# 2020

## PRODUCT MANAGEMENT INSIGHTS REPORT

Feedback Loop™

# Introduction

**6** years have passed since Feedback Loop began publishing the annual Product Management Insights Report. Back when we first surveyed the industry, many product teams were primarily concerned about defining their roles and focused on finding ways to leave a lasting impact on business strategy and initiatives.

Since then, the discipline has shepherded companies toward a series of methodologies, tactics, and best practices that are now widely embraced, such as iterative experimentation, data-driven decision making, and near-constant collection of customer feedback.

When we spent time with product managers and leaders, the similarity of their experiences, pain points, and opportunities was a revealing look into the past, current, and future state of the profession.

Nearly all of them are now exposed to high-level business objectives and strategies, and are challenged by the growing demands on time and responsibilities. Where they differ is how they choose to solve the toughest problems facing organizations today. Either way, there appears to be little question that product management no longer influences narrow parts of businesses.

**Survey Methodology**
More than 550 product managers and leaders completed the 2020 Product Management Insights survey, which was conducted by Feedback Loop in December 2019. This report includes complete results from the survey, alongside Feedback Loop analysis and commentary.

## Top 5 Findings

1. **Product management enters the C-Suite:** Startups and enterprise organizations alike are facing many high-level challenges like digital transformation and improving customer experience. Product management's influence on solving those challenges has grown steadily, with nearly 60% of respondents saying incubating a new product or business line is high on the list of objectives.

2. **Product development moves fast, but customer preferences move faster:** 60% say direct customer feedback was the source of their best product and feature ideas, but most say they don't conduct enough user research on a daily, weekly, or monthly basis.

3. **Cross-functional collaboration is key:** 51% of PMs collaborate with market research on less than half their product projects. The time and rigor required to gather customer data is often at odds with the agility required to build innovative products and solutions, leaving a huge window of opportunity for improved collaboration between researchers and product teams.

4. **Roadmap roadblocks:** 30% of respondents placed a clearer product strategy at the top of their 2020 wish list, but nearly 53% said they don't have enough time to craft product roadmaps.

5. **Tools mature as the discipline matures:** 64% of those surveyed said they plan to incorporate artificial intelligence and machine learning into their product offering this year.

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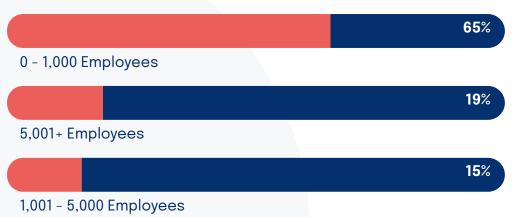
# About Our Respondents

Our survey respondents represent a cross-section of product managers, leaders, and executives with diverse career backgrounds and job responsibilities from organizations of varying size, structure, and industry.

A vast majority of those surveyed are product managers, but nearly 20% are product directors and almost 15% are product leaders and executives.

## Career Level

| | |
|---|---|
| Manager | 67% |
| Director | 17% |
| Executive | 13% |

About 65% of product managers and leaders we surveyed work for startups and small companies. The remaining respondents work at large enterprise organizations with more than 1,000 employees.
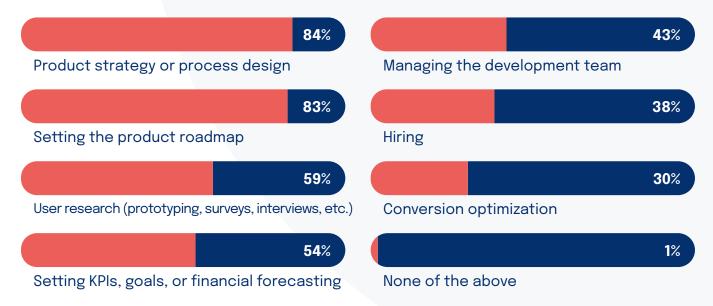
## Company Size

| | |
|---|---|
| 0 – 1,000 Employees | 65% |
| 5,001+ Employees | 19% |
| 1,001 – 5,000 Employees | 15% |

# ⚙ Key Activities

Most respondents had between zero and six years of experience. An increasing number of respondents had more than 10 years of experience in digital product management, which represents an increase from last year's report and offers confirmation of increasing longevity of the industry and more exposure to the not-so-nascent field.

## Experience

| | |
|---|---|
| **34%** | 4 – 6 years |
| **29%** | 0 – 3 years |
| **22%** | 10+ years |
| **14%** | 7 – 9 years |

# ⚙ Key Activities

In order to succeed, product managers need to test and iterate frequently, understand their customers, collaborate cross-functionally, and craft clear product roadmaps. It's somewhat surprising then that running experiments, talking to customers, and setting a strategic direction weren't the top activities that product managers identified in this year's report.

## Main Responsibilities

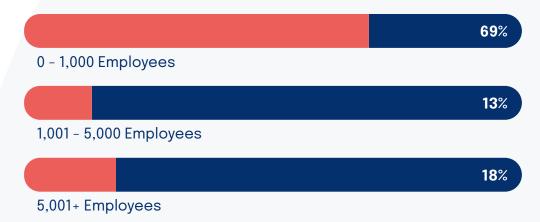| | |
|---|---|
| **84%** Product strategy or process design | **43%** Managing the development team |
| **83%** Setting the product roadmap | **38%** Hiring |
| **59%** User research (prototyping, surveys, interviews, etc.) | **30%** Conversion optimization |
| **54%** Setting KPIs, goals, or financial forecasting | **1%** None of the above |

Core responsibilities among respondents varied, but a whopping 84% of product managers and leaders we surveyed said they are primarily responsible for product strategy, while 83% said their main responsibility is setting the product roadmap.

Conducting user research like prototyping, surveys, and interviews was next on the list at 59% but surprisingly low, considering customer-centricity is such a staple in the product management playbook.
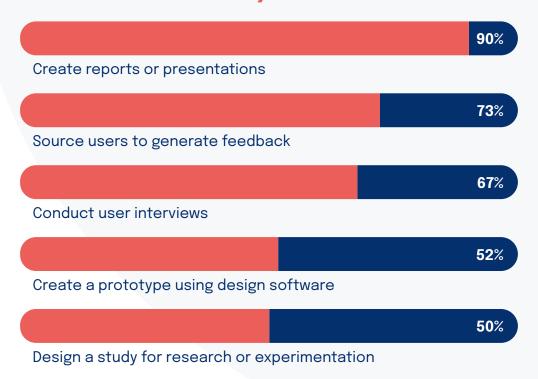
# ⚙️ Key Activities

Interestingly, when you dig into the data, it's clear that product teams maintain less ownership over user research at large companies, which we've defined as companies with more than 1,000 employees. Only 31% of product leaders surveyed at large organizations said they're directly responsible for conducting user research.

## Responsibility for User Research by Company Size

**69%**

0 – 1,000 Employees

**13%**

1,001 – 5,000 Employees

**18%**

5,001+ Employees

Nearly all product managers and leaders said they have to create a report or presentation every quarter, which was a new addition to the survey this year . Meanwhile, 73% of respondents report that they source users to generate feedback on a quarterly basis and 67% conduct a user interview, and both findings represent slight decreases from last year. A good chunk of respondents spend their time creating prototypes and designing studies.

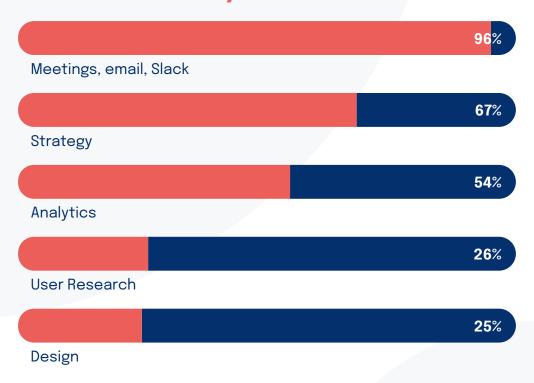## Quarterly Activities

**90%**

Create reports or presentations

**73%**

Source users to generate feedback

**67%**

Conduct user interviews

**52%**

Create a prototype using design software

**50%**

Design a study for research or experimentation

# Key Activities

On a daily basis, most respondents indicated that their day-to-days consist of meetings, communicating with colleagues and clients via email, and Slack. Strategy and analytics rank fairly high on the daily task list, too.
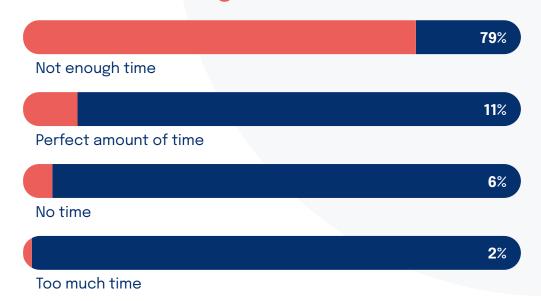
Conducting user research and design appears to take up less time on a daily basis, which is consistent with user research ranking low on the list of responsibilities. Perhaps the decrease in time spent on user research can be attributed to new tools and technologies that have made it easier and faster than ever for teams to conduct user research. But consumer wants, needs, and preferences are evolving, and product teams must continually conduct user research to keep up.

## Daily Activities

**96%**
Meetings, email, Slack

**67%**
Strategy

**54%**
Analytics

**26%**
User Research

**25%**
Design

# Key Activities

Given that the amount of time product managers allocate to user research appears to be on the decline, at least on a daily basis compared to years past, perhaps it's no surprise then that nearly 80% of those surveyed said they don't spend enough time talking directly to customers.
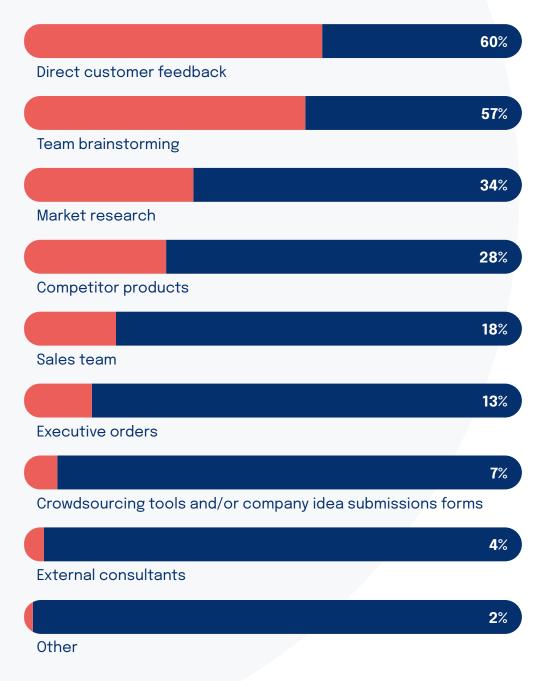
## Talking to Customers

**79%**
Not enough time

**11%**
Perfect amount of time

**6%**
No time

**2%**
Too much time

# Key Activities

One reason product managers are so eager to talk to customers is because, in their opinion, some of their best product and feature ideas in the past year were sourced directly from customer feedback. Team collaboration ranked high as well, with 57% of those surveyed identifying brainstorms as a great place to uncover feature and product ideas.

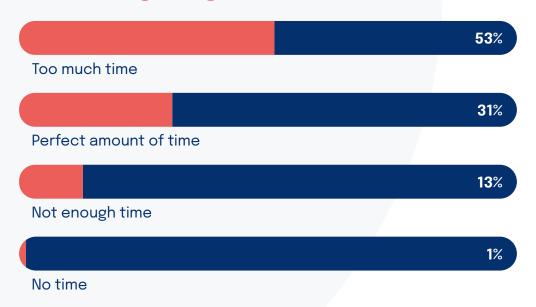Somewhat surprisingly, 28% – nearly a third of respondents – admitted to copying ideas from competitors.

## Source of Best Product and Feature Ideas

**60%**
Direct customer feedback

**57%**
Team brainstorming

**34%**
Market research

**28%**
Competitor products

**18%**
Sales team

**13%**
Executive orders

**7%**
Crowdsourcing tools and/or company idea submissions forms

**4%**
External consultants

**2%**
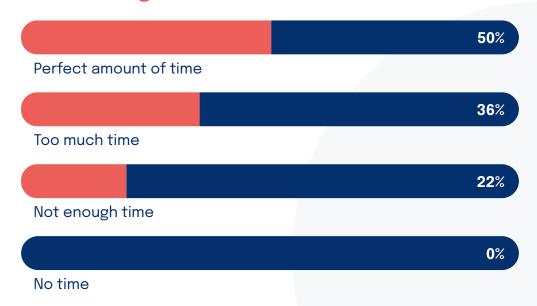Other

# ⚙️ Key Activities

It's feasible that product managers and leaders are unable to spend time conducting user research or gathering customer feedback because they are busy trying to influence stakeholders at their organizations. 53% reported spending too much time navigating internal processes.

## Navigating Internal Processes

**53%**
Too much time

**31%**
Perfect amount of time
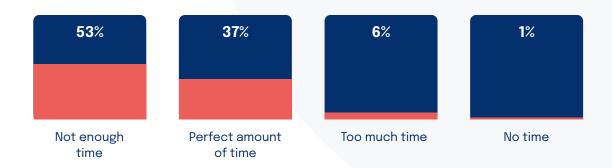
**13%**
Not enough time

**1%**
No time

Though internal politics isn't exactly a favorite pastime of product managers, half of the respondents did indicate they like the amount of time they spend collaborating and meeting with stakeholders at the company. While nearly 40% said they spend too much of their time in meetings, 50% said they're booked for the perfect amount of meetings, and 22% wished they could dedicate more time to meetings.

## Meeting with Internal Stakeholders

**50%**
Perfect amount of time

**36%**
Too much time

**22%**
Not enough time

**0%**
No time

# Key Activities

One common theme that emerged from the results is that product managers want to become more strategic. Roadmapping and crafting a product vision ranks high on the wish list. Only 6% of respondents said they spend too much time crafting product vision, strategy, and roadmaps, while more than 50% said they'd like to dedicate more time to it.

## Crafting Product Vision, Strategy & Roadmaps

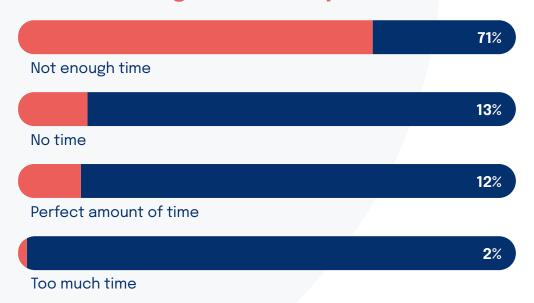| 53% | 37% | 6% | 1% |
|:---:|:---:|:---:|:---:|
| Not enough time | Perfect amount of time | Too much time | No time |

This is Product Management, Episode 192

"Flexibility is a really important piece. A roadmap is a living prioritized sequence of research and problems that you're trying to solve. When creating a roadmap it's really essential to take a product management view at the start and think of who the audience is that the roadmap is for and to understand what the message is you're trying to do around a roadmap."

**Ashton Therrien**
Account Manager at
Respondent Inc.

# Key Activities

Similar to last year, product managers expressed frustration at how infrequently they run product experiments. 71% said they don't spend enough time on experimentation, which represents a small increase from last year's report. The lack of time spent experimenting may reflect the growing need for PMs to focus their time and efforts in other, more strategic areas of the business.

## Running Product Experiments

71%
Not enough time

13%
No time

12%
Perfect amount of time

2%
Too much time

# Key Activities

The product management discipline is constantly evolving and requires many different skill sets, so it's not surprising to see that product managers are struggling to keep up with best practices. 61% of respondents said they want to spend more time attending training and learning new skills, and a growing number – 11% – said they spend exactly no time on professional development.

## Education and Training

| | |
|---|---|
| Not enough time | 61% |
| Perfect amount of time | 24% |
| No time | 11% |
| Too much time | 2% |

This is Product Management, Episode 228

"Without that passion for learning and comfort with uncertainty, it's really hard to be a great product manager. Leaders need to do more to encourage learning. You almost have to require it. It's practice. It's a discipline. It doesn't happen by coincidence or through divine intervention. It's something you really have to reinforce with the team."

**Darlene Miranda**
Vertical Head of Product, Sterling

# Challenges

Product managers cited internal politics, lack of resources, generating actionable customer insights, and hiring talent as the four biggest challenges they're facing in 2020.

Though internal politics is back at the top of the list this year, it has made its presence known every single year we've conducted this survey. It's likely less of a sign of a specific product management issue, and maybe a sign that navigating internal politics is a known and constant hazard of most career paths or disciplines at any organization.

More interestingly, as product management influences more high-level decisions and business strategies, the demands on time and resources grows. Clearly, securing resources, setting team goals, and strategic decisions will be a pressing concern pressing concern for teams in 2020.

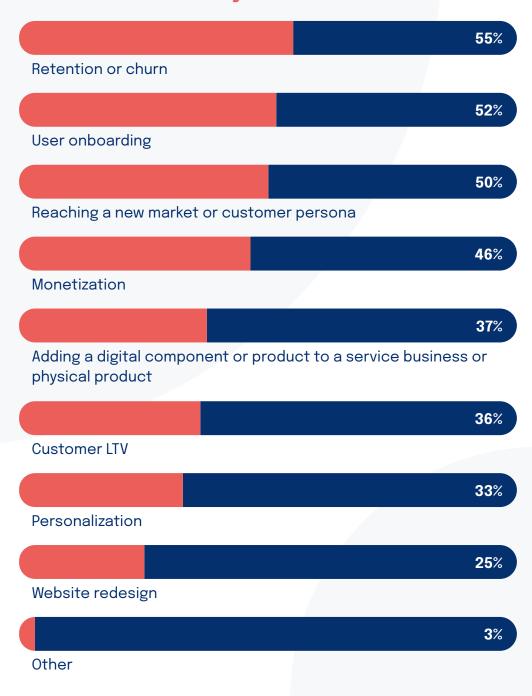## Most Significant Challenge

**30%**
Internal politics

**29%**
Lack of resources

**14%**
Generating actionable customer insights

**10%**
Hiring the right people

**7%**
Meeting deadlines

**4%**
Collaborating with market research

**2%**
Other

# Goals & Objectives

While responsibilities and career experience may vary, most product managers and leaders we surveyed shared a very similar set of product development goals. The top four cited were combating churn, improving user onboarding, reaching a new market or set of customers, and monetizing product offerings.

## Product Objectives and KPIs

**55%**
Retention or churn

**52%**
User onboarding

**50%**
Reaching a new market or customer persona

**46%**
Monetization

**37%**
Adding a digital component or product to a service business or physical product

**36%**
Customer LTV

**33%**
Personalization

**25%**
Website redesign

**3%**
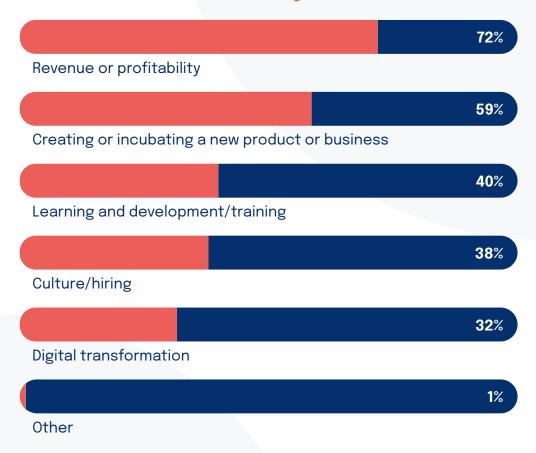Other

# Goals & Objectives

Similarly, business priorities were in line with respondents' product development priorities. 72% of those surveyed named revenue or profitability as the main business objective, while 59% said creating or incubating a new product or business line was high on the list of company goals.

While only 32% reported digital transformation as a business priority, that number is higher than recent years, a sign that many product teams have begun to feel the effects of digital transformation initiatives that are underway at their organizations.

## Business Objectives

| | |
|---|---|
| Revenue or profitability | 72% |
| Creating or incubating a new product or business | 59% |
| Learning and development/training | 40% |
| Culture/hiring | 38% |
| Digital transformation | 32% |
| Other | 1% |

This is Product Management, Episode 230

"Every good idea and every disruptable idea at a company is sitting there right in front of you. You just have to find it."
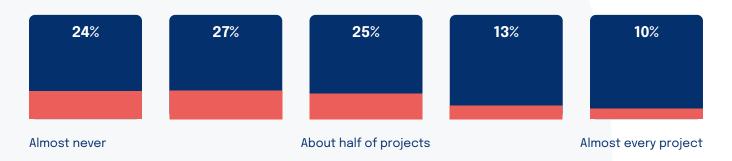
**Prabhdeep Singh**
Global Head of WeWork Labs

# 🤝 Collaboration Opportunities

As the field matures and the demand for consumer insights grows, the strongest product managers and leaders will need to learn and adopt the skill-sets of other stakeholders in the organization if they want to build truly innovative products and solutions.

51% of respondents said they collaborate with market research teams or vendors on less than half of their product development projects, while a much smaller percentage – 10% – say they collaborate with research teams on almost every project.

## Market Research Collaboration Frequency

| 24% | 27% | 25% | 13% | 10% |
|-----|-----|-----|-----|-----|

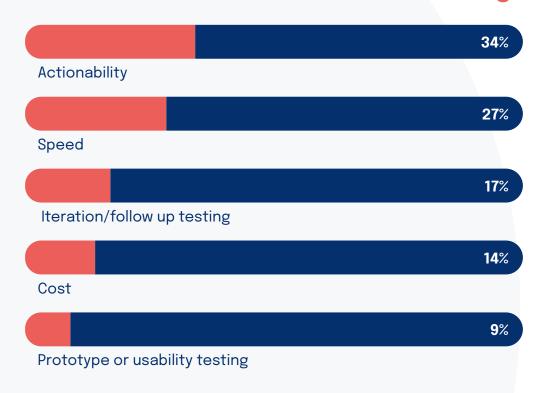Almost never | About half of projects | Almost every project

Excluding people who said they almost never collaborate with that function, 30% found their market research teams or vendors to be moderately valuable and nearly 50% found them to be valuable or extremely valuable.

## Market Research Collaboration Satisfaction

| 3% | 18% | 30% | 28% | 21% |
|-----|-----|-----|-----|-----|

Not at all valuable | Moderately valuable | Extremely valuable

# 🤝 Collaboration Opportunities

When we asked what is the most significant blocker to product teams collaborating with researchers or research vendors, the top two challenges were actionability and speed.

## Market Research Collaboration Challenges

**34%**
Actionability

**27%**
Speed

**17%**
Iteration/follow up testing

**14%**
Cost

**9%**
Prototype or usability testing

Something to consider is that speed often means something different to researchers than it does to product teams. And the needs of product teams are often different than other stakeholders within an organization.
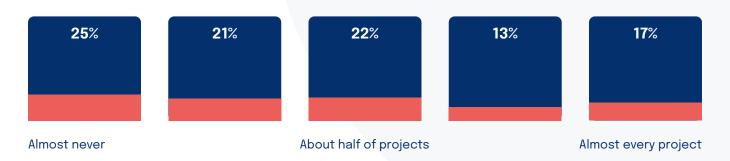
This is Product Management, Episode 233

"If your product team is agile, which most are, what does it actually mean? It means not trying to find one answer and make a business decision off of it, which can be what market research is. It's about constant learning, constant testing, and directionality. I think that's an interesting thing to market research sometimes. There is no one right direction. You're constantly moving and ebbing and flowing. Constant directionality is something that a lot of researchers have to grapple with. Sometimes it can be a bit of a mindset shift when you're trying to work and collaborate with product teams."

**Roddy Knowles**
VP, Research,
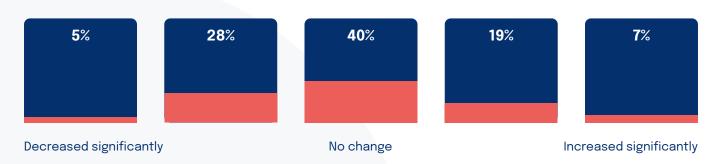Feedback Loop

# 🤝 Collaboration Opportunities

Similarly, there's room for improvement when it comes to product teams collaborating with innovation teams and vendors. Nearly 50% of those surveyed said they collaborate with innovation teams and vendors on less than half their projects.

## Innovation or Digital Transformation Collaboration Frequency

| 25% | 21% | 22% | 13% | 17% |
|---|---|---|---|---|
| Almost never | | About half of projects | | Almost every project |

Most respondents said the frequency with which they collaborated with innovation or digital transformation teams either stayed the same or increased slightly in the last year.

## Innovation or Digital Transformation Collaboration Frequency

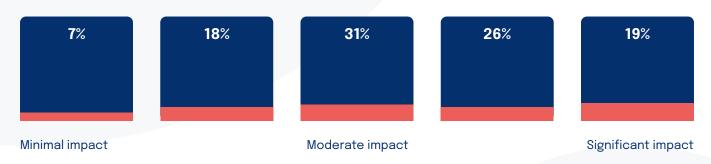| 5% | 28% | 40% | 19% | 7% |
|---|---|---|---|---|
| Decreased significantly | | No change | | Increased significantly |

# 🤝 Collaboration Opportunities

Excluding people who said they almost never collaborate with innovation teams, those who do report satisfaction with the partnership.

## Innovation or Digital Transformation Collaboration Satisfaction

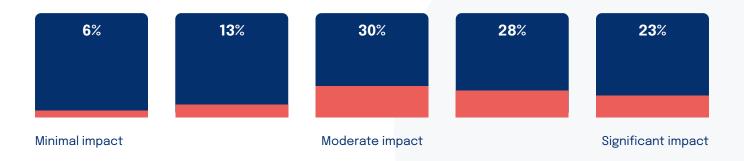| 15% | 35% | 26% | 24% |
|---|---|---|---|
| Not at all valuable | Moderately valuable | | Extremely valuable |

Digital transformation initiatives have clearly impacted the product management discipline in the last year. 76% of respondents said their role has either been moderately or significantly impacted.

## Impact of Digital Transformation Initiatives

| 7% | 18% | 31% | 26% | 19% |
|---|---|---|---|---|
| Minimal impact | | Moderate impact | | Significant impact |

When respondents who work at startups are filtered out of the results, the impact becomes even more significant:

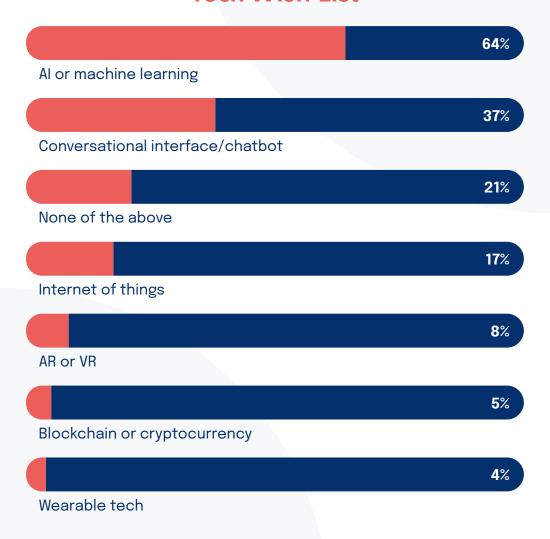| 6% | 13% | 30% | 28% | 23% |
|---|---|---|---|---|
| Minimal impact | | Moderate impact | | Significant impact |

# Future State

We gathered plenty of insightful data from product managers and leaders on the current state of their organizations and responsibilities, but we wanted to know more. What would an ideal state of product management look like, and what will it take to get there?

64% of those surveyed said they plan to incorporate artificial intelligence and machine learning into their product offering this year. A smaller percentage of respondents expressed interest in chatbots (37%), while 21% said they have no plans for tech integrations in 2020.

## Tech Wish List

| | |
|---|---|
| AI or machine learning | 64% |
| Conversational interface/chatbot | 37% |
| None of the above | 21% |
| Internet of things | 17% |
| AR or VR | 8% |
| Blockchain or cryptocurrency | 5% |
| Wearable tech | 4% |

# Future State

In 2020, most product people hope to establish a clearer product roadmap and strategy, while more than 20% of respondents ranked more resources as a hopeful investment in the coming year.

Only a mere 2% of product managers plan to prioritize more collaboration with research teams. Given that approaches to data collection are evolving quickly alongside the increased pace of decision making within businesses, a lack of focus on collaboration may hold product teams back if they don't get ahead of it.

## Pressing Priorities

**30%**
A clearer product roadmap or strategy

**21%**
More development resources

**19%**
More opportunity for experimentation

**12%**
Resolve internal conflicts

**10%**
More actionable customer feedback

**2%**
Better collaboration with market research

# Future State

Given an extra $250,000 for their product budgets this year, half of respondents would spend it on user research or experimentation, 21% would invest in training for teams, and only 7% would be interested in bringing in external consultants or agencies.

## 2020 Budgets

User research experimentation — **50%**

Training for teams — **21%**

Market research — **11%**

External consultants or agencies — **7%**

# Recommended Resources

## Infographic

Download the **2020 PM Insights infographic**

## Relevant articles

1. What does it take to reach a product leadership role?

2. As Expectations for 'Insights on Demand' Grow, What's the Ripple Effect on Market Research?

3. Where, Why, and When Product Managers Should Collaborate With Researchers, and Vice Versa

4. To Understand Customers, Product Managers and Researchers Must First Understand Each Other

5. What is Agile Research

## Podcasts

1. Roadmapping is Product Management

2. Scaling New Ventures is Product Management

3. Becoming a Product Leader is Product Management

4. Embedding Experimentation is Product Management

5. Market Research is Product Management

6. Democratizing Research is Product Management

**Learn more about Feedback Loop**