Product management Exam Notes 2018

This note includes:
1. Graphs, diagrams, and illustration of theories in the lectures
2. Tables that summarizes content in a more convenient way
3. Definitions of terms/theories that weren't explained in the lectures
4. Clearly labelled content that shows what stage of the PLC, Design Process, and Product Development Funnel each section is a part of
5. Fjord lectures

There are several things to take into account when using this exam notes:
- The product management scope (the picture with yellow boxes) have been slightly altered compared to the lecturer's original version. This is done to organize the content in a more logical sequence. The original lecture content was ambiguous and was not clearly labelled in terms of which section they belong to.
- It is important for you to come up with your own examples based on real life cases to really understand some activities/strategies listed inside.
- Writings labelled in green are lecture contents from Fjord

Product Management Exam Notes

Market Analysis	Conceptual Analysis	Product Strategy	Product Development	Program Strategy	Launch	Post-launch Activities	Monitoring & Repositioning
Market Research	New Idea Sources	Brand Management	Product Development	Sales Process	Product Pitching	Tracking Performance	Reinforcements
Company Potential	Customer Insight	Risk Management	Test & Performance	Pricing Strategy		Service Management	Product/ Channel Repositioning
Market Potential	Synthesis & Concept Evaluation	Value Proposition	Product Portfolio	Channel Selection		Growth Strategies	Product/ Portfolio Management
Market Strategy	Segmentation & Positioning	Business Plan	Labelling & Packaging	Promotion Vehicles		Monitoring Compliance	Rejuvenate vs Retire
SCM	Compliance CSR			Marketing Plan			Performance & Compliance

Strategic ← → **Tactical**

Table of Contents

1.0 Introduction

Product:

Good/service that meets a particular market's requirements and produces profit to justify its existence.

Product Manager:

Expert of a product that can assign responsibility for development & execution of:

- Product design & development
- Associated marketing activities
- Compliance to regulations & rules
- Post-launch decisions

Table 1: The 5Cs of Marketing

Context	Determines the business environment (PREST Analysis,)
Company	Determine company competencies and issues (SWOT Analysis)
Competition	Determine those who competes with your company. What are their products and their Strengths and Weaknesses? (Five Forces Analysis)
Customer	Determine their needs and their characteristics (Customer Analysis, Segmentation & Targeting)
Collaborators	Outside source/third party that can help with the company (distributors, etc.)

Table 2: Classic view of marketing concept

Concepts	Definition
Product	Focus on **producing & distributing** product-oriented goods/services
Sales	Focus on **selling** product-oriented goods/services
Marketing	Focus on **satisfying needs and wants** of customers

Table 3: Major reasons new products fail:

Reason	Solution/Mitigation
No cross-functional collaboration in organization	- Firms should be more market oriented instead of product oriented. - Use the 'marketing concept' (table 2) approach
Poor match between features & customer desires	- New innovations demand a trade-off - Focus on what the customer values most - Market analysis (2.0)
Overestimation of market	- Market analysis (2.0) - Post-launch activities (7.0)
Lack of organizational capacity/expertise	Market analysis (2.0)
No discernible benefits over competition	Conceptual analysis (3.0)
Inferior product	- Conceptual analysis (3.0) - Product development (5.0)
Inadequate distribution	- Program Strategy (6.0) - Post-launch activities (7.0)
Incorrect sales process	See above
Poor positioning/promotion	See above
Price too high/too low	See above

The Product Development Process

There are two product development models that are introduced in this subject:

1. **Double Diamond (Fjord)**
   a. **Discovery**, explore current issues, notice new things, gather insights
   b. **Describe,** define the core problem and goal based on the results in the Discovery stage
   c. **Design,** create and explore ideas, concepts, solutions to address the problem and to achieve the goal
   d. **Deliver,** select the best solution and idea, create implementation and launch strategy, and put the product into the market.
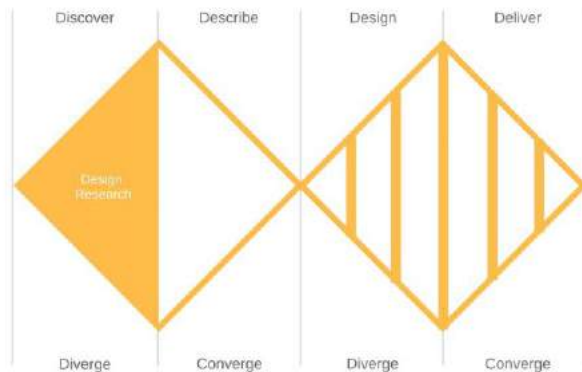
Figure 1: Double Diamond Design Process

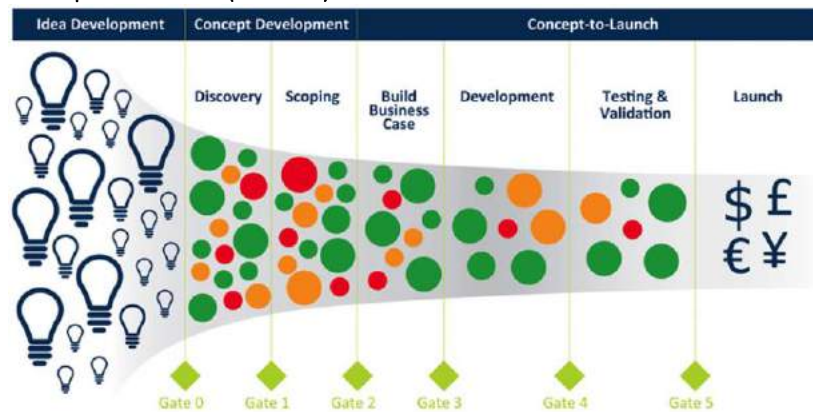2. **Product Development Funnel (Lecturer)**

Figure 2: Product Development Funnel

The best Idea, solution, and/or concept are selected by filtering them at different stages of the product development process. The filters are called gates.

Note: throughout the remainder of this summary, each section will be labelled Dark Blue and Dark Red to signify which stage it is in the Double Diamond Model and Product Development Funnel, respectively.

The Product Life Cycle

Sections in this note will also be labelled in terms of which stage in the PLC the activity is a part of, which will be written in Dark Purple

2.0 Market Analysis
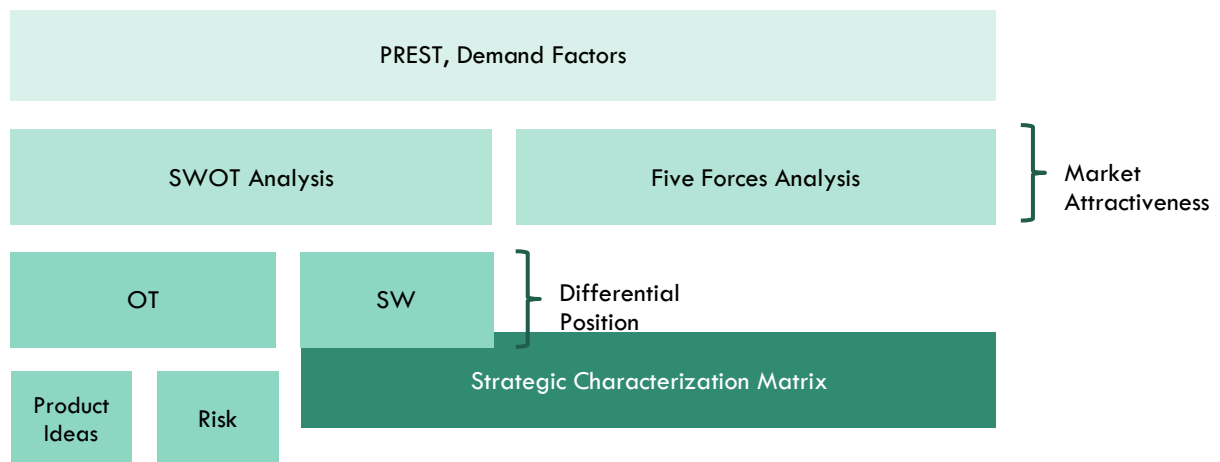
Overview of Market/Product Analysis Process

Figure 3: Overview of Market/Product Analysis Process

2.1 Market Research – Discover, Discovery: Gate 0, Development

PREST Analysis

An analysis that shows the characteristics of a market. It's also used to help us brainstorm relevant points in the market to do SWOT and Five Forces Analysis

Note: Make sure that each point in your PREST Analysis affects your product.

Table 4: summary of PREST analysis contents

Category	Definition
Political	- Future/current legislation - International legislation - Government changes - Trading policies - Funding, grants, and initiatives - Home market & international pressure groups
Economical	- Market route & economy trends - Taxation (both general and specific ones) - Seasonality issues - Interest/exchange rates
Social	- Lifestyle trends - Demographics - Consumer attitudes & opinions - Media views - Law changes affecting social factors - Brand, company, technology image
Technological	- Competing technology development - Associated/dependent technologies - Replacement technology/solutions - Consumer buying mechanisms/technology - Innovation potentials

Drawing conclusions from PREST Analysis

To make PREST Analysis even more useful, you can utilize the information that is listed and categorized in PREST analysis to classify your market. There are two types of market classification:

- Demand Factors – the current condition/state of the overall demand for products in the market
  - No demand
  - Negative demand
  - Increasing demand
  - Declining demand
  - Irregular demand (seasonal)
  - Full demand
  - Overfull demand
  - Unwholesome demand (cigarettes, alcohol)
  - Latent demand

- Change summary – a summary that describes the overall technological and non-technological changes of the market. Table 3 provides suggestions of marketing strategy for each state of change.

Table 5: Change Strategy

	No technological change	Improved technology	New technology
No market change	Increase sales, market penetration	Improve cost/quality of existing products	Better products using different tech
Strengthened market	Increase sales, market penetration	Provide product extensions to current customers	New technology to broaden current products to current customers
New market	Develop positioning strategy for new segments	Reach new customers by modifying current products	New technology/new products

5 Forces Analysis

A tool used to analyze market attractiveness. It also analyzes the competitiveness of the market, threat of new competition, substitutions, threats from buyers, and from supplier.

Figure 4: Porter's Five Forces

Note: score each of the Five Forces with either Low (1), Medium (2), or High (3). Then, add them all and find the average score to find the product's market attractiveness. This will be used later to calculate its strategic characterization matrix.

0 – 1	= Low
1.1 – 1.5	= Low to Medium
1.6 – 2	= Medium
2.1 – 2.5	= Medium to High
2.6 – 3	= High

2.2 Company Potential – Discover, Discovery: Gate 0, Development

SWOT Analysis

The Strengths and Weaknesses in SWOT Analysis will be used to determine the product's differential position (how competitively different the product is compared to its competitors). The points listed in Opportunities will be used to help with new product ideas. Points listed in Threats will be used in risk analysis and management.