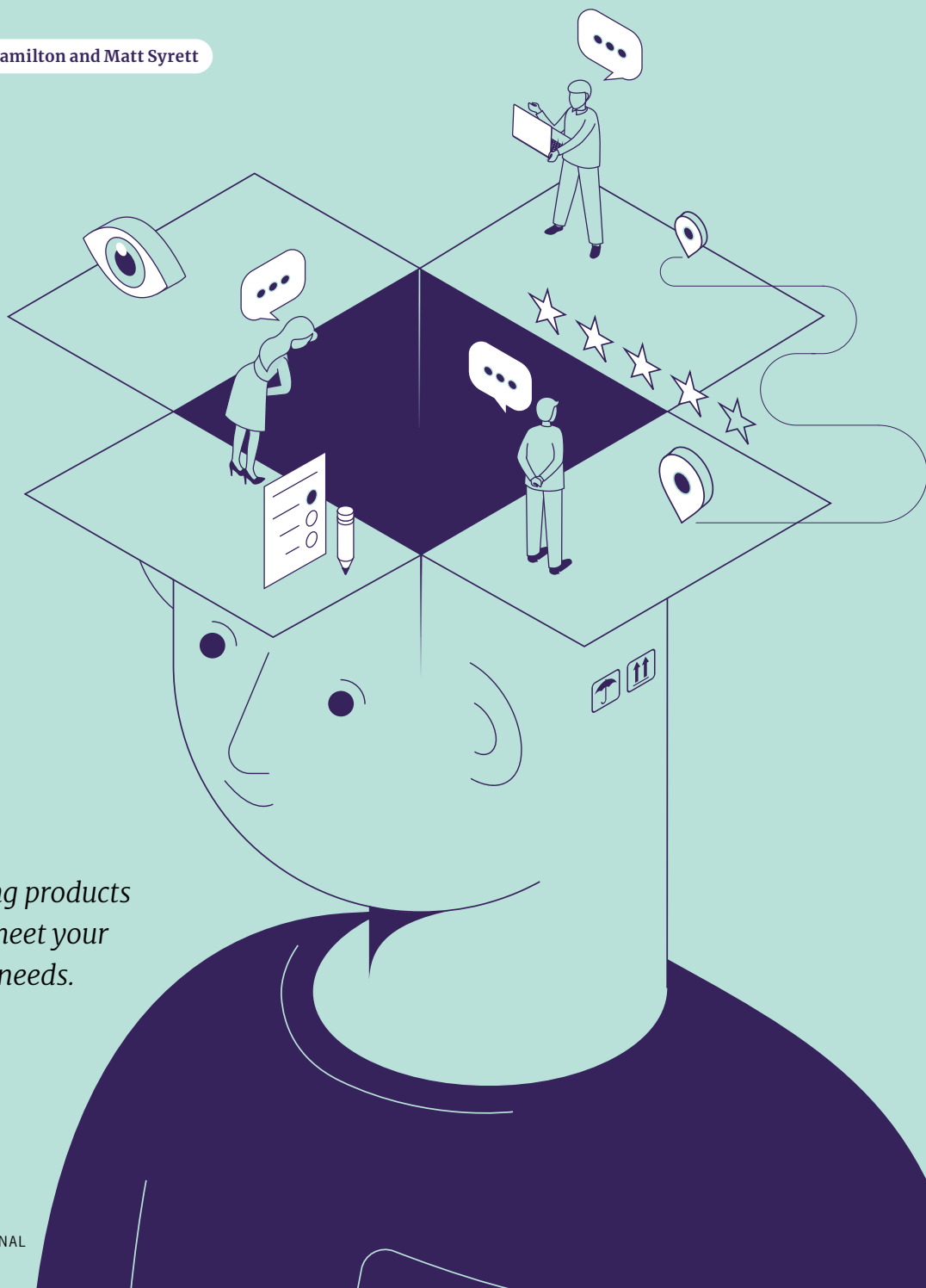


Product Management: Drive Customer Centricity Across the Organization

By Julie Anne Hamilton and Matt Syrett



*Stop building products
that don't meet your
customers' needs.*

All organizations, regardless of size, depend on customers purchasing products and services for survival. By no means is this statement controversial, yet many companies are still building products that do not meet their customers' needs and investing in the wrong initiatives. At the root of these missteps is often an insufficient or incomplete understanding of customers and their desires. In contrast, companies that have succeeded in maintaining customer centricity are much more likely to exceed their business goals. According to an Adobe study, 40 percent of organizations with a focus on customer experience exceeded their top business goals by a significant margin, compared to just 13 percent of mainstream organizations.¹

As product evangelists, we believe that product teams form the hub of customer centricity by sitting at the intersection of the business, technology, and customer. For product teams, keeping these teams in sync is critical to gain an accurate view of the customer and shape product enhancements and messages that resonate with the customers. As organizations grow and introduce infrastructure, such as new departments, processes, and technologies, the distance between the product team and the customer may increase. We have heard the story of how Jeff Bezos tries to eliminate this distance by leaving an empty chair in the room during meetings as a reminder to consider the customer in every discussion. With all we know about the importance of customer centricity, why is it that some product teams do not build strong connections to their customers or keep customers front and center in their strategy or design? For many product teams, it is a byproduct of trying to manage all they are tasked to do—creating and managing products that are feasible, viable, and, most important, desirable to customers.

This task of creating and managing the right products—is a pursuit filled with uncertainty and numerous challenges that vary based on the size and maturity of the product team. We will explore first how product teams keep themselves aligned to customer priorities, and then how product leaders drive alignment between internal stakeholders, product priorities, and customer needs.

Align the Product Organization to the Customer

As companies establish and grow product organizations, leaders face obstacles at each stage to maintain a focus on the customer as they ideate, develop, launch, and enhance products. When companies are standing up product teams, many do not yet have the capital to invest in multiple leaders with deep experience across the product disciplines, including customer research, product management, product development, UX, product branding, and pricing. As a result, a single product leader may perform across multiple disciplines with limited resources as the Product capability grows and matures.

Product leaders who must constantly wear multiple hats have limited time to go deep into a specific discipline, especially as new products or enhancements become part of the portfolio they manage. A product leader at a small company may need to split focus between identifying customer segments and personas, understanding the specific value proposition for each segment, mapping experience journeys, and addressing pain points, all while coordinating day-to-day product development, prioritization, and deployment.

As product organizations grow, they often require deeper specialization, which in turn can lead product managers to turn their focus inward. For example, product managers may focus on designing and implementing feature developments at the expense of monitoring the pulse of customer needs.

With focus split across capabilities, it is not surprising that important details about what customers expect and desire from products can be lost. In fact, according to a 2020 report by ProductPlan, the biggest challenge facing product managers for small companies is “setting roadmap priorities with customer feedback or market feedback.”² A product team can better align itself to its customers by establishing feedback loops and ensuring ways of working to strengthen the connection to the customer.

To maintain customer centricity when developing and deploying a product strategy, product leaders must first establish a feedback mechanism to gather qualitative and quantitative information about customers' experience with their product. The mechanism needs to be fit-for-purpose so that the product manager can gather the relevant information to inform critical product decisions. For example, companies can use light-touch mechanisms,

such as voluntary email campaigns or rapid surveys embedded in the customer touchpoints, quantitative metrics focused on product engagement to capture feedback, or more in-depth qualitative approaches, such as focus groups, user interviews, or customer shadowing.

Once product leaders have gathered data, they can then identify insights and categorize feedback into a prioritized backlog based on the level of impact to the customer as well as difficulty to address. This approach helps product leaders identify what is important for the customer and not be distracted by the tempting low-hanging fruit that does not make a meaningful impact on the customer's experience with the product.

Once product leaders establish feedback loops and determine priorities, they should then evaluate the ways of working within their organization to deliver those priorities. Even with clear priorities, disjointed ways of working, unclear decision-making, and ill-conceived performance metrics can derail product leaders from delivering what's most valuable to customers.

To better understand how ways of working within a product team impact alignment to the customer, we recommend that product leaders consider the following to close gaps in ways of working and better align their teams to the customer:



— **Gather feedback directly.** Position product teams to gather unbiased feedback from the source. Product teams, especially in larger organizations, can get stuck gathering requirements from SMEs, “the business,” or sales, who own relationships with customers but may not necessarily represent their best interests.



— **Prioritize what matters.** Establish prioritization criteria focused on the customer to avoid prioritizing backlogs and roadmaps solely on level of effort. Add criteria such as “needs alignment” or “value delivered” and consider weighting them more heavily to concentrate on the customer during prioritization activities.



— **Take back ownership of the product roadmap.** Product organizations must proactively draft roadmaps based on their customer knowledge rather than letting other stakeholders across the organization dictate the roadmap items.



— **Drive desired behaviors.** Implement KPIs to incentivize customer-centric behaviors in the product teams. For example, track feature adoption over feature deployment to incentivize alignment to needs over speed. Establish customer cadence expectations to track that the product teams are regularly talking with customers. Track feature change requests and additions. Frequent changes and additions may indicate lack of customer knowledge or understanding of their needs.

Following these recommendations will show product leaders the areas in which to take ownership of strategic customer-focused deliverables and increase direct interaction with customers.

After aligning the product organization to the customer, product leaders will be better positioned to go outside of their team and drive alignment between their internal stakeholders' priorities and customer priorities.

Align the Supporting Stakeholders to the Customer

From idea to launch, a product team must collaborate with seemingly every part of the business. As the center of the organization, the product team must lead their organization in aligning supporting functional groups to the overarching product strategy. Maintaining this alignment between product and customers becomes increasingly challenging as the organization grows in success, scale, and size.

The plethora of resources and occasional overabundance of processes can slow time-to-market, customer feedback loops, and innovation cycles that in turn impact product teams' overall effectiveness. In addition to cumbersome processes, growth through acquisition can often lead to cultural and functional silos that inhibit teams from operating with comprehensive understanding of the end-to-end product and customer strategy. A 2020 ProductPlan study highlights these realities, stating that product teams identified “getting consensus on product direction” and “working with other departments” as their second and third most frequent challenges.²

Product leaders play a critical role in combating fragmented ways of working and in keeping supporting teams connected and focused on customer needs. To facilitate connection, product leaders must provide all relevant stakeholders with mechanisms for collaboration

and take steps to make the customer feel closer to those groups that may not normally have the opportunity for direct customer interaction.

To increase collaboration among stakeholders and reduce the distance to the customer, we recommend product leaders take the following steps:



— **Visualize plans and problems for stakeholders to reference and easily consume.**

These plans can be in the form of living personas and user journeys that are printed and posted in common spaces or stored centrally on shared team sites. In shared spaces, create idea boards to source and visualize customer problems and invite input from frontline groups—such as sales, customer success, and back-end development teams. Use dot voting to get consensus on the most pressing challenges to address.



— **Continuously prioritize.** Meet regularly with the frontline groups to validate that the prioritized roadmap and backlog items align to the most urgent customer needs. Infuse data into the conversations and validate commentary from the front line's experiences.




— **Increase opportunities for interaction.** Product resources discover and communicate real-time customer needs frequently in internal and informal conversations. Interactions with stakeholders are often limited to formal readouts. Invite stakeholders to the Slack channels, Teams posts, hallway chats, and Zoom meetings the product teams regularly collaborate in to keep them in the loop on the latest and reduce churn later.



— **Elevate back-office functions.** Give supporting functions a seat at the table for key product activities, including ideation exercises, roadmap creation, or focus groups. Involving these functions will reduce their distance to the customer, reinforce a customer-centric mindset, and create accountability for solving customer needs. These conversations give the product team an opportunity to better understand feasibility of solutions early in the product life cycle. As a result, product managers and development teams will have a clearer picture of customers' problems and needs, and may need fewer development cycles and iterations.

Product organizations cannot deliver products that meet customer needs within a silo. In summary, we offer three critical steps that product leaders can take to keep the customer front and center across their organization:

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| <p>1. Evaluate the ways of working both internally within the Product organization and externally with stakeholders to ensure customer alignment.</p> | <p>2. Establish feedback loops to identify and prioritize the right work and align performance measures to customer-centric objectives to incentivize customer-focused behaviors within the Product organization.</p> | <p>3. Bring a cross-functional group to the table to identify and solve problems, ideate new solutions, and collaborate throughout the product life cycle.</p> |
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Taking these steps will enable leaders to focus on the customers and the work most critical to meet their needs. 

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Sources:
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