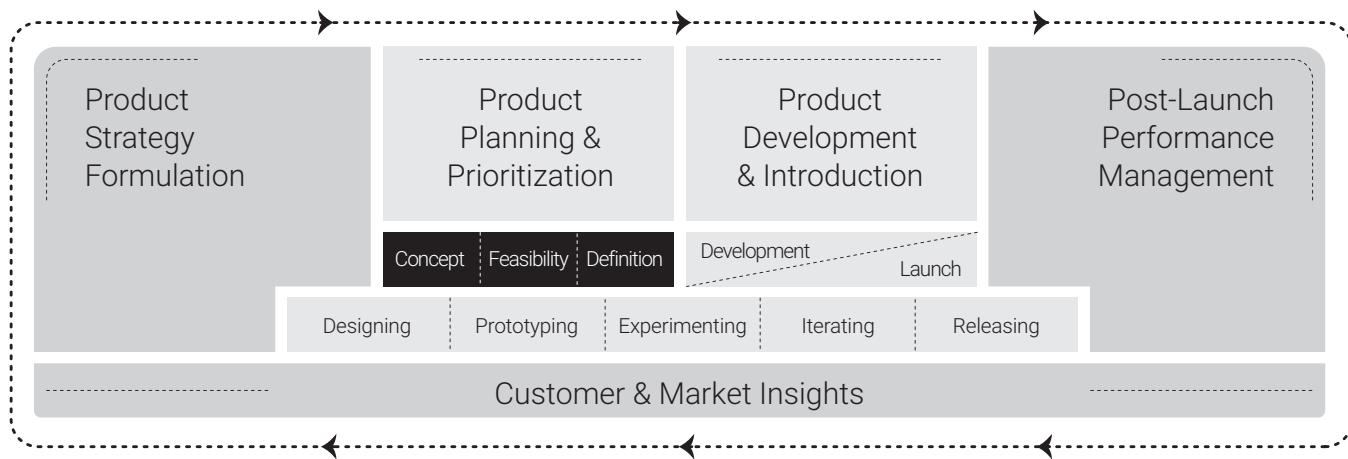


Linear Product Planning and Prioritization

Linear product planning uses a phase gate process that was conceived as a way to manage project workflow through a series of phases, activities, and decision checkpoints. Some leaders prefer this process because it gives them a handle on the progress of many simultaneous product projects so they can maintain a balanced portfolio perspective. Others, especially in the software and technology world, find it time-consuming and too rigorous. Some express frustration because of the documentation required.

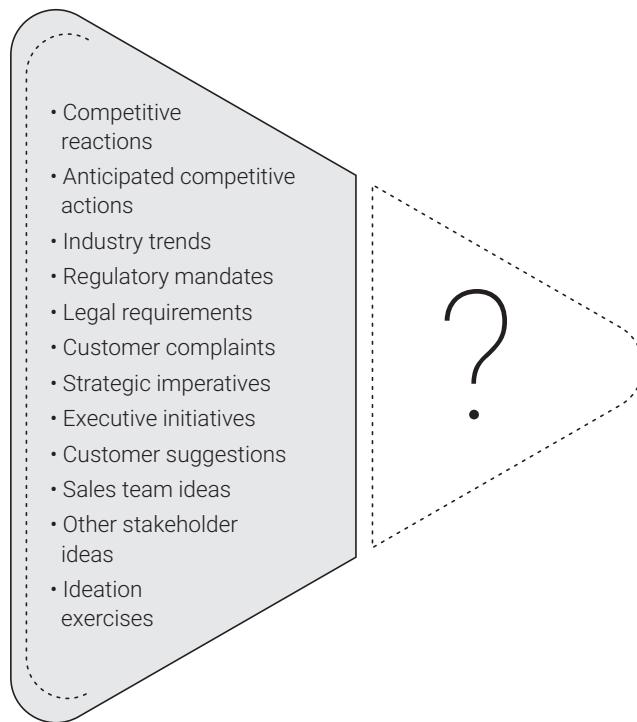
The phase gate process offers a good framework for guided decision-making. Any product investment analysis, if done properly and at the right speed for the opportunity under consideration, can improve the chances that the right product investment will produce the desired return. The Product Management Life Cycle Model is shown below with the area highlighted associated with phased planning & decision-making



The Concept phase is designed to help you rapidly vet a large number of ideas so that a more manageable number of them can be evaluated in the subsequent Feasibility phase. The Definition phase is where product definition documentation is finalized. The main idea behind this process is to drive the concepts that, on an initial evaluation, have a good chance to achieve success in your chosen market segment.

Linear Product Planning and Prioritization

Ideas and opportunities are frequently derived from the product strategy formulation process. However, there's no shortage of ideas. The diagram below shows the source of ideas. However, the shape of a "sideways triangle" is meant to depict a "funnel." Why? Because it's not possible to provide funding and resources for every idea. The phased process allows for the vetting of ideas so that the best ones can be surfaced and funded. In the space at the bottom of the page, you may want to record where the ideas you come up with, where they come from, and why they are important for the product's business.



Linear Product Planning and Prioritization

With so many opportunities, you can't possibly have enough time to thoroughly investigate each one. Therefore, the initial screening of ideas, or rapid opportunity assessment, is one of the primary purposes of the Concept phase, as shown in the Product Management Life Cycle Model.

The template shown on this page is an *Opportunity Statement*. Notice that it's organized to be created on one page. This allows for rapid assessment based on known information about the source of the idea, importance to the customer, and that it's strategically relevant. It should take you and a couple of other team members about an hour or so to complete this. Imagine how your "opportunity inventory" could be more easily managed and how you could be more efficient with your time if you could reserve your efforts for opportunities that deserve deeper study.

OPPORTUNITY STATEMENT TEMPLATE

NAME OF OPPORTUNITY:

PROJECT TYPE:

New Product Minor Enhancement
 Major Enhancement Other

THE SITUATION: Describe how this opportunity came about.

THE SOLUTION: Describe how this opportunity solves the problem for this customer target or within the overall market segment.

THE WIN: How will this investment help us achieve competitive advantage in the market?

THE NUMBERS: What are the rough estimates of resources and other investment required, and for what period of time? How much money do you think we can make, over what period of time?

THE DECISION: Do we really want to present to management and ask for resources, or should we shelve this?

Linear Product Planning and Prioritization

One of the most significant determinants of the potential success of a product opportunity is whether or not it brings benefits that customers value and appreciate, and whether they will actually purchase it. A *value proposition* defines the need and proves the economic or qualitative benefit to a specific customer, based on the benefit perceived by that customer. Value propositions must be expressed clearly in the language that the customer understands. To construct a value proposition, you need to start with a target customer in mind and associate a given need to specific functionality or a feature or group of features. Refer to the table below as an example of how these are linked together. Then, after that, you can fill out the *Value Proposition Template*.

THE TARGET CUSTOMER	NEEDS TO BE ABLE TO...	AND IS SATISFIED BY...
I'm a homeowner who travels a lot (user)	I need to be able to adjust the temperature of my house when I'm not home	A remote home environment system with alerts sent to an app when my house temperature falls below 40 degrees F



START HERE!

THE TARGET CUSTOMER

benefits from

USING...EXPERIENCING...THE
PRODUCT OR FEATURE(S)

because the

PRODUCT OR FEATURE(S)

helps them to

DO SOMETHING (REFER TO
THE VALUE DRIVERS)

– and this is

proven by (or through)

THE ARITHMETIC, THE EFFICIENCY, THE EXPERIENCE

Linear Product Planning and Prioritization

Value propositions are important, but in order to be most effective, they must be wrapped in a Positioning Statement. Product positioning is an important output of the product team, across the entire life cycle. It is used as a way to describe how you want your product to be perceived by the target customer, allowing comparison with other available products offered by your competitors. The emphasis must be on competitive differentiation. Why should anyone want to buy your product versus that of the competition? What makes your product so unique? Product positioning also provides a solid foundation for consistent communication about the product, whether it is internal to the firm or used externally in marketing communications. The combined Value Proposition and Positioning Template shown below is an excellent tool that can be effectively used by any product team.

VALUE PROPOSITION & POSITIONING

OPPORTUNITY SUMMARY:

THE CUSTOMER: Summarize with a narrative to describe each customer target (e.g., user, decision maker, or influencer).

OUR CUSTOMER...	...with this verified need...	...will be satisfied by this feature...	...and here's how we'll know...
A USER			
A DECISION MAKER			
AN INFLUENCER			

Our customers will benefit from using this product/feature/set of features because it helps them:

This product/feature/set of features is unique because:

The product/feature/set of features compares favorably to other competitors' products (or customers will choose our product over competitors' products) because:

Product Manager's Desk Reference (3e) Illustration Insights – Chapter 11 – Figure 11.7

Linear Product Planning and Prioritization

When a product team is considering multiple opportunities, a decision matrix should be prepared to compare the opportunities being considered. A simple decision matrix, as discussed in Chapter 5, can be used. Your decision criteria should include items such as:

1. Strategic fit with the company and product line
2. A validated customer value proposition
3. Verified positioning for competitive advantage

	Strategic fit with company & product line	Valid customer value proposition	Can contribute to competitive advantage	TOTAL SCORE
OPPORTUNITY 1				
OPPORTUNITY 2				
OPPORTUNITY 3				
OPPORTUNITY 4				
OPPORTUNITY 5				

Note: Figure 11.8 is not included. Please refer to the example of a make vs. buy analysis in Chapter 11.

[Return to the Online PMDR Community >>](#)