



## Guide to Strategic Product Planning

<b>Guide to Strategic Product Planning</b>	<b>1</b>
<b>Context</b>	<b>2</b>
<b>The Strategic Planning Process</b>	<b>3</b>
Identify the Customer Journey Gaps	3
Fill the Gaps	5
Creating a Strategy to Realize a Customer Journey Vision	8
Estimating Your Strategic Plan	9
Communicating the Strategic Plan	10
Monitoring Progress on the Strategic Plan	10
<b>Chuckwagon Example</b>	<b>11</b>
Background	11
Outcome Pyramids	11
Customer Journey Vision	11
Gap Analysis	11
Strategic Plan	15
Customer Journey Iteration	17
<b>Articles</b>	<b>17</b>
<b>Version History</b>	<b>17</b>

**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**

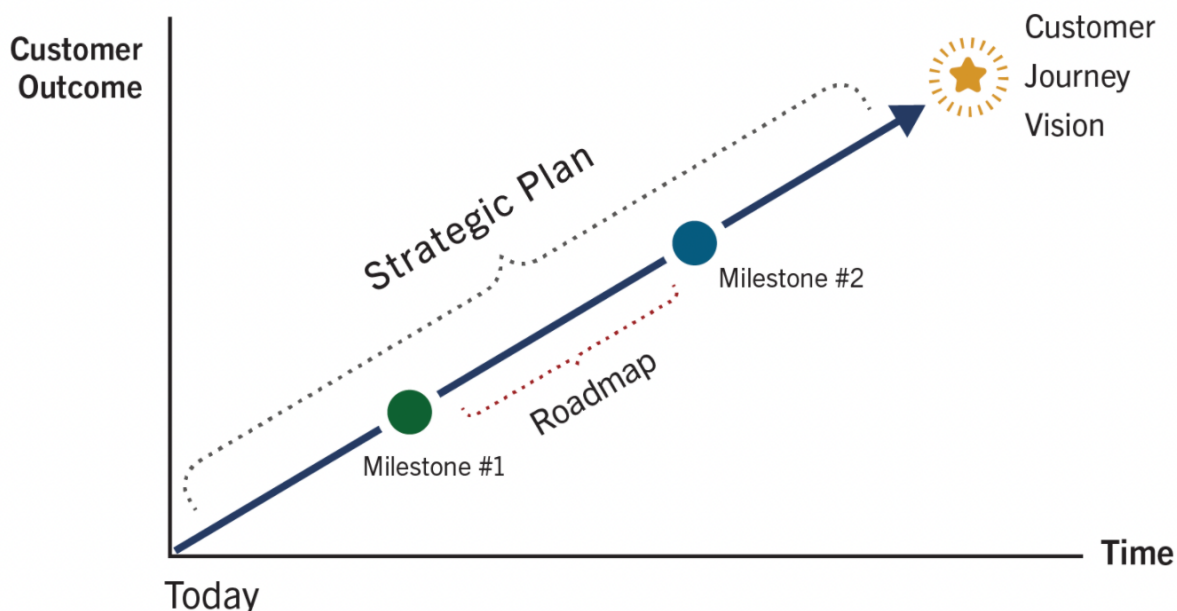
## Context

At [Prodify](#), we believe that consistently delivering meaningful outcomes requires a deep understanding of your customer's definition of success. Combine a bold customer-centric vision with a practical execution strategy, and you have a recipe that reveals product development priorities and the pathway to innovation.

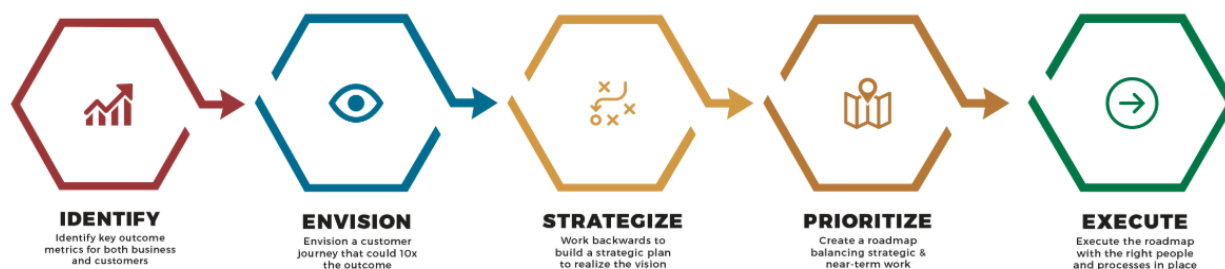
We bring C-level expertise and work as product coaches/advisors, consultants and recruiters to help teams become more product-driven in order to deliver on those outcomes. Paired with our services, clients get access to the Prodify Library in an effort to help clients accelerate the time to produce product deliverables. This guide to creating strategic product planning is one example of what is included in our library.

Any questions? Email your Prodify Advisor or [hello@prodify.group](mailto:hello@prodify.group)

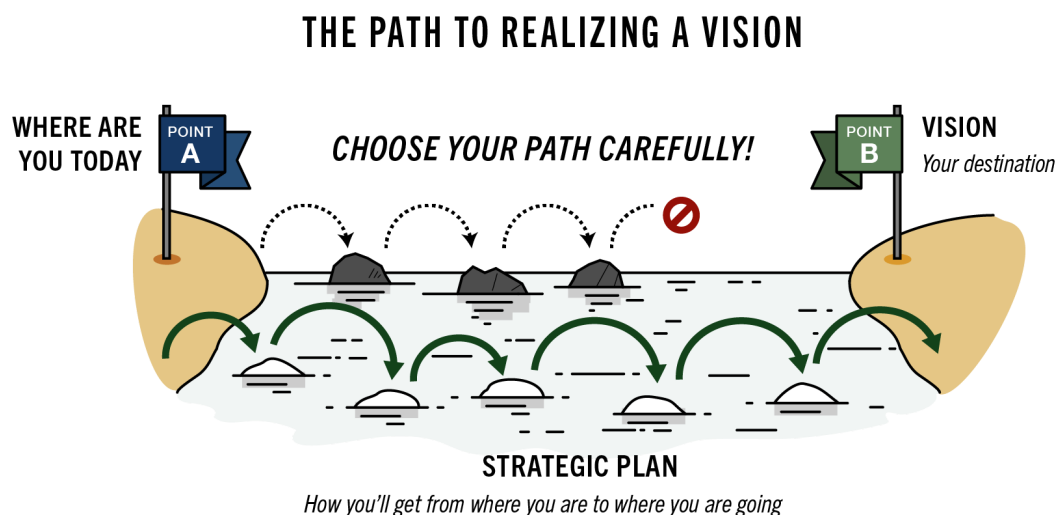
## The Strategic Planning Process



**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**



At this point, you should have [identified your key outcomes and broken them down into pyramids](#), and [crafted a customer journey vision](#) to 10x the key outcome for your customers. Now we'll work backwards to [build a strategic plan](#) to realize the vision. This requires some legwork to ensure your strategy doesn't lead you to a dead end, as seen in the graphic below.



## Identify the Customer Journey Gaps

Start by identifying all the gaps between each stage of your customer journey vision and your current customer journey / product experience. Keep in mind there are different types of gaps you might identify in each chapter, such as:

1. **Data:** you might need to have certain information in order to enable part of the journey (ex. LinkedIn needed the professional social graph data before they could monetize it with recruiters, sales people, job seekers, etc)
2. **Functional:** you might need certain features to unlock the vision (ex. the ability to share charts from your home page dashboard with other users)

**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**

3. **Technical:** you might need a platform capability (ex. AI/ML to predict something for users, and that requires deep data infrastructure to ingest, organize and process large volumes of data)
4. **Go-to-market:** you might need something for sales and marketing, especially in the trigger, discovery or evaluation phases (ex. a new landing page to explain the product's value props or a viral word of mouth loop to build product awareness)

Stage	Major Gaps
Trigger	•
Discovery	•
Evaluation	•
Trial	•
Usage	•
Retention	•

If you are crafting a vision for different personas / segments and have drafted a vision for each, use a table like the one below to capture the major gaps. This way, you have a holistic view of all the gaps you need to fill to realize several visions.

Stage	Persona A / Vision 1	Persona B / Vision 2
Trigger	•	•
Discovery	•	•
Evaluation	•	•
Trial	•	•
Usage	•	•
Retention	•	•

After you create this list, do a gut check by confirming there aren't any major aspects of your end-state customer journey vision that you would have **expected** to include but haven't yet, or forgot to.

**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**

## Fill the Gaps

There are 6 factors to consider when sequencing the work to fill the gaps:



Navigating the Financial Situation and Fundraising



Serializing Outcome Delivery



Acquiring and Extending a Competitive Advantage



Resolving Technology and Data Dependencies



Serializing Market Segments



Creating Strategic Leverage

Let's look at each one in more detail:

- **Navigating the financial situation and fundraising.** We've worked with enough startups to know that your financial runway is a critical factor in creating strategic milestones. You want to show enough progress towards the vision before money runs out that investors will fund your next phase(s) of development and give your company enough time to make your vision a reality.
- **Acquiring and extending a competitive advantage.** You've likely already used [the Kano model](#) to identify your competitive differentiation. If you haven't checked the box on any must-haves, those go first on your strategic plan because without them, you lose the right to play in the market. From there, prioritize key performance factors and 1-2 delighters to keep customers coming back for more.
- **Serializing market segments.** You may start with one type of customer and move to another. For example, Toyota started with the mass market and then later moved into the luxury car segment with Lexus. In the SaaS space, you might consider segmenting the market by vertical (ex. financial services vs healthcare), customer size and sophistication (ex. SMB vs enterprise) or use case (ex. wedding registry vs baby registry).
- **Serializing outcome delivery.** Many companies serve the same customer segment by expanding the number of / types of outcomes they're helping

**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**

those customers achieve. For example, Peloton expanded from offering just virtual spin classes to offering stretching, yoga, and strength training classes.

- **Resolving technology and data dependencies.** Technical and data dependencies drive many product strategies. For example, LinkedIn had to create a compelling reason for millions of employees to log in regularly to stay in touch with their professional network in order to monetize their product with their recruiting and sales products.
- **Creating strategic leverage.** Strategic levers are those things you can use to gain an advantage with your product, such as relationships, partnerships, patents or other assets. Consider how Apple first launched the iPhone exclusively with AT&T, making it harder for competitors to strip business away from the iPhone or AT&T. Don't forget non-product advantages like well-known customers, a thought leadership position in your space, SEO dominance on particular keywords and brand equity.

To help you determine which of these factors to consider as you craft your strategic plan, you can fill out the worksheet below.

Factor / Key Questions to Ask	Answers
<b>Navigating the financial situation and fundraising.</b> What's our current runway? What key metrics do we need to hit with our current burn? Are we planning to fundraise soon? If so, when and what key metrics do we need to be able to show investors?	
<b>Acquiring and extending a competitive advantage.</b> Do we have any must-haves we need to check off immediately? What performance features, data or relationships do we need to differentiate our product in the market? How will we leapfrog a competitor, if needed?	
<b>Serializing market segments.</b> Which market segments are we going after, and in what order?	

**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**

How would we rationalize the sequencing of segments to our Board?	
<b>Serializing outcome delivery.</b> Which outcomes are we delivering to a specific persona, and how would that group of people prioritize them? Do we need to serve multiple personas simultaneously? If so, how come?	
<b>Resolving technology and data dependencies.</b> Is there any technical debt we need to pay down? Do we have any Infrastructure to build or replatform?	
<b>Creating strategic leverage.</b> Do we need to create thought leadership or a strong brand to win?	

## Creating a Strategy to Realize a Customer Journey Vision

Here are some tips on how to actually produce a strategic plan to realize the vision.

- Appoint a decision maker. Likely the CEO or another executive, especially the product leader when appropriate. This person isn't trying to drive consensus, and there will likely be disagreements on the strategy. But someone has to make and be accountable for these tough calls.
- Set up a special strategic planning session, and share your outcome pyramids and customer journey vision as a pre-read to remind attendees of the metrics of progress and the direction the product is headed.
  - Start by reviewing the outcome pyramids and vision and confirm alignment. If there is any confusion or debate about these two items, there's no point in having a strategic planning session.
  - Answer the questions on each of the 6 strategic considerations mentioned above as a group. Which ones are most relevant to your vision, company or industry? Which ones feel most important? For example, if you're a startup, your fundraising timeline / runway will be critical. If you have a market-leading product, building or maintaining a competitive moat might be most important.

**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**



- Document any risks, questions, concerns and assumptions. You don't want to lose sight of these when crafting the strategic plan.
- For the decision maker: draft a strategy document using the template below then review it 1:1 with key stakeholders. When you hear questions or concerns, probe to understand the underlying issue. Is it a difference in opinion on where the market is headed, the chosen target market, or the specific sequencing?
- Continue to iterate until the decision maker feels the strategy is in a good place. That doesn't mean everyone agrees with it, but at least the concerns / risks are known.

Stage	Milestone 1	Milestone 2	Milestone 3
Trigger			
Discovery			
Evaluation			
Trial			
Usage			
Retention			

## Estimating Your Strategic Plan

Before you communicate your plan, work with your product development team (design, PM, engineering) to confirm the feasibility of your plan. The last thing you'd want to do is pitch a rough timeline that's impossible.

To estimate the work, it's helpful to have a rough draft UX artifact like a [wireflow](#). Based on this, you can work with design and engineering to estimate how long it would take to design and ship the full experience. In Rajesh's experience, this is best done using a t-shirt sizing exercise similar to [planning poker](#). Each person who will be doing the work (or has a good understanding of the work involved) shares their estimate at the same time. Instead of estimating using story points, you can estimate using sprints or weeks or months, using the Fibonacci sequence to ensure the order of magnitude is different.

Remember, you're not trying to create an accurate project plan - you're just trying to confirm whether your draft plan is in the realm of feasibility. **Note that your estimates may require you to cut back on your customer journey vision.** Since a vision is intended to be inspiring, bold and innovative, we didn't ask you to consider

**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**

what's possible in the timeframe in that step. But as you work on the strategic plan, you have to bring feasibility back into the picture, and cut scope accordingly. If you do cut anything, you can put it in a "vision" backlog and acknowledge that you might still come back to the idea once the customer journey vision is real.

After you've estimated each gap, you can put your final draft into the template below, which communicates timelines. If you're building for multiple personas simultaneously (ex a marketplace product), you'll likely need multiple strategic plans.

Stage	Year 1	Year 2	Year 3
Trigger			
Discovery			
Evaluation			
Trial			
Usage			
Retention			

## Communicating the Strategic Plan

Once a strategic plan is formed, you need to share it with the team so they understand how the vision will come to life. While the Chuckwagon example below can provide some concrete visuals, here are some additional tips:

- **Remember, strategy is the path to realizing the vision.** Make sure to start with the key outcome metrics for both customers and the business, along with any focus KPIs from the outcome pyramid. Then remind the team of the customer journey vision we're working towards, and why this was chosen.
- Discuss the process used to produce the strategic plan. This wasn't just something that was slapped together in a few hours (hopefully). There was a lot of thought, research and discussion that went into this. **In particular, explain why the strategic plan was sequenced the way it was, communicating any prioritization frameworks used, alternative options rejected, and rationale for the final plan.**
- Remind the audience that there might be multiple strategic milestones or stepping stones on the path to realizing the vision. And that we'll reevaluate the strategy on a regular basis, so it's a working artifact.

**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**

- For each strategic milestone you share, remember to identify some key metrics that measure how the team will know when the milestone is achieved and it's time to move onto the next phase.

## Monitoring Progress on the Strategic Plan

We suggest reviewing your strategy one-third or one-fourth of the way to your vision. So if you have a 4-year vision, review the vision and strategy together annually. When you do review the plan, ask the following questions:

- Are the key outcome metrics still accurate? Has anything changed about how our customers would measure the value our product delivers to their life?
- Is the vision still right? Have there been any major market trends or shifts that would require us to revisit the long-term direction?
- Do our strategic milestones still make sense?
- Have we made as much progress towards the next milestone as we would have expected since the last strategic plan review? If not, why? Is the sales cycle longer than we expected (enterprise setting)? Are we not shipping fast enough? Are we learning new things that require us to make moderate-sized changes along the way? All of these are clues that you're headed down the right path, or might need to reconsider.

If you do feel like a strategic shift is necessary, repeat the process above. This time, hopefully it can go a bit faster as you're not starting from scratch but rather iterating on an existing strategic plan, changing parts that are no longer relevant / appropriate.

Related, **make sure to celebrate hitting strategic milestones.** No one wants to feel like the finish line is a moving target, so for each milestone hit, take time to thank the team, laugh about the crazy twists and turns along the way, and the amazing work done across the board.

## Chuckwagon Example

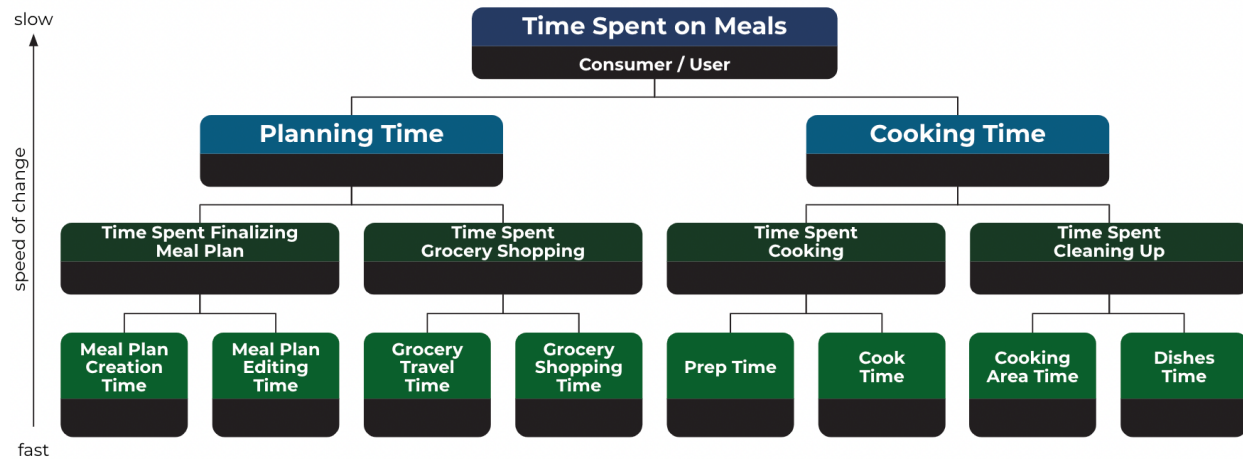
### Background

Recall the customer and business outcome pyramids for Chuckwagon, along with their customer journey vision.

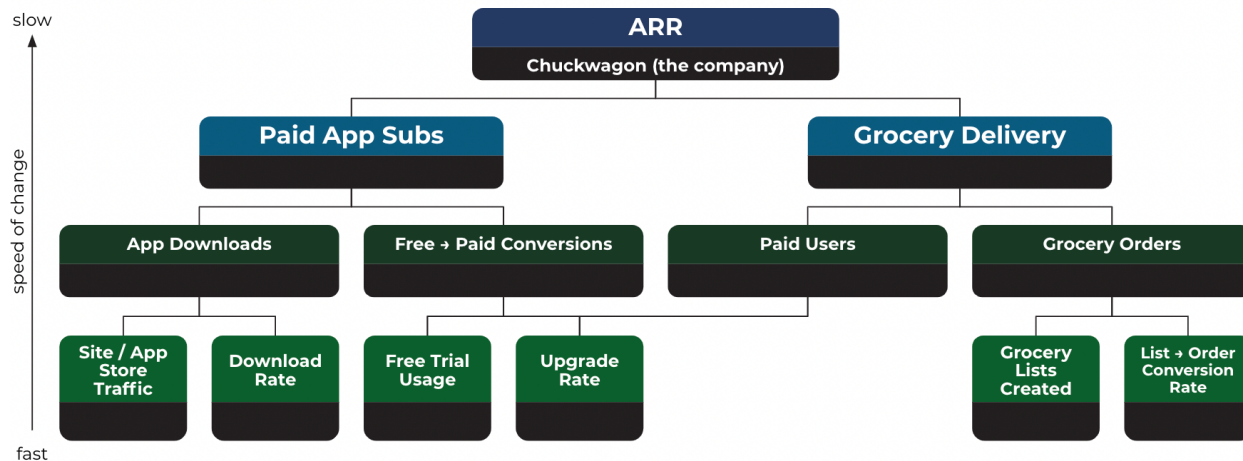
**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**

## Outcome Pyramids

### Example: Chuckwagon (Consumer)



### Example: Chuckwagon (Internal)



## Customer Journey Vision

If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)

<b>1.TRIGGER</b> 		<b>MOM, WHAT'S FOR DINNER?</b> 
<p>Sharon finishes work and has 45 minutes to figure out how to get dinner on the table for her family.</p>	<p>She spends 15 minutes looking for recipes online and in cookbooks but can't find any that will work.</p>	<p>Sharon knows she's out of time to figure out what to make and feels frustrated, stressed and angry.</p>
<b>2.DISCOVERY</b> 		<b>CHUCKWAGON</b> MEAL PLANNER, RECIPES & GROCERY LIST ★★★★★ I'VE SAVED HOURS EACH WEEK! DON'T KNOW WHAT I'D DO WITHOUT IT WOW!!!
<p>Flustered, Sharon searches for "15-minute dinners" on Pinterest.</p>	<p>She sees an ad that catches her eye for a meal-planning app.</p>	<p>A lot of people seem to like this app.</p>
<b>3.EVALUATION</b> 		
<p>Sharon logs onto the Chuckwagon website to learn more.</p>		<p>She is impressed with all the 5-star reviews in the App Store and decides to give Chuckwagon a try.</p>

If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)

<p><b>4. TRIAL</b></p> <p>CHUCKWAGON</p> <p>ADULTS 2 ✓ KIDS 2 ✓</p> <p>FAVORITE CUISINES</p> <p>✓ MEXICAN ✓ ITALIAN ✓ CHINESE</p> <p>NEXT</p> <p>ROAST CHICKEN OVER NOODLES ★★★★★</p> <ul style="list-style-type: none"> <li>• 1 1/2 CUP DUCK HUSKIES</li> <li>• 5 Tbsp KOSHER CORN SYRUP</li> <li>• 1 Tbsp KOSHER CORN OIL</li> <li>• 2 Tbsp KOSHER SALT</li> <li>• 2 Tbsp KOSHER PEPPER</li> <li>• 2 Tbsp KOSHER RED PEPPER</li> <li>• 2 Tbsp KOSHER WHITE PEPPER</li> </ul>		
<p>Sharon sets up her family's preferences and gets a meal recommendation instantly.</p>	<p>She loves how easy it is to make this meal, and it smells really good. She feels relieved.</p>	<p>Everyone loves the dinner, and Sharon gives the app a 5-star review when prompted.</p>
<p><b>5. ENGAGEMENT</b></p> <p>CHUCKWAGON.COM</p> <p>Maple Salmon ★★★★★</p> <p>Baked Honey Mustard Chicken ★★★★★</p> <p>Chef John's Salmon Mango Bango ★★★★★</p> <p>Grilled Fish Tacos with Chipotle Sauce</p> <p><b>SAVE MORE TIME, TRY GROCERY DELIVERY</b></p>		
<p>After using the app for a bit, Sharon tries the grocery delivery service for one week's meal plan.</p>	<p>Sharon saved so much time ordering groceries - she was finally able to relax for an hour on Sunday!</p>	<p>Later, Sharon saves time by ordering an in-home chef for a dinner party. Everyone loved the food.</p>
<p><b>6. RETENTION</b></p>	<p>SHARON, IT'S BEEN A WHILE! TOMATOES ARE IN SEASON, HOW DOES CAPRESE SALAD SOUND TOMORROW NIGHT?</p>	<p>HOW NICE OF THEM! ITALIAN FOOD SOUNDS PERFECT!</p>
<p>Sharon goes on vacation for 10 days for some much-needed R&amp;R.</p>	<p>Nathan from Chuckwagon sees that Sharon hasn't used the app in a while and sends her a note.</p>	<p>Sharon loves how Chuckwagon knows her family so well and is excited to eat some homemade meals.</p>

## Gap Analysis

Imagine you joined Chuckwagon's product team really early on, before the product has even launched. What major gaps would you identify? Here's what we came up with:

**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**



Stage	Major Gaps
<b>Trigger</b>	<ul style="list-style-type: none"> <li>• N/A (but important to understand what this moment is)</li> </ul>
<b>Discovery</b>	<ul style="list-style-type: none"> <li>• Pinterest popularity / search results</li> </ul>
<b>Evaluation</b>	<ul style="list-style-type: none"> <li>• Marketing site that explains value prop</li> <li>• Hundreds / thousands of 5-star reviews</li> </ul>
<b>Trial</b>	<ul style="list-style-type: none"> <li>• Household profile setup (dietary restrictions / preferences)</li> <li>• One-tap meal plans</li> <li>• Easy-to-make meals / UX</li> </ul>
<b>Usage</b>	<ul style="list-style-type: none"> <li>• Feature to convert meal plans into a grocery list</li> <li>• In-home chef service to cook what's on meal plan</li> </ul>
<b>Retention</b>	<ul style="list-style-type: none"> <li>• Easily identify unengaged customers</li> <li>• Know what message to send / meal to recommend to re-engage customer</li> </ul>

## Strategic Plan

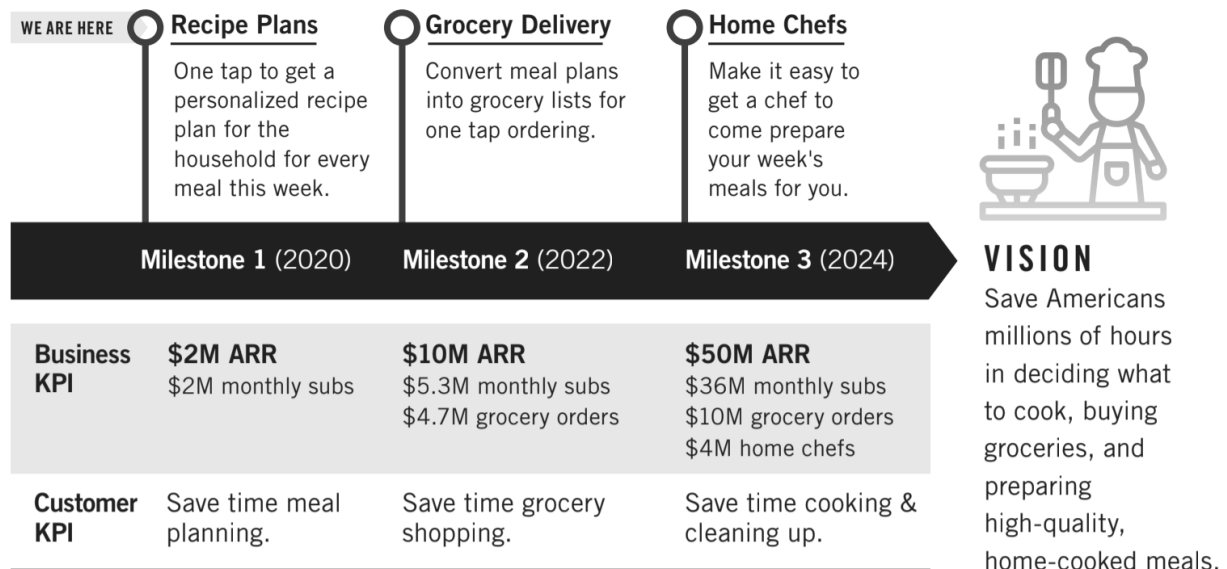
Wow, that's a lot of gaps! The team at Chuckwagon thought first about the grocery delivery service. They didn't want to build that themselves - it's expensive and requires a lot of logistics / supply chain experience they just didn't have. So they knew they wanted to partner with the likes of Instacart or Shipt but they also knew they couldn't just approach those companies with a handful of users and ask to do an integration. So they needed to attract a lot of users before approaching the grocery delivery services.

They could have started with the in-home chef but they realized again the logistical nightmare it would be to have hundreds of chefs driving around town to make any meal under the sun. So by process of elimination they realized that they had to do the 1-tap meal planning. They also knew they didn't want to fundraise but rather prove the consumer demand for meal planning was so high that they could bootstrap the company by charging for the product. That would also help make the partnership discussions go so much faster with the grocery delivery services as they had an audience who clearly cared a lot about home-cooked meals.

And so Chuckwagon came up with [this slide](#) to explain their vision and strategy to realize it:

**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**

## CHUCKWAGON: THE 5-YEAR PLAN



In this way, Chuckwagon's strategy depended on three of the factors we called out earlier: navigating the financial situation (by bootstrapping), serializing outcomes (saving time in three different steps of cooking), and strategic leverage (partnerships with Instacart and Shipt that would also drive users to their other revenue streams). Chuckwagon's strategic plan below shows how different company initiatives will deliver a customer journey across the different milestones they set. For example, the first milestone's customer journey starts with bloggers and influencers driving users to try the 1-Tap Meal Plan feature and eventually pay for it.

Internally, they came up with this table to help explain more details about the product strategy:

**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**



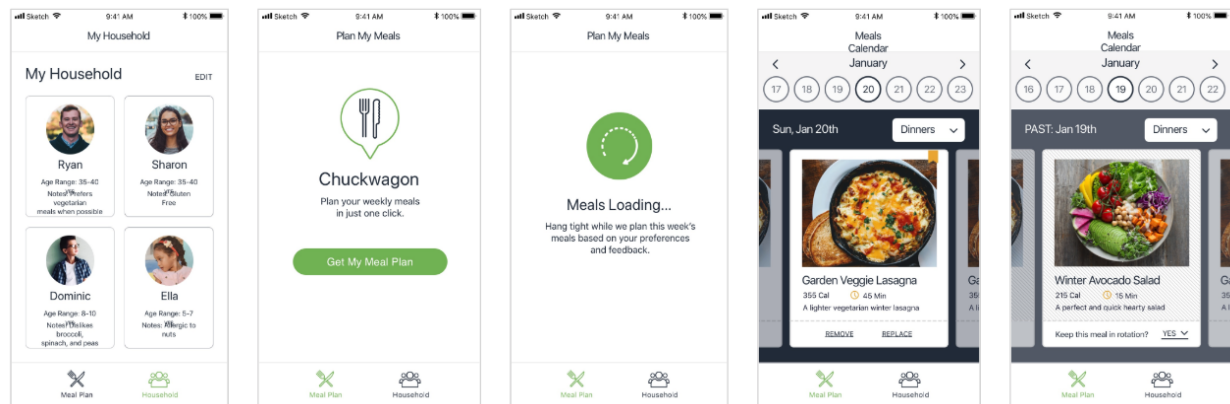
Milestone	Revenue	Monetization
<ol style="list-style-type: none"> <li>1. Acquire users to make it easy to approach the grocery delivery services for integration/partnerships               <ol style="list-style-type: none"> <li>a. Launch app with menu plans that are generated with a simple rules engine using popular dishes from other recipe apps</li> <li>b. Advertise through social media and partner with mommy bloggers to reach early adopters. Focus on getting 100 5-star app reviews and then make it easy to share the app to lower CAC.</li> <li>c. Add machine learning to the app to auto populate menus and personalize them based on feedback on each meal</li> </ol> </li> </ol>	\$2M ARR (55k app subscribers)	Freemium app - 30 day free trial, followed by \$3/month subscription
<ol style="list-style-type: none"> <li>2. Integrate with 1-2 grocery delivery services to enable one-click ordering after the weekly menu is locked in. Use machine learning platform to automate process of converting ingredients from recipes into SKUs that the grocery delivery service will need</li> </ol>	\$10M ARR (150k app subscribers with 60% ordering groceries weekly)	Charge users \$1 per order made through grocery delivery integration
<ol style="list-style-type: none"> <li>3. Get personal chefs to join the platform and start advertising in-home cooking as an option.</li> </ol>	\$50M ARR (1M app subscribers with 60% ordering groceries weekly and 50% using a chef twice a month)	Charge chefs 1% of each payment received.

## Customer Journey Iteration

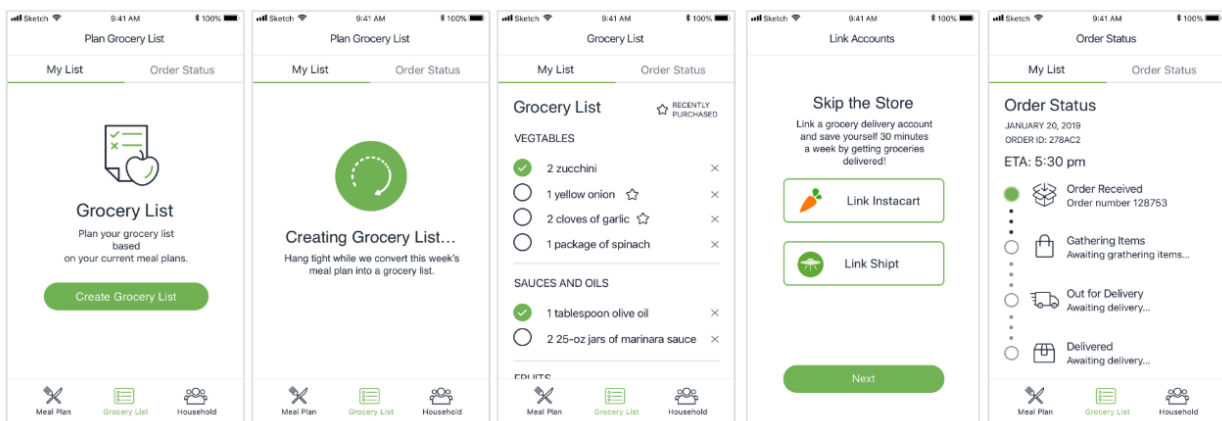
An important consideration as you create your strategic plan is to consider how the customer experience is changing with each milestone. For Chuckwagon, note how the number of tabs at the bottom of the mobile app increases as a new feature set is added in each strategic milestone.

**If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)**

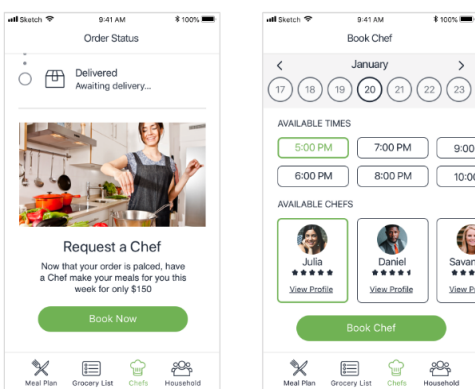
## Milestone 1



## Milestone 2



## Milestone 3



If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)

## Articles

- [Prodify: Chuckwagon strategic planning case study](#)
- [Gib Biddle: How to Define Your Product Strategy](#) (an alternative to Vision-Led Product Management)
- [Tesla's Master Plan, Part Deux](#)

## Version History

Version	Date	Changes Made
6	10/5/23	Added context
5	5/23/23	Added link to Tesla master plan in Articles
4	1/27/23	<ul style="list-style-type: none"> <li>• Added worksheet for strategic planning factors</li> <li>• Noted that as you estimate the strategic plan, you may need to edit the vision</li> <li>• Added note to create multiple strategic plans when building for multiple personas simultaneously</li> </ul>
3	1/17/23	<ul style="list-style-type: none"> <li>• Updated gap identification with details / how to handle when you're targeting multiple personas</li> <li>• Added a template to document a draft strategic plan</li> <li>• Added section on estimating your strategic plan</li> </ul>
2	2/18/21	Updated graphics
1	9/15/20	Official first version

If you have any questions, email us - [hello@prodify.group](mailto:hello@prodify.group)