

Product Vs. Product Line

Roadmaps & Strategies

There is a major gap between product and product line thinking and execution in many organizations.

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Stop for a moment. Do you know the difference between a product and a product line? Of course, you do. A product is just that: a single offering that embodies attributes that deliver benefit, satisfaction, or perhaps delight to a customer. A product line is a group of products that somehow relate to one another and that delivers sets of attributes that confer a benefit, satisfaction or perhaps delight to sets of customers. Some gurus may wordsmith this in different ways. They may, for example, switch out the notion of customer satisfaction to solving problems or gaining utility. But the key difference remains the same: products are singular in nature, and product lines are plural in nature.

There is nothing earth shattering in recognizing the plurality of product lines versus the singularity of a product. At least not until you start probing how this difference impacts decisions, work, information flows, strategies and business models. Take innovation, for example. Does your organization innovate with a focus on creating one product or does it purposely innovate with an orientation toward advancing an entire line of products, with sets of attributes meeting sets of customer needs and wants?

The Adept Group's research and experience suggest that the practicality and reality of business and forces of competition induce organizations to commercialize their offerings within the dynamics and multiplicity of product lines. Conversely, we find that the processes, methods and approaches that organizations use to create, develop and implement innovations tend to orient toward the singularity of a product. This leaves it up to smart managers using intuitive and strategic thinking to fight the forces of an organization in order to bridge the world of singular product approaches with the reality of pluralistic product lines dynamics. The bottom line is that there is a major gap between the product and product line thinking and execution in many organizations.

A common view among those who claim to know about products and product lines is that a product line is the "roll-up" of related products. Some may even merge the notion of product line management into portfolio management, such that new developments related to a product line are the same as a portfolio or sub-portfolio of individual projects. Indeed, the software that organizations use to track and manage products simply aggregates the data from the products that compose the product line in order to display information about the product line. The hierarchy here is that multiple products roll up into product lines, and multiple product lines roll up into a product family. This hierarchical roll up suggests that to see the strategy of a product line, managers need simply roll up the strategies of the contributing products. To see the roadmap of a product line, managers need simply to roll up the roadmaps of the group of individual products. Simple. Right?

Yes, it is simple. **But it is also a mistake.**

One versus Many

Smart product line strategies and their execution roadmaps are not the mere roll up of individual products. The reason is because there are two critical drivers of good product line strategy that are not reflected in a simple roll up of products. First, there is often a synergy between the products within the line. Producing and selling one is often creates support or assistance to the others. Somehow the strategy of the product line should strive to realize this synergy. And second, a certain commonness among the products can exist that enables the product line to gain greater leverage than it might have otherwise. Strategists refer to this commonness as the platform of the product line. It creates a leverage that enables organizations to make relatively small investments to gain relatively large returns. If there is no synergy or leverage, there is little reason to organize a group of products into a product line. Instead, it is just a cluster of independent product offerings that happened to share non-product functional supports such as distribution, sales, marketing and brand(s). Fine, that might help these functions. But the product line strategy does not necessarily improve the power of the products related to customers and against competitive alternatives.

Product Vs. Product Line

The focus on a product line is important because its strategy and the execution roadmap of the strategy should amplify the impact of a business's offering. The product line should contribute more than just the roll up of individual products. Yet even though such plurality of product lines is indeed the focus most organizations seek to orient their decisions, drive customer satisfaction, gain greater cash flow and beat competition, the fact remains that these same organizations have ongoing processes, practices, and methods that emphasize a singularity orientation in their product development and product management approaches.

Consider the differences between monadic product development and management practices and the real world of pluralistic product line development and management dynamics. A good summary is given in tables 1 and 2, below.

Table 1: A comparative summary of singular product roadmapping and pluralistic product line roadmapping.

ROADMAPPING			
Item / Concerns		Product Roadmap	Product <u>Line</u> Roadmap
1	Sets up innovation targets for front end concept development	No	Yes
2	Focuses on leveraging a platform	No	Yes
3	Incorporates Linkages from Technology Building Blocks to Market Segments and Customer needs	No	Yes
4	Highlights/calls out key milestones for products under development	Yes	Yes
5	General Orientation	Near-Term Product and Project Management / Development Oversight	Full Product Line Strategy Execution
6	Multi-generational product plan building	Yes	Yes per each platform
7	Feeds / Links into Business Strategy	In-directly	Directly and Significantly
8	Treatment of Product Lines	Roll-up of individual products into a line of products	Starts with and is intimate to the product line
9	Relation to Strategy Formulation	Only to the extent of seeking priority to project work; presumes the business strategy is known	Intimate and concurrent through the use of a product line strategy canvas and the build out of strategy essence; influences business strategy
10	Impact on portfolio management	Roll up for project management and resource allocation	Intimate, old "is this portfolio balanced?" becomes "does this portfolio enable the success of the product line strategy/roadmap."
11	Inclusive of non-product initiatives	No	Yes. Operations, sales, marketing, research, supply chain, etc.
12	Depth or requisite insight building across all disciplines (marketing, operations, sales, finance, strategy, HR)	Light	Very deep

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Table 2: A comparative summary of singular product strategy and pluralistic product line strategy.

STRATEGY			
#	Item / Concerns	Product Strategy	Product Line Strategy
1	Supports & orients development and market diffusion of individual products	Yes	Yes
2	Focuses on leveraging a platform	No	Yes
3	Calls out the on-going advancement of technologies	No	Yes
4	Can direct or influence major strategy moves vis-a-vis competitors	No	Yes
5	General Orientation	Standalone product linked to product objectives	Fulfilling role within business strategy; directly delivering overall business strategy objectives
6	Time horizon	Near term, moderate term	Near term, moderate term, long term
7	Feeds Business Strategy	In-directly	Directly and Significantly
8	Treatment of Product Lines	Roll-up of individual products into a line of products	Focus is specific to the product line
9	Relation to Roadmap Formulation	Only to the extent of seeking priority to product related project work	Intimate and concurrent through the use of product line roadmapping tools and templates
10	Coordinated market and product management across related products	No	Yes
11	Impact on technology scouting, market expansion, front end innovation	Only relevant to product at hand	Calls out multiple desired targets (technology, market, new product) that are critical to strategy
12	Exploration and actions toward "Strategy Dynamics."	None to very little	Significant to Complete
13	Relationship to the business model and business model effectiveness	Indirect	Deep - Interactive

Making a Difference

Creating stellar product line strategies with sharp execution roadmaps can be learned, facilitated and implemented in any organization. There are definite constructs and approaches that not only work, but also magnify the gains from product lines. Organizations can deploy and streamline these practices to drive the overall strategic impact they realize from each of their product lines. But it is not the mere roll-up of single product development efforts and single product management oversight.

The next time you hear that someone is going to create a product roadmap (singular), think for a moment. What are they really hoping to accomplish? Do they want to roll up the project plans for a single product, or perhaps for more than one product? Are they seeking to work out an improved strategy and execution roadmap for the full line of products? If all they care about is project management, it is likely they want a singular product roadmap. If they want to improve the impact in the market of multiple products, it is product line strategizing and roadmapping that they should embrace.

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