on product tooling.

Here are a few of our favorite stats from our customer survey, performed in June of 2022.

77% say with Productboard they now have a central source of truth for their customer insights

80% say with Productboard they are able to build products that better meet their customer needs

74% of customers report improved efficiency of product management tasks by greater than 20%

Narrowing a journey to mission-critical work and ensuring your product is mission-critical to your customers is long and hard. It represents a progression and always a work in progress, not a one-time achievement, and requires the adoption of concrete processes and organizational habits, as well as new mindsets. As companies grow and scale, the path can evolve. But with the right tools and systems in place, any organization can get the right products to market faster, exceed customer expectations, and make something truly excellent.

About Productboard

Productboard is the customer-centric product management platform that helps teams get the right products to market faster. Over 6,000 companies, including Microsoft, 1-800-Contacts, and UiPath, use Productboard to understand what users need, prioritize what to build next, and rally everyone around their roadmap. With offices in San Francisco, Prague, and Vancouver, Productboard is backed by leading investors like Tiger Global Management, Index Ventures, Kleiner Perkins, Sequoia Capital, and Bessemer Venture Partners.

Learn more at productboard.com