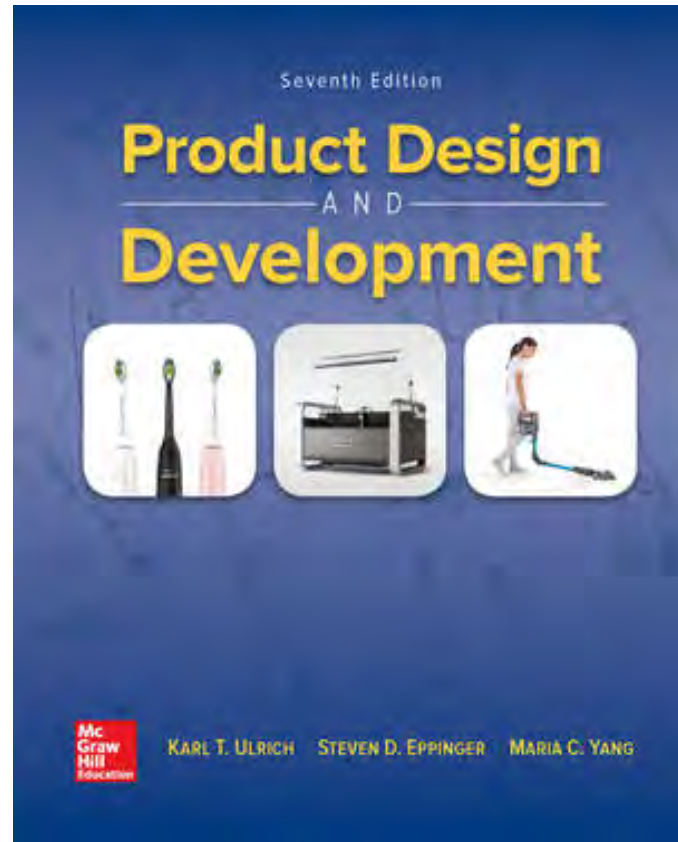


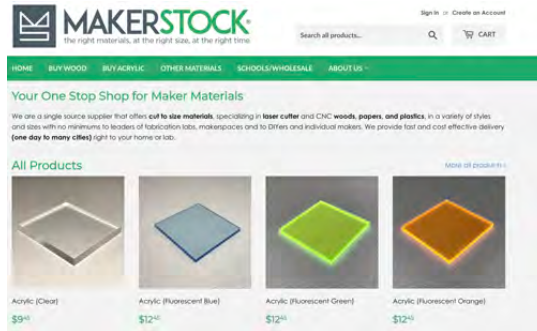


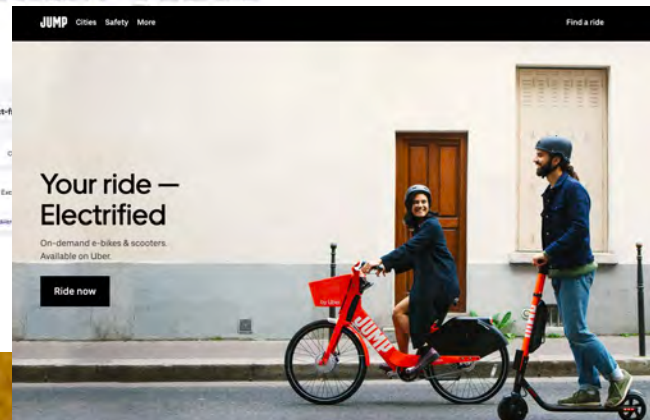
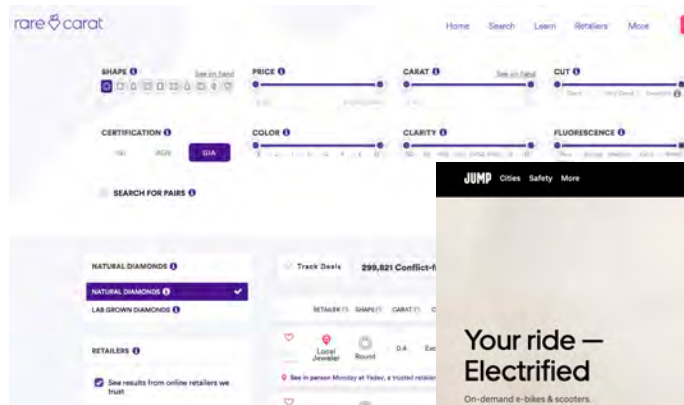
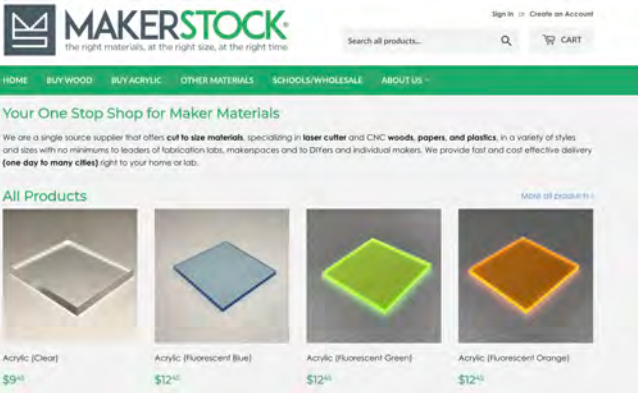
# Introduction to Product Management

Professor Karl T. Ulrich

@ktulrich | ktulrich.com | ulrich@wharton.upenn.edu







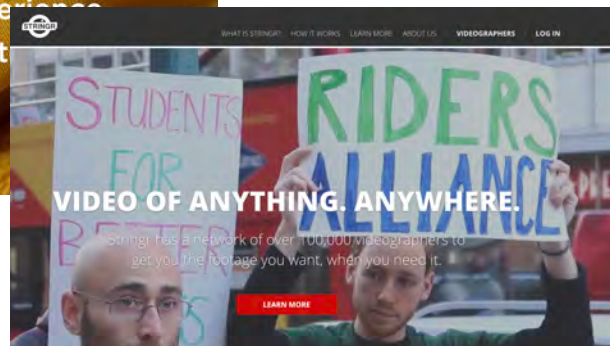
## Be a leader in data-driven sustainability

Buildings use Gridium technology to develop energy project revenues and to lead in a new age of building management.

Get a guide

**BSPK**

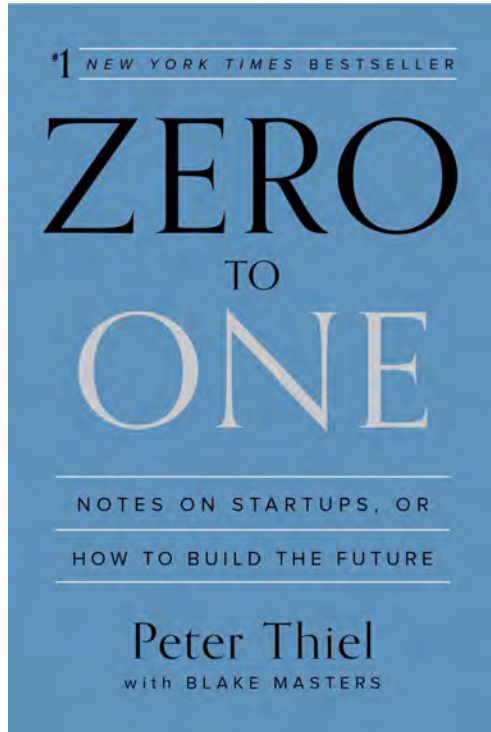
A platform for global luxury brands to personalize the shopping experience, drive sales and improve customer retention











“As a good **rule** of thumb, proprietary technology must be at least **10 times** better than its closest substitute in some important dimension to lead to a real monopolistic advantage.”

**Peter Thiel**

FDA NEWS RELEASE

# FDA Approves First COVID-19 Vaccine

*Approval Signifies Key Achievement for Public Health*



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 [More Press Announcements](#)

**For Immediate Release:** August 23, 2021

[Español](#)

Today, the U.S. Food and Drug Administration approved the first COVID-19 vaccine. The vaccine has been known as the Pfizer-BioNTech COVID-19 Vaccine, and will now be marketed as Comirnaty (koe-mir'-na-tee), for the prevention of COVID-19 disease in individuals 16 years of age and older. The vaccine also continues to be available under emergency use authorization (EUA), including for individuals 12 through 15 years of age and for the administration of a third dose in certain immunocompromised individuals.



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Google  


BlueJeans



# Alpha Assets

# Financial View of Sustained Advantage

How does a firm perform over a long time period relative to others in the *same sector*?

ROIC – WACC

( “Economic Value Added” or “Cash Flow ROI”)

~ 6% on *average* for US public companies

If take average over a long time period and compare within a sector, what remains should be largely persistent firm-specific factors.

**Note:**

Lots of work showing that basically sector and industry don't matter much for ROIC – WACC. See, for instance,

Gabriel Hawawini, Venkat Subramanian and Paul Verdin, “Is Performance Driven by Industry- or Firm-Specific Factors? A New Look at the Evidence,” *Strategic Management Journal*, Vol. 24, No. 1 (Jan., 2003), pp. 1-16.

## Example: Restaurant Industry ROIC – WACC (2006-2015)

	Revenue (mm)	Market Cap (mm)	ROIC - WACC (%)
YUM BRANDS INC	13,105	30,681	28.2
DENNYS CORP	491	756	22.8
STARBUCKS CORP	19,163	84,413	19.2
PAPA JOHNS INTERNATIONAL INC	1,637	2,147	16.8
MCDONALD'S CORP	25,413	107,129	14.3
SONIC CORP	606	1,379	14.2
CRACKER BARREL OLD CTRY STOR	2,842	3,642	12.7
PANERA BREAD CO	2,682	4,817	12.1
JACK IN THE BOX INC	1,540	2,757	10.6
BLOOMIN' BRANDS INC	4,378	2,014	9.0
BUFFALO WILD WINGS INC	1,813	3,020	7.5
CARROLS RESTAURANT GROUP INC	859	411	7.2
FIESTA RESTAURANT GROUP INC	687	893	6.7
CHUY'S HOLDINGS INC	287	517	6.0
FAMOUS DAVES OF AMERICA INC	114	48	5.9
TEXAS ROADHOUSE INC	1,807	2,507	4.4
NOODLES & CO	455	254	3.0
RUBY TUESDAY INC	1,127	387	1.5
WENDY'S CO	1,870	2,933	1.2
RED ROBIN GOURMET BURGERS	1,256	841	-0.9
CHEESECAKE FACTORY INC	2,101	2,262	-1.5
BJ'S RESTAURANTS INC	920	1,072	-2.3
POTBELLY CORP	373	308	-3.7





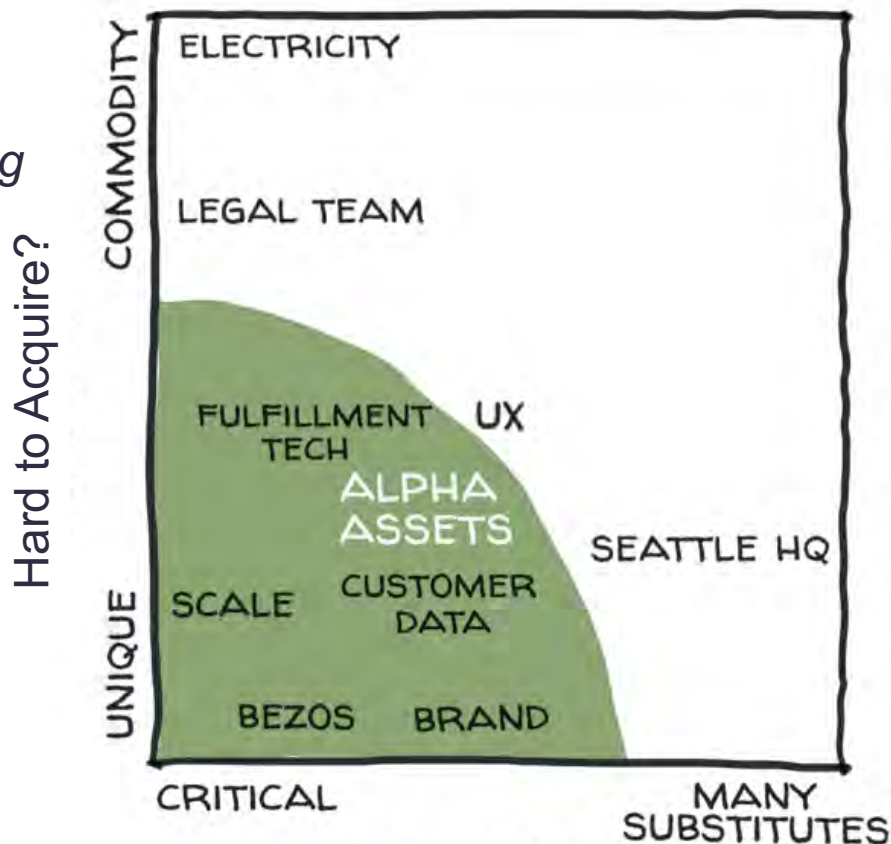
## Alpha Asset =

Asset used in delivering a solution that is

(a) *performance enhancing*

and

(b) *hard to acquire*.



amazon

Based on "resource-based view" of the the firm.  
e.g., Jay B. Barney, (1996) The Resource-Based Theory of the Firm. *Organization Science* 7(5):469-469.

Performance Enhancing?

# Where do Alpha Assets Come From?



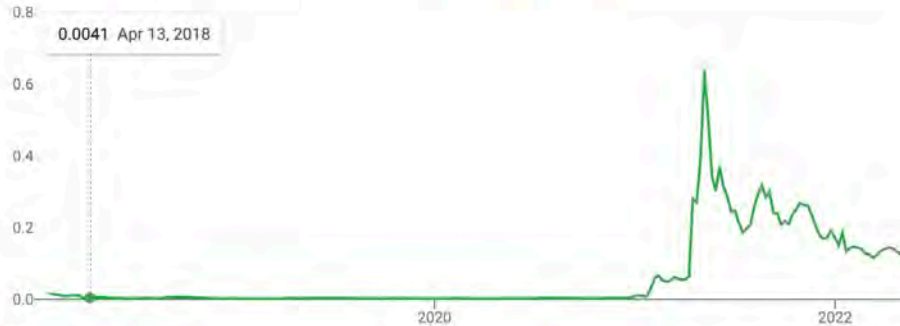
Even for business, an alpha asset (e.g., a brand boost) can come from dumb luck...



## Market Summary &gt; Dogecoin

0.090 USD

+0.07 (427.30%) ↑ past 5 years

May 13, 5:31 PM UTC · [Disclaimer](#)1D 5D 1M 6M YTD 1Y 5Y Max

1

DOGE ▾

0.090

USD ▾

[Feedback](#)[More about Dogecoin](#)

## 📰 Top stories

## 📰 COINTELEGRAPH

Dogecoin eyes 'oversold' bounce as DOGE price gives up 90% of yearly gains



## 📰 FXStreet

Dogecoin price is prepping for knife catch scenario, targets as low as \$0.01





# Wells Fargo & Co

NYSE: WFC

Overview

News

Compare

Financials

Market Summary > Wells Fargo & Co

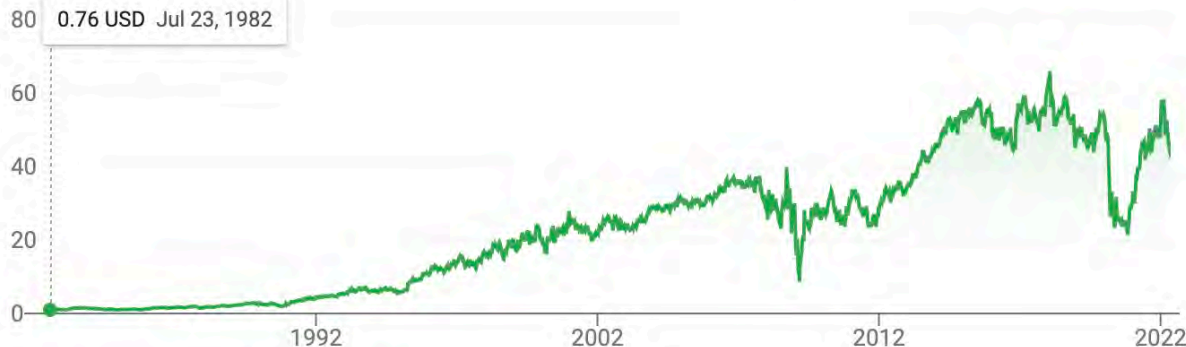
42.88 USD

+41.96 (4,714.61%) ↑ all time

May 13, 1:36 PM EDT • Disclaimer

1D 5D 1M 6M YTD 1Y 5Y Max

0.76 USD Jul 23, 1982



Open	42.45	Mkt cap	162.42B	52-wk high	60.30
High	43.19	P/E ratio	8.91	52-wk low	40.92
Low	42.31	Div yield	2.33%		



## Wells Fargo uncovers up to 1.4 million more fake accounts

by Matt Egan @MattEganCNN

August 31, 2017, 12:34 PM ET



WELLS FARGO

Home | Commercial | Products and Services | Community | Contact

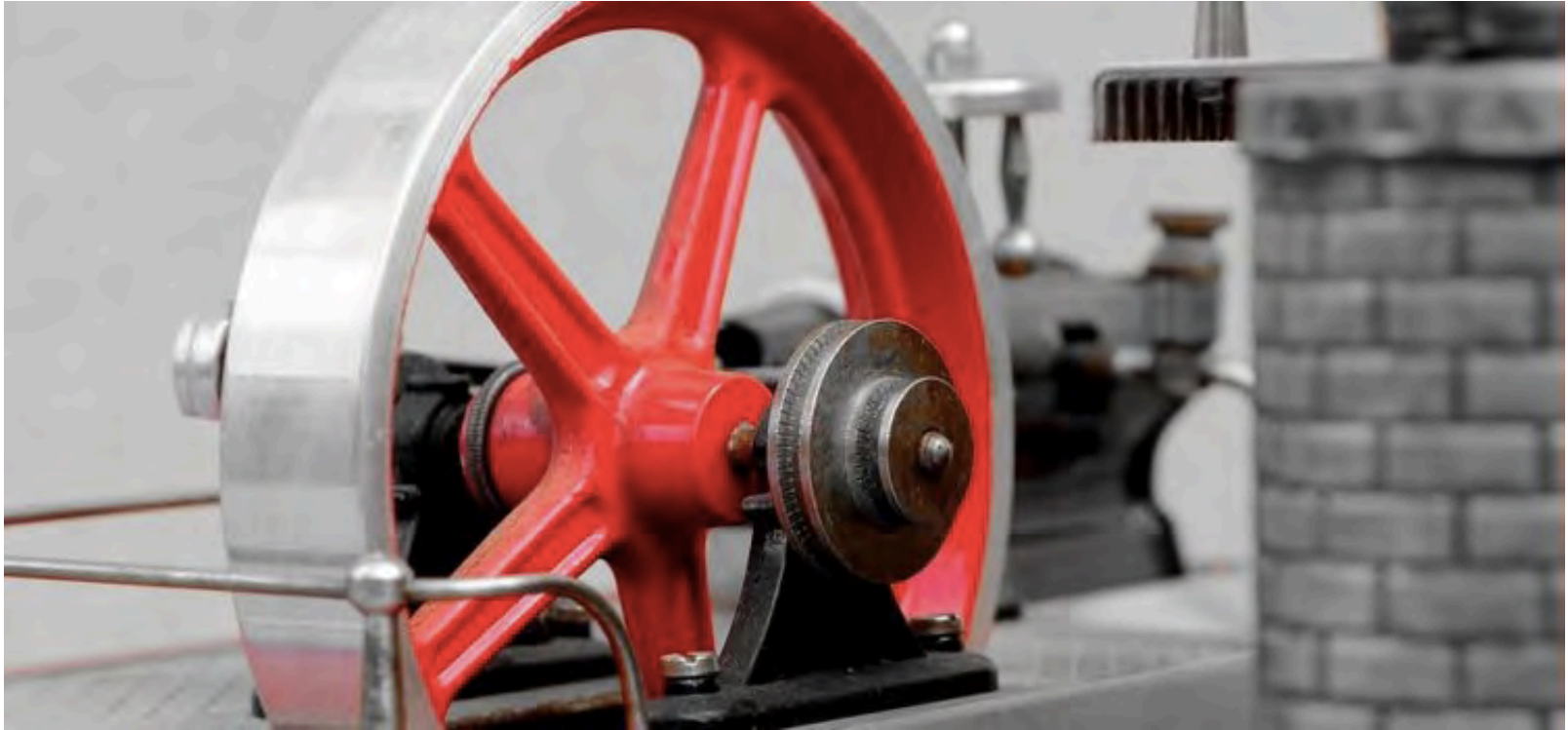
### Established 1852. Re-established 2018 with a recommitment to you.

From day one, we always came through for our customers. Today, we're renewing our commitment to you—and working to earn back your trust. See what's new at Wells Fargo.

- Building a better bank
- Putting service first
- Upgrading how banking works
- Increasing community impact

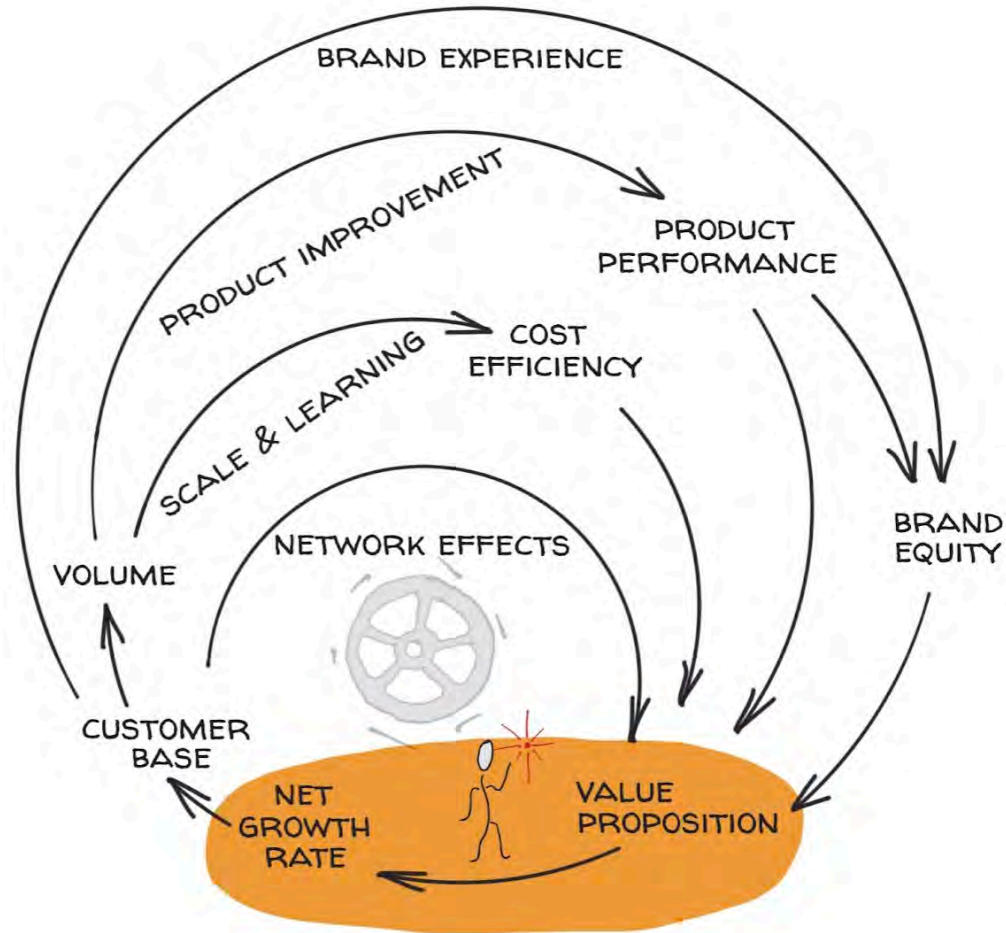


**In stable environments, incumbent power largely comes from ratcheting of performance improvement, mostly through incremental change.**

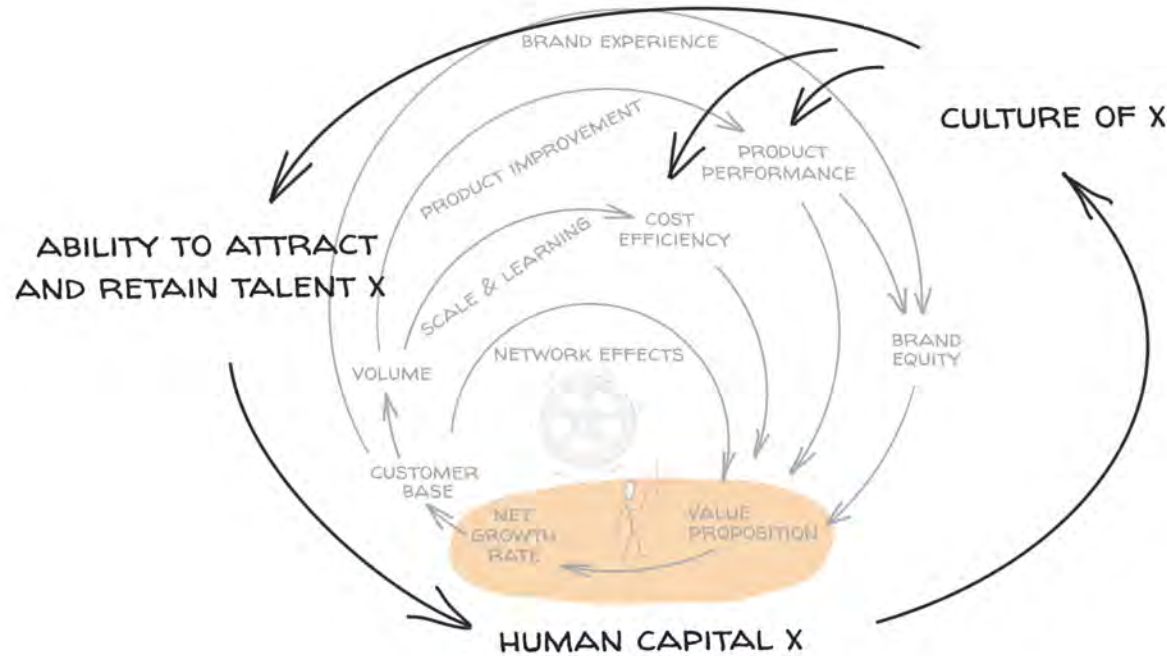


Essentially, continuous improvement  
spinning up the “flywheel”

# Five Flywheels



# The Fifth Flywheel

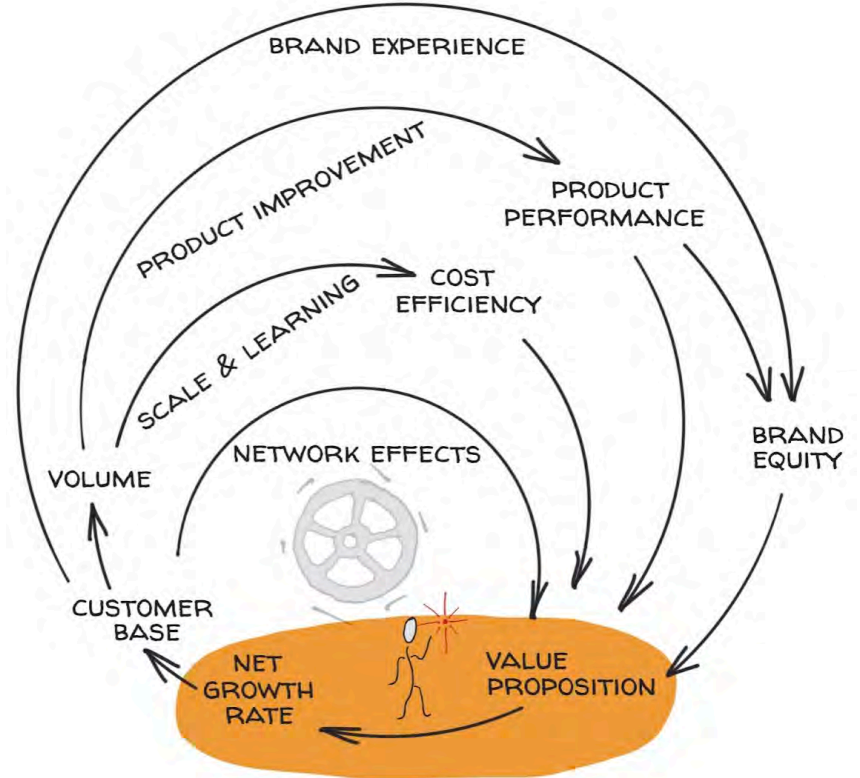


X could be any performance-enhancing element of culture or organizational performance.

e.g.,

- Sustainability
- Diversity
- Innovation
- Customer service

# How do you kick start the flywheels?





# Three Sources of Disequilibrium

1

Invention of Superior Solutions



2

Enabling Technologies



3

Shift in Macro Environment



Tastes, trends, demographics, regulation, environment, politics.





# No Chicken-or-Egg Problem Here – “Scramble” from Mung Beans

JUST

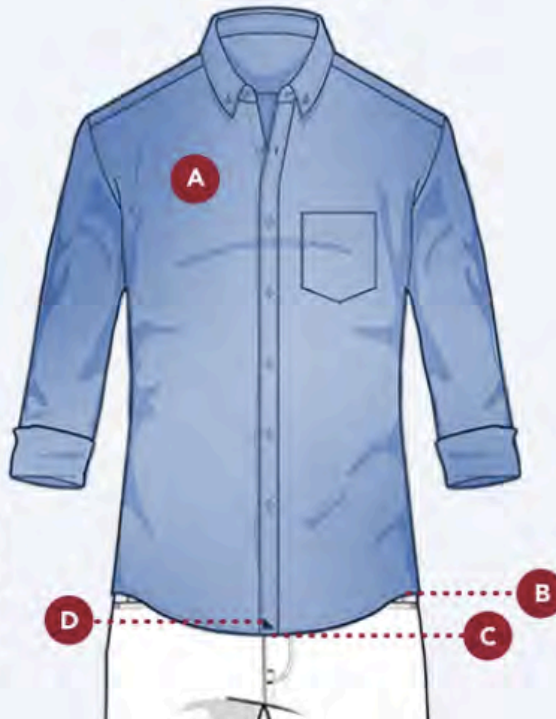




AVERAGE SHIRT



UNTUCKit SHIRT



## What Makes an UNTUCKit Shirt Different?

### A. QUALITY ABOVE ALL

We obsess about quality simply so you don't have to.

### B. CONTOURED HEMLINE

Adds a level of sophistication to your casual look.

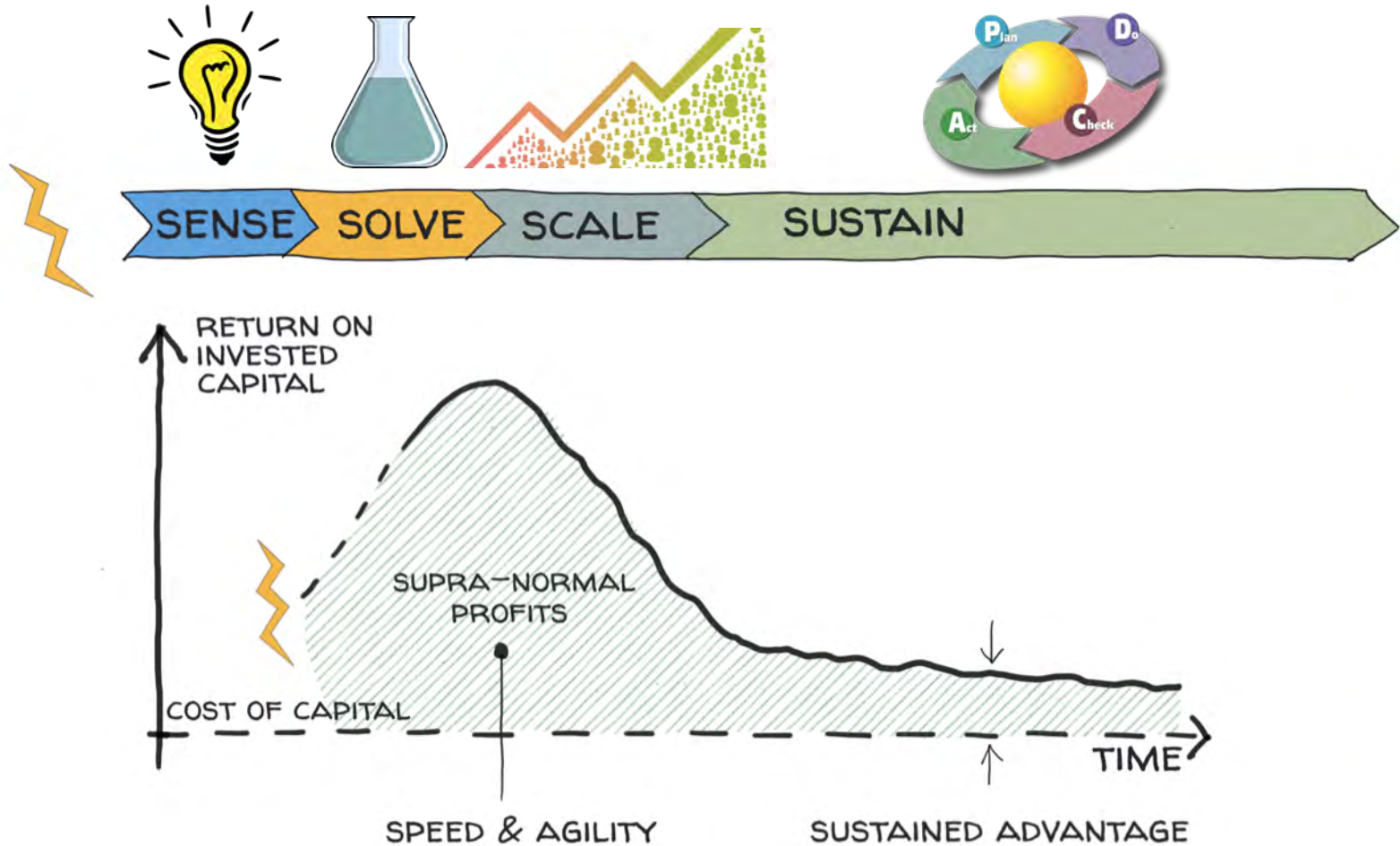
### C. PERFECT LENGTH

This is the middle of the zipper; pockets partially exposed.

### D. SIGNATURE SAIL

A reminder that the shirt is best worn unfurled.

# The Lifecycle of an Innovation in Response to Disequilibrium



MEN WOMEN NEW ARRIVALS

allbirds

SUSTAINABILITY

STORES



Home / Women's Shoes /

## Running Shoes

### Running Shoes

Everyday Sneakers

Flats

Weather Repellent Shoes

Slip-Ons

High Tops

Boat Shoes

Sandals

### Filter By:

#### MATERIAL

- ☐ Light & Breezy Tree
- ☐ Soft & Cozy Wool

#### BEST FOR

- ☐ Running
- ☐ Wet Weather

#### HUE

## Women's Tree Dashers

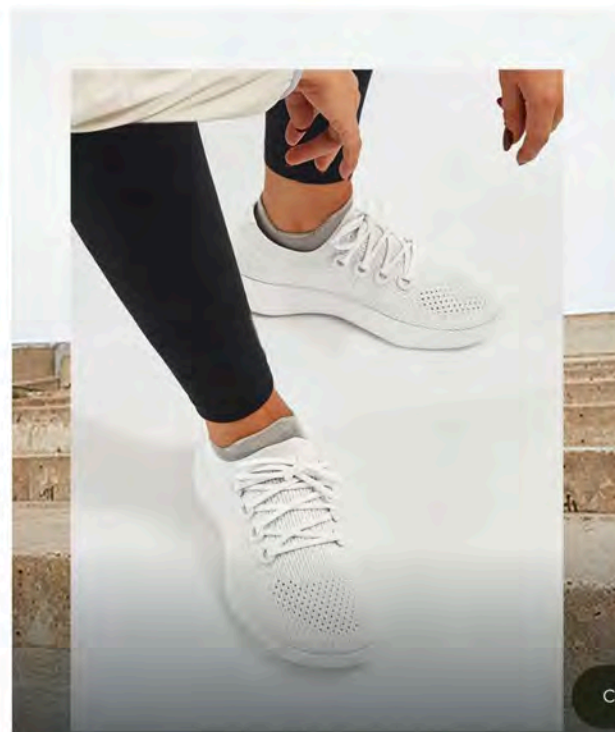
Our running shoe designed with breathable Tree material.



### Women's Tree Dashers

Mirage (Light Grey Sole)

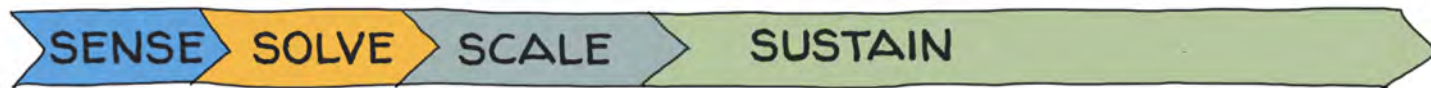
\$125



Chat



# Alpha Assets – Start with the End in Mind



SOLUTION



PROCESS

BRAND

CUSTOMER NETWORK

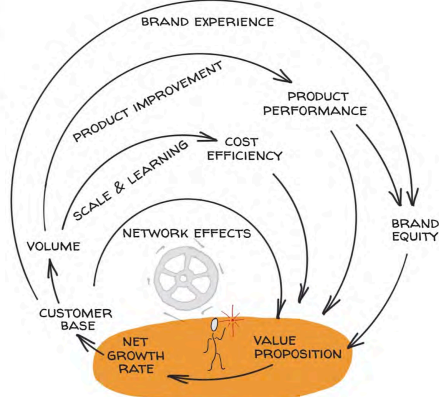
ORGANIZATIONAL PROCESSES

SCALE

CULTURE

*allbirds*

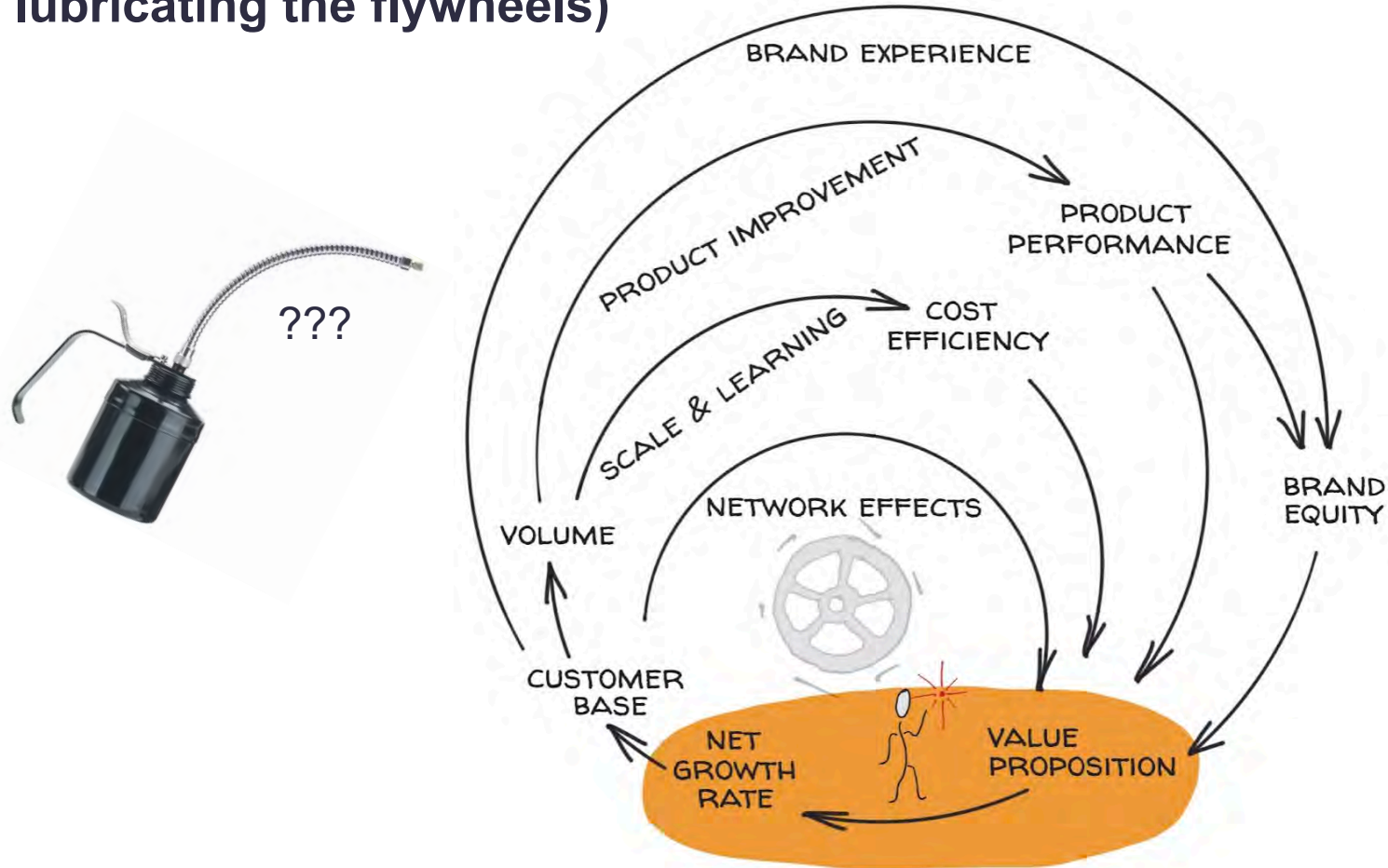
$\alpha$



## When can *product* be an alpha asset?

- During sense and solve phase (based on speed and agility).
- When control of product IP is possible (e.g., Pharmaceuticals).
- “Meta Asset” of product development capability can be alpha asset in dynamic environments (e.g., fashion, gaming) or when creating great product is really, really hard (e.g., high-performance microprocessors).
- But, more typically over the long run product is “just” important, like sales and marketing are important. Product management in these settings is a “must have” but probably not a decisive source of competitive advantage.

# Meta Capabilities? (i.e., lubricating the flywheels)







**Nancy (Chan) Farah** (She/Her) · 1st

Product & People Leader | Growth Stage Companies | Wharton MBA

San Mateo, California, United States · [Contact info](#)

[500+ connections](#)



49 mutual connections: Raghu Iyengar, Jarah Euston, and 47 others

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Re



Th

## Experience

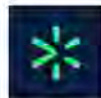


### Senior Manager, Product Management

Redfin · Full-time

2021 – Present · 1 yr

San Francisco Bay Area



### Walmart Global Tech

3 yrs

#### Group Product Manager - Discovery

Full-time

2020 – 2021 · 1 yr

San Bruno, California, United States

#### People Leadership

Leading and developing a team of senior product managers, providing feedback and coaching to grow their skills and careers.

#### Senior Product Manager - Online Grocery Team

Full-time

2018 – 2020 · 2 yrs

San Bruno, CA

Online Grocery is the fastest growing vertical in Walmart eCommerce with \$\_\_\_B in revenue and millions of users:

Merging Walmart Online Grocery App with New Walmart App:





**Surachita Bose** · 1st

Product Marketing @Twilio | ex-Uber | Wharton MBA | Urbanist & Policy Wonk

San Francisco Bay Area · [Contact info](#)

[500+ connections](#)



61 mutual connections: Kevin Werbach, Ashmi Chokshi, and 59 others

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## Experience



### Principal Product Marketing Manager, Public Sector

Twilio · Full-time

Oct 2021 – Present · 4 mos

San Francisco Bay Area



### Head of Global Product Marketing: Cities, Data Sharing, Sustainability

Uber · Full-time

Dec 2018 – Oct 2021 · 2 yrs 11 mos

San Francisco, California, United States

Lead product marketing for Cities/Transportation/Sustainability product ecosystem to drive awareness and adoption among riders/drivers, public sector, opinion elite and regulatory stakeholders across global growth markets. Expertise across inbound & outbound, including - GTM strategy & execution

[...see more](#)



### Principal Product Marketing Manager, Quickbooks

Intuit

Aug 2017 – Aug 2018 · 1 yr 1 mo

Mountain View, CA

Driver of x-functional teams (XD, Marketing, Research & Insights, Product) working on strategic big bets for Quickbooks Small Business/Self Employed business unit, focussing on developing and testing bold new pricing and packaging models for SMB accounting products..



### Engagement Manager: Global Strategy

Accenture

Aug 2013 – Nov 2016 · 3 yrs 4 mos

San Francisco

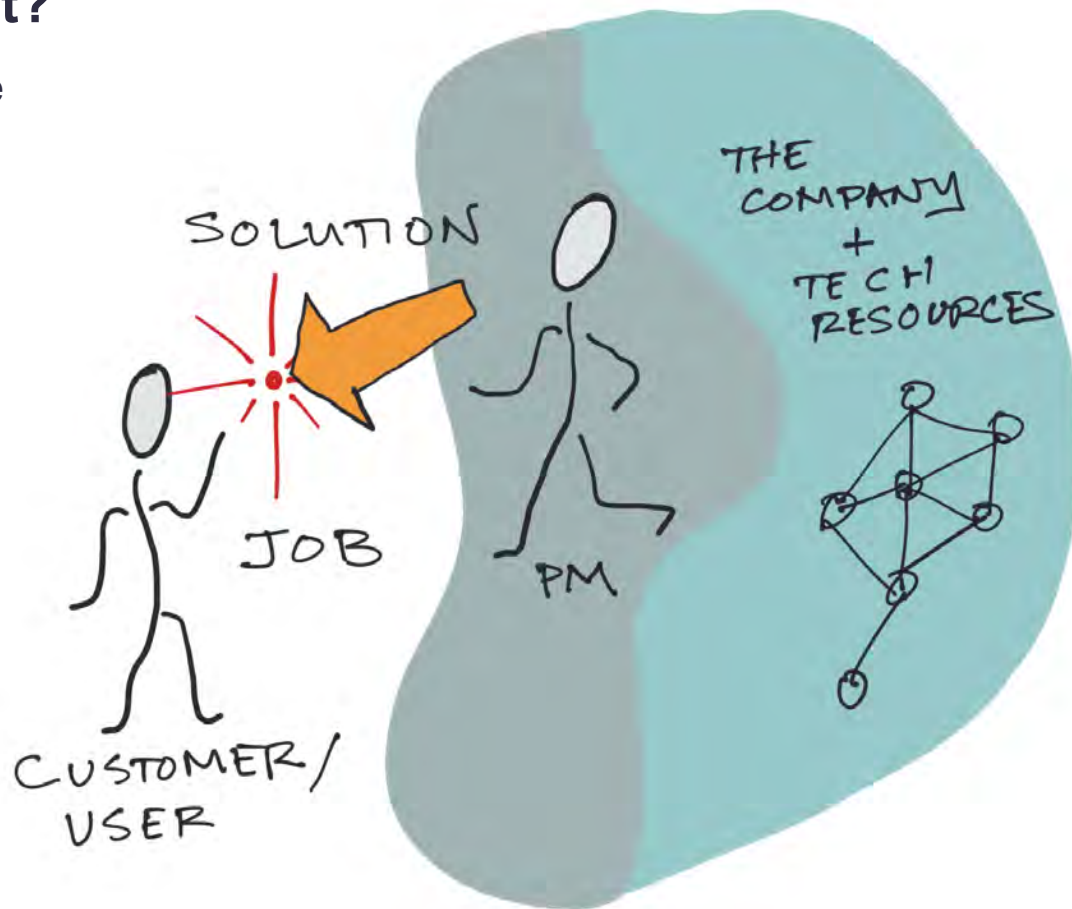
Deliver on C-suite strategy and transformation efforts for Accenture's technology and



# What is Product Management?

The market-facing owner of what the product is.

- Creator or guardian of the *product vision*.
- Interpreter and protector of the *customer experience*.
- Prioritizes the feature and improvement *road map*.
- Guide for the technical resources to *create or improve the product*.



# RACI Framework for Product Management

	PM	PMM	Eng	Biz	UI/UX Design	Sales
Product Vision	RA	C	C	C	C	I
Product Concept	RA	C	R	C	C	I
Product Roadmap	RA	C	R	C	C	I
Branding	C	RA	I	C	C	C
Go To Market Strategy	C	RA	I	C	I	I
Pricing	C	R	I	A	I	I
Growth	C	R	C	A	I	R
Partnerships	C	C	I	RA	I	I

R = responsible (does the work, role can be shared)

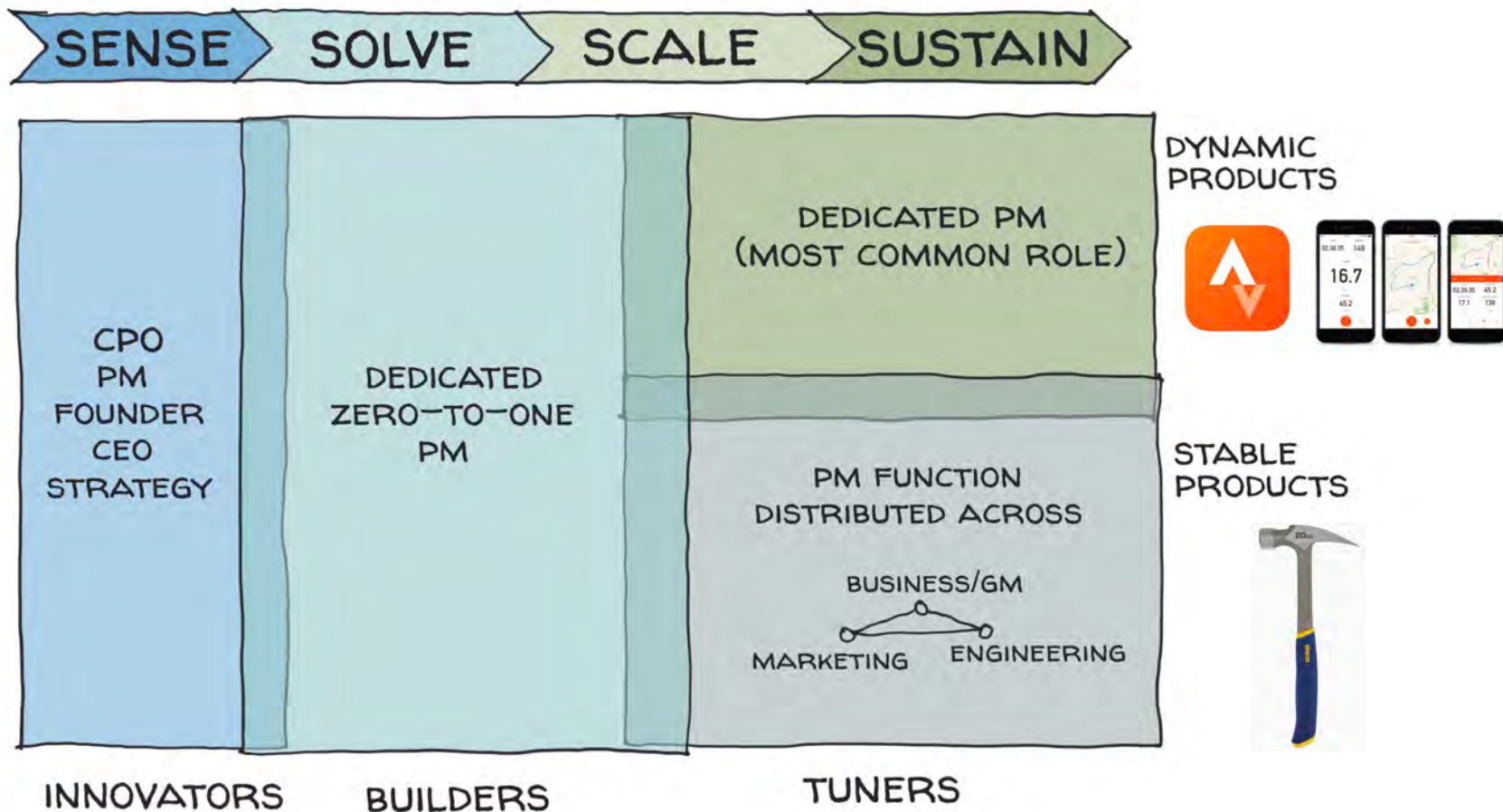
A = accountable (buck stops here, only one)

C = consulted

I = informed

**Why is PM such a common role in "tech," but perhaps less prevalent in other industries?**

# PM in Context



# Professional Capabilities Required for Product Managers

- Care about product.
- Strong sense of design and product quality.
- Focused on customers.
- Comfortable with ambiguity and lack of structure.
- Ability to influence without authority.
  - Visualization, communication skills.
  - Use of data, analysis.
  - Technical knowledge and credibility.
  - Strong interpersonal skills.

