

 ProductPlan

# The 2024 State of Product Management Report

Data-Backed Insights Into How Product Professionals Make Smarter Decisions and Deliver on Product Vision and Strategy

2024

2024

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2024

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# Introduction

Welcome to the ninth edition of ProductPlan's *State of Product Management Report*.

After almost a decade of publishing this annual report, we have enjoyed witnessing the tremendous growth and evolution of the product management discipline. We're honored to have the privilege to work directly with many incredible product professionals to understand their goals and challenges.

Our research showed that product teams are in a position within organizations across industries like Financial Services, Banking, Retail, Insurance, Healthcare, Higher Education, Software/SaaS and many more to deliver innovative products and services that drive real progress globally.

2024 is shaping up to be the year of product. Evidence of this includes the increased presence of product leaders in the C Suite. According to the [2023 CPO Insights Report](#), **30% of Fortune 1000 companies have a CPO in 2023**, up from 15% in 2022. In addition to the increase in CPOs, product managers are increasingly helping organizations focus on monetization by making sure product teams build the right things.

Product managers keep teams focused on the right things by creating a concise product strategy that can quickly adapt to changing circumstances and delivering products customers want and need despite limited internal resources. Product leaders are forging a new path for product teams in order to compete and win despite fluctuating market conditions.

Changing market conditions are just one of the many challenges product organizations have faced in recent years. Global economic uncertainty, changing consumer habits, and artificial intelligence are significant influences that have shaped how product managers function and the work they produce.

This year, we asked product professionals to share their experiences with adapting to uncertainty, how they imagine the future of their solutions with their product vision, and how they are delivering on their vision despite budget constraints and smaller teams. We compiled insightful responses from over 1440 product professionals worldwide and analyzed them to spot the latest trends.

We hope you enjoy the report!

# Report Highlights

## 01 Product strategy is a point of emphasis

Product strategy is the most valuable job to be done for product managers. The drivers of your product strategy and the approach you take to communicating it can play a big part in how effective your product strategy efforts are.

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## 02 Increasing focus on outcomes over output

A majority of product managers show a marked preference for measuring success using outcomes instead of relying on the easier to track output metric. Most of these outcomes are business related so the next step is to focus on customer outcomes. Speaking of which...

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## 03 Alignment with customer feedback is crucial

Product managers are finding that customer feedback is one of the more effective drivers of their product strategy. They also look to customer needs and wants as the primary factor to consider when making priority decisions. Product managers can reinforce their focus on customers by incorporating more customer related outcomes in their measures of success.

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## 04 Product organizations seek standardization through product ops

As product organizations scale, they are more actively looking for a standard way of tracking product activities and their related outcomes. This is most immediately observable in the trend toward consolidated product management platforms. A factor aiding this move to standardization is the increased adoption of product operations.

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## 05 AI impacts products and how product managers work

During 2023, AI became a must-have technology for businesses, leading some organizations to adopt AI so they didn't miss out. In 2024, product managers are taking a sober look at AI and taking a more reasoned approach to adopting it. They're including AI in their product in a way that solves customer problems. They're also using AI in conjunction with their product management tools to make their lives easier.

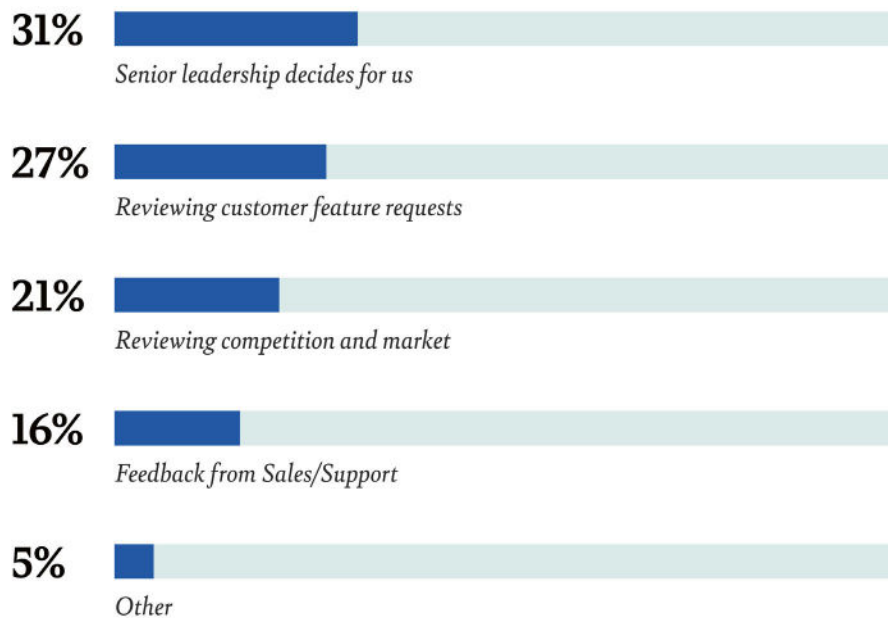
# Product Strategy

One key product management responsibility is **developing the product strategy** and using that to **guide product development**. To effectively use your product strategy to guide your product development efforts, everyone involved in developing your product needs to know what your product strategy is.

## Developing your product strategy

Of course you don't develop your product strategy in a vacuum. Besides your company goals, there are going to be other influences. We asked our respondents about the primary driver of their product strategy.

What primarily influences the development of your product strategy?



We found a fairly even split between **internal influence** and **external influences**. Roughly 46% of respondents said the primary influence of product strategy was direction from Senior Leadership (31%) or sales/support feedback (16%)

Contrast that with the 48% who said their primary influence was external. Customer feedback was the primary driver for 27% and competition/market was an influence for 21%.

Another interesting point is that those who relied on information from outside the company also appeared to do a better job of aligning with their **company goals**. The overall ranking of effectiveness was 4.03 out of 6. The average ranking for people primarily influenced by customer feedback requests was 4.25, whereas those who reviewed the competition and market ranked their effectiveness as 4.29.

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Effectiveness of product vision and strategy aligning with company goals (scale of 1 to 6) compared to drivers of strategy



# Communicating your product strategy

Your product strategy won't be an effective tool for aligning your product team if people don't understand it. A big factor in how well people understand your product strategies comes down to how it's communicated.

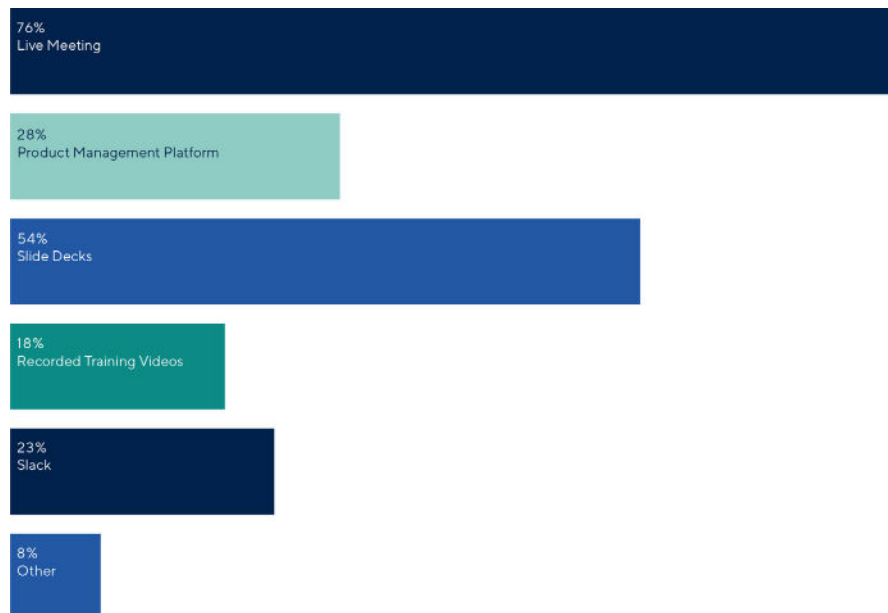
We ask our respondents how confident they were that people in their organization understood the product vision and strategy. Based on a scale of 1 to 6, the average rating was 3.7 showing there was definitely room for improvement on getting others to understand the product strategy.

If you assume that a key factor in how well people in your organization understand your product strategy comes from how it's communicated, you can look at the various ways people use to communicate product strategy.

We asked what techniques people used to communicate their product strategy, leaving the option to select more than one. Here's what we found:

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## Techniques used to communicate product strategy



When we combined the techniques people use with their confidence that people understood their product strategy, we had a couple of interesting observations.

First, almost everyone that ranked their confidence as a 4 or greater (29%) used multiple techniques to communicate their product strategy.

Second, one technique that most of those people with a confidence of 4 or higher used was a **Product Management Platform**.

In fact, if you compare each technique with the average effectiveness, Product Management Platform appears to be correlated with the best understanding of product strategy.

Confidence that the product vision and strategy are well understood at your organization compared to communication mechanisms (overall rating was 3.7) All combinations 4 or above

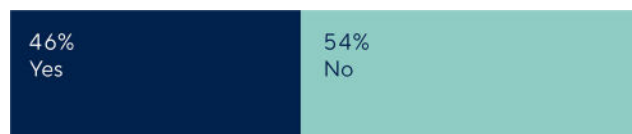
PRODUCT MANAGEMENT PLATFORM	RECORDED TRAINING VIDEOS	SLACK	SLIDE DECKS	LIVE MEETINGS	CONFIDENCE RANK
X	X	X			<b>6.00</b>
X		X			<b>5.50</b>
X		X		X	<b>4.67</b>
X		X	X	X	<b>4.40</b>
X	X				<b>4.40</b>
X					<b>4.37</b>
X	X			X	<b>4.36</b>
X	X	X	X	X	<b>4.33</b>
X	X		X	X	<b>4.31</b>
X		X	X		<b>4.25</b>
	X	X		X	<b>4.20</b>
	X	X	X	X	<b>4.13</b>
X			X	X	<b>4.10</b>
X				X	<b>4.00</b>
	X	X			<b>4.00</b>



# Desire for standardization drives tools consolidation

Overall, less than half of our respondents said they're experiencing tool consolidation.

Are you currently experiencing or have you recently experienced tool consolidation?



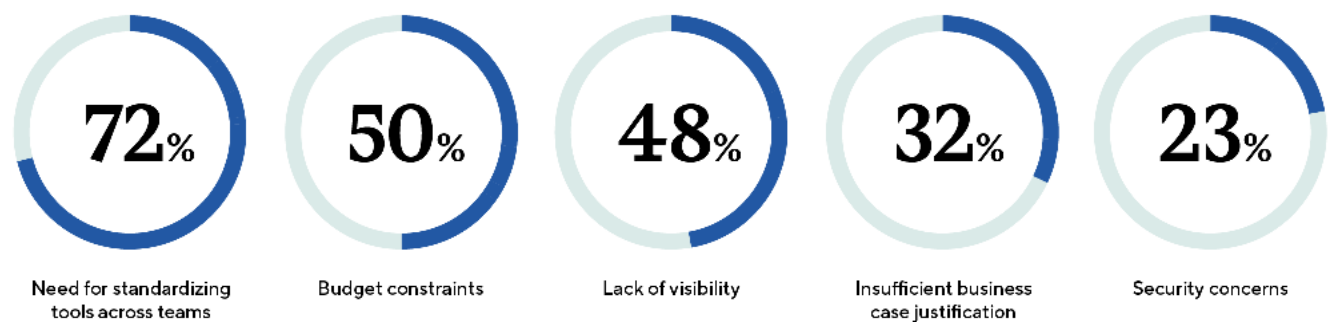
However nearly 56% of respondents at large companies responded they are going through tool consolidation. This is most likely because the bigger the company, the greater the challenges driving alignment and communication, and the need for a consistent view of product management activities and their outcomes.

To help build that consistent view without needlessly hampering product teams organizations we more frequently look to product ops function. We found that 37% of companies have product operations as part of their product organizations. This capability helps your product team operate through such behind-the-scenes activities as facilitating user interviews and market research, organizing data to aid decision making, and managing the tools that a product team uses.

That thought is borne out by the response to the question about what drives the need to consolidate tools. Nearly 3/4's of respondents indicated an influence for consolidating tools was the **need for standardizing tools across teams/ departments** and nearly half said **lack of visibility** and **data silos** was another reason.

The other biggest influence was **financial considerations** - nearly half said that they were consolidating tools because of budget constraints. Effectively, multiple tools drove higher licensing fees.

## Influences contributed to the need to consolidate tools



When we asked what jobs-to-be-done people believed were important for product management tools to perform, ¾ of respondents (76%) said **product strategy** and over half (58%) said **roadmapping** were important investments for the team to make.

What are the most important investments for your team to make?



We also asked what jobs people expect to be done with the same tool. Putting those responses aside for the moment, it's clear that a considerable majority (64%) of people expect to see **product strategy** and **road mapping** in the same tool and roughly half of those would also expect to see **launch management**.

Most important investments for your team to make (combination)

ROADMAPPING	PRODUCT STRATEGY	LAUNCH MANAGEMENT	PERCENT
	×		<b>26%</b>
×	×		<b>22%</b>
×	×	×	<b>22%</b>
×			<b>11%</b>
		×	<b>9%</b>
	×	×	<b>7%</b>
×		×	<b>4%</b>

It makes sense that folks want strategy and roadmapping in the same platform, as strategy is now the central product management activity. And as we saw above, product management platforms are one of the most effective means of communicating the product strategy to stakeholders.

Product management jobs that should be done with the same tool



Product management jobs that should be done with the same tool (combinations)

ROADMAPPING	PRODUCT STRATEGY	LAUNCH MANAGEMENT	PERCENT
×	×	×	<b>34%</b>
×	×		<b>30%</b>
×			<b>11%</b>
×		×	<b>9%</b>
	×		<b>9%</b>
		×	<b>5%</b>
	×	×	<b>3%</b>

When we examined control of the budget for product tools, that responsibility seems to be fairly spread out with **product owning the responsibility** in a plurality of cases (33%). That changes where Product reports to an executive (apart from the COO). In those cases, nearly half

see budget responsibility for product tools belonging to the **executive** to whom product reports. When product reports to other departments or is spread around the organization, budget responsibility is more spread out.

### Who owns the budget for product tools compared to who owns product

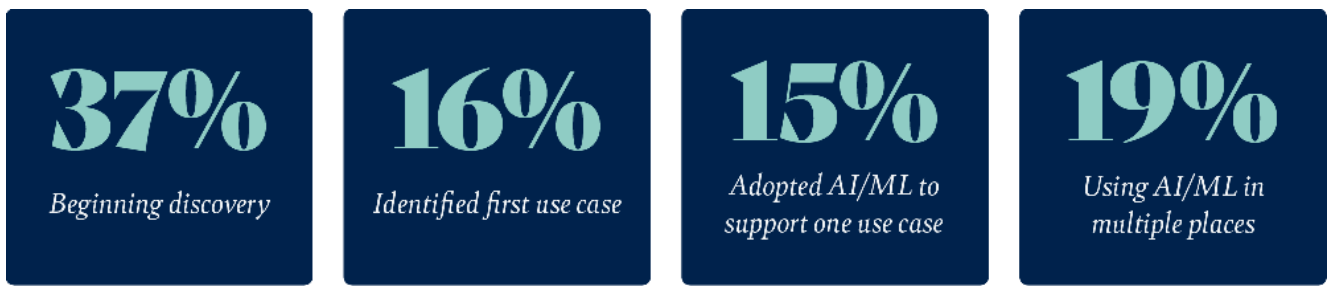
		Product Reports to								
		CEO	CPO	CTO	CIO	MARKETING + SALES	COO	OTHER	SPREAD	ALL
Owns Budget	CEO	44%	17%	14%	8%	21%	19%	13%	10%	23%
	CTO	7%	11%	49%	9%	6%	7%	7%	10%	13%
	FINANCE	10%	15%	12%	18%	13%	17%	10%	16%	13%
	IT	4%	3%	8%	42%	11%	9%	9%	16%	9%
	OTHER	2%	2%	2%	3%	4%	6%	21%	8%	4%
	PRODUCT	30%	47%	14%	16%	36%	28%	36%	31%	33%
	REVENUE OPERATIONS	3%	4%	1%	4%	9%	15%	4%	9%	5%

# Artificial Intelligence

In 2023, we all saw AI go from a curiosity to a business essential. It's no surprise that over **50%** of respondents have identified their first AI use case and **19%** are already using it in multiple places.

There's a fairly even spread of AI use cases that organizations are trying, with **Generative AI** having the highest percentage of users.

What artificial intelligence/machine learning use cases are you considering or have implemented?



We can't tell from this data what problems people are using AI to solve. It is promising to see that different organizations use different AI use cases, which hopefully is a sign that they are being intentional about identifying the problems they want to solve rather than blindly applying AI for the sake of using AI.

As Peter Yang pointed out, "To build an AI product that users return to, you must focus on user problems that AI is uniquely positioned to solve well. You must define clear

product principles such as Shopify's 'We always want the user to be in control.'"

It's promising to see Financial Services, Insurance and Manufacturing industries with a plurality of uses in process/workflow automation. These industries rely heavily on efficient business processes. Another example is the relatively large percentage of retail businesses using AI for predictive analysis, most likely to predict future sales.

We asked our respondents “What artificial intelligence/machine learning use cases are you considering or have implemented?” but we didn’t ask them to differentiate if those use cases are in their product or applying AI in their product development processes.

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*Product management platforms that properly apply AI will allow product managers to focus more on research validation and strategy.*

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It’s possible that organizations are using Generative AI and automating data parsing and categorization to help with their product development process. Applying AI for these purposes makes it possible for product leaders to make smarter decisions, faster. And it will allow PMs to focus on more valuable work outputs.

This is where AI and a Product Management platform are increasingly working together to make product managers' lives easier. Product management platforms that properly apply AI will allow product managers to focus more on research validation and strategy, which is where they want to live.

# Workforce Setup

We asked our respondents for some insight into where they worked, and the results show that while most organizations are getting their staff to come back into the office, it's only for a few days every week. The **hybrid** way of working is definitely predominant.

When we look at different sized organizations, a larger percentage of smaller organizations are completely remote - most likely because those organizations started out that way and have been set up to be remote from the beginning. Interestingly, the percentage of fully in-person companies decreases as the size of the company increases.

## What is your workforce setup?

### Small Organization



### Medium Organization



### Large Organization



■ HYBRID ■ REMOTE ■ IN-PERSON

# Product Organization

We looked at who Product reported to and compared the results for different sized companies and different numbers of people in Product. There were a couple of trends we noted.

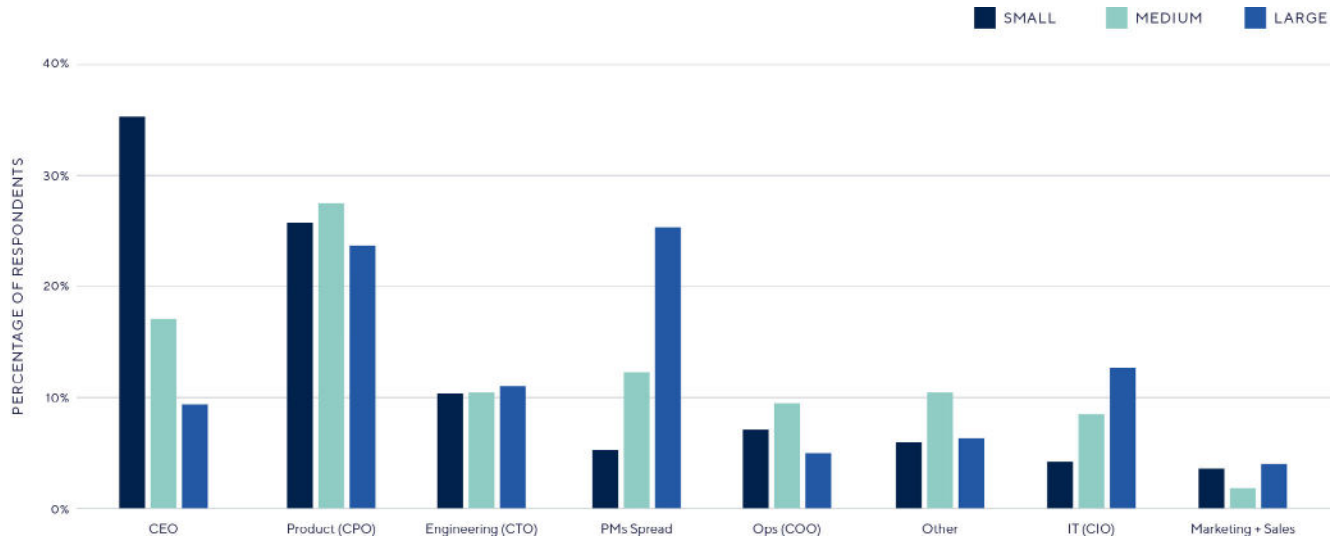
A larger proportion of **small companies** had product managers reporting **directly to the CEO**. This was consistent where there are fewer (less than 20) product managers. This shouldn't come as a big surprise. As most organizations start out, the CEO will typically act as the main product person until the product gets large enough that the organization needs to pay more dedicated attention to Product.

**16%**  
of organizations with **1 to 4 product people** have Product report to a **CPO**

**35%**  
of organizations with **50 to 99 product managers** have Product report to a **CPO**

Roughly a quarter of organizations have product managers report to a **CPO**, regardless of size of the company. However, if you split the responses up based on the number of people in Product, only 16% of organizations with 1 to 4 product people have Product report to a CPO, whereas 35% of organizations with 50 to 99 product managers have Product reporting to a CPO.

## Who Product reports to based on size





An interesting side note is that there is a lower percentage of organizations with 100+ product managers that report to the CPO (31%) compared to those organizations with 50 to 99 (35%). Potentially offsetting that difference is an increase in the number of organizations where product managers are spread throughout the organization and do not report to a single organization. That jump in the percentage of organizations with product managers spread throughout the organization is consistent when you view data based on overall company size.

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*There is a lower percentage of organizations with 100+ product managers that report to the CPO compared to those organizations with 50 to 99.*

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There are a few explanations for the higher percentage of organizations with PM's spread throughout the organization. First, larger organizations are more likely to have **multiple product teams** sitting in separate business units rather than a central product development organization.

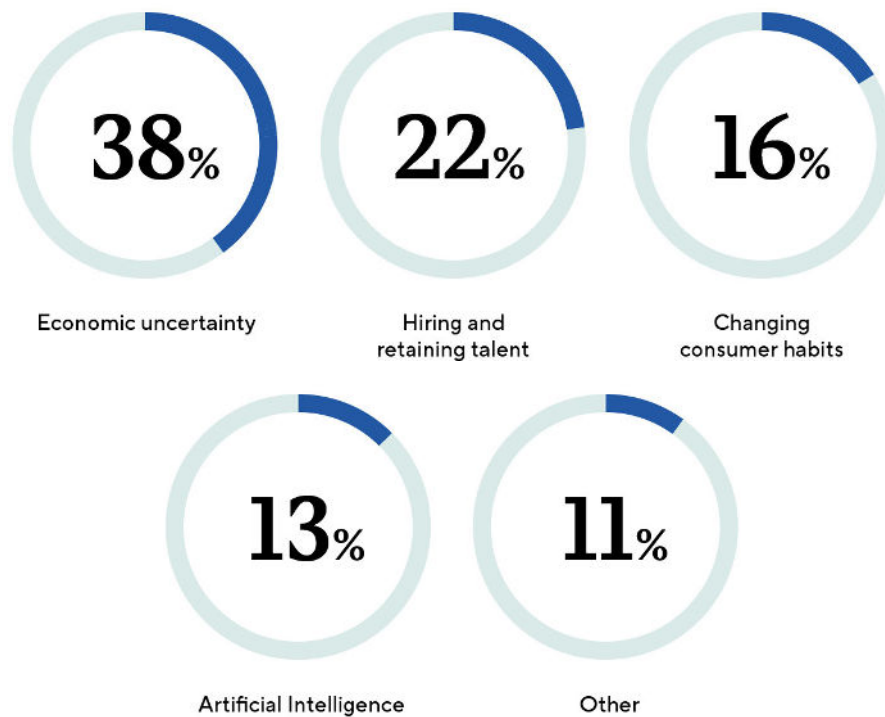
Second, large organizations and organizations with over 100 product managers are likely to be **enterprises with multiple products** or are **enterprises adopting a product operating model** and therefore moving several people into product roles.

The move to a product operating model also explains the jump in the percentage of large organizations (13%) where product managers report to the CIO.

# Challenges

We asked what people considered the biggest challenge their product organization faced in 2023. 38% of organizations identified economic uncertainty as the biggest challenge followed by hiring and retaining talent (22%) and changing consumer habits (16%)

What is the biggest challenge your product organization faced in 2023?



We did not see a significant difference when viewing the data based on company size or when comparing the responses from individual contributors vs product leaders.

If you're curious about some of the other challenges that respondents mentioned, the five most frequently

mentioned challenges were some variation on: resource limitations; speed and adaptability; product market fit; internal changes and alignment; and competition and staying ahead of competitors.

### Challenges by company size and role type

		Company Size			Role Type	
		SMALL	MEDIUM	LARGE	INDIVIDUAL CONTRIBUTOR	PRODUCT LEADER
Challenges	ECONOMIC UNCERTAINTY	39%	32%	38%	38%	37%
	HIRING AND RETAINING TALENT	23%	22%	21%	22%	23%
	CHANGING CONSUMER HABITS	17%	17%	14%	17%	14%
	ARTIFICIAL INTELLIGENCE	12%	13%	14%	12%	13%
	OTHER	10%	17%	13%	11%	12%

# Success Measures

Product managers are very aware of the need to measure success in order to adjust what we're doing. We usually talk about success measures around our product, but organizations often want to measure success from other

perspectives, such as investment decisions and even the entire product organization. Here's a look at what our respondents had to say about measuring success from those three different perspectives.

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## Product Success Metrics

For measuring the success of your product, your first choice should be **product metrics** - quantifiable and actionable data points that can guide your product decisions. Product metrics can include things such as **product usage, product adoption, or retention rate**. Your product team can have a direct impact over these types of metrics.

In contrast, business metrics such as revenue growth or average revenue per user are influenced by several variables. These are lagging metrics because changes to your product take some time to show up as an impact in revenue.

So it was interesting to note that when we asked the respondents to rank their product success metrics, **revenue growth** came in as number 1, and that ranking did not differ between individual contributors and product leaders. In fact, the rankings between individual contributors and product leaders were fairly consistent.

We take some solace from the results because the product metrics of product usage, product adoption, and retention rate came in 1-4 in the rankings.

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*For measuring the success of your product, your first choice should be product metrics - quantifiable and actionable data points that can guide your product decisions.*

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Output focused metrics such as Backlog Items/Points delivered came further down the list which we take as a good sign that product teams are gauging success more on outcomes than the typical measure in feature factories of how many features you can pump out.

So why does revenue growth come in as the top product success metric even though it's a lagging indicator and not fully in the influence of the product team?

As Aakash Gupta notes, it could be because as organizations looked to reduce costs, they expected product people, especially product leaders, to take on more general manager responsibilities. A big part of that is focusing on revenues, costs, and profits besides the expected product metrics.

So while product managers aren't the CEO of the product, they may start becoming the general manager of it, at least regarding how they measure success.

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What are your team's primary success metrics?

	<i>Role Type</i>		
	INDIVIDUAL CONTRIBUTOR	PRODUCT LEADER	ALL
REVENUE GROWTH	1	1	1
PRODUCT USAGE	2	3	2
PRODUCT ADOPTION	3	2	3
RETENTION RATE	4	4	4
AVERAGE REVENUE PER USER	5	5	5
BACKLOG ITEMS / POINTS DELIVERED	6	7	6
NET PROMOTER SCORE	7	6	7
CUSTOMER ACQUISITION COST	8	8	8
OTHER	9	9	9

# Investment Decision Success Metrics

Product success metrics provide guidance on the actions you take with your product. If you fly up a few thousand feet, there's a distinct set of metrics that organizations used to gauge whether their decision to invest in a particular product and product team turned out the way they were expecting.

We asked the respondents to describe how they measured the success of their investments. The ten most frequently mentioned ways to measure ROI were:

- 01 Revenue
- 02 Profit
- 03 Customer Satisfaction
- 04 Financial Metrics
- 05 KPIs (Key Performance Indicators)
- 06 Cost Savings
- 07 Sales
- 08 Adoption Metrics
- 09 Market Share
- 10 User Engagement and Retention

A common measure of investment success is business metrics such as **revenue, sales, cost, and profit**. Retention, adoption, usage and growth are also prevalent.

Given the wide range of measures of investment success, we next wanted to find out if respondents thought that their investment decisions met senior management's expectations. Here's their response organized by Individual Contributor, Product Leader and overall.

There doesn't appear to be a significant difference between individual contributors and product leaders. In both cases, a little under half thought investment decision results were meeting expectations.

A larger percentage of individual contributors (35%) seemed to be unsure whether results met expectations compared to product leaders (28%). The difference could be because of the product leaders' more direct interaction with senior leadership, so they may get more direct feedback on how investments performed in relation to expectations.

Are investment decisions meeting senior management expectations?

### Individual Contributors



### Product Leaders



When asked the primary cause for investments not meeting expectations, there didn't seem to be one overriding reason, although the **lack of a clear company strategy** seems to win out over the others.

That view seemed consistent whether the respondent was an individual contributor or product leader.

When we looked at the results based on company size, there were a couple points of interest. Large companies seemed to have more of a problem with a misallocation of resources and less problem with lacking clear company strategy compared to small and medium-sized businesses.

### Reasons investments did not meet expectations by role type and company size

		Company Size			Role Type	
		SMALL	MEDIUM	LARGE	INDIVIDUAL CONTRIBUTOR	PRODUCT LEADER
Reason investment didn't meet expectation	LACK OF A CLEAR COMPANY STRATEGY	27%	26%	18%	26%	22%
	LACK OF SOUND GO-TO-MARKET STRATEGY	20%	16%	15%	17%	23%
	MISALLOCATION OF PRODUCT RESOURCES	16%	21%	22%	17%	18%
	POORLY PRIORITIZED IDEAS, PRODUCTS, OR FEATURES	16%	18%	17%	18%	13%
	UNDERDEVELOPED PRODUCT ROADMAP	14%	14%	18%	15%	5%
	OTHER	7%	6%	10%	7%	8%

# Organization Success Metrics

In addition to measuring their actions on specific products, and the success of their investment decisions, many leaders want to know how successful their product organization is.

Part of the trick here is how you even measure that? Do you refer to the measures that we've already looked at, or are there other ways to see if a product organization is successful?

So we asked. And as before, we wanted to see if individual contributors had a different perspective about measuring the success of product organizations when compared to product leaders.

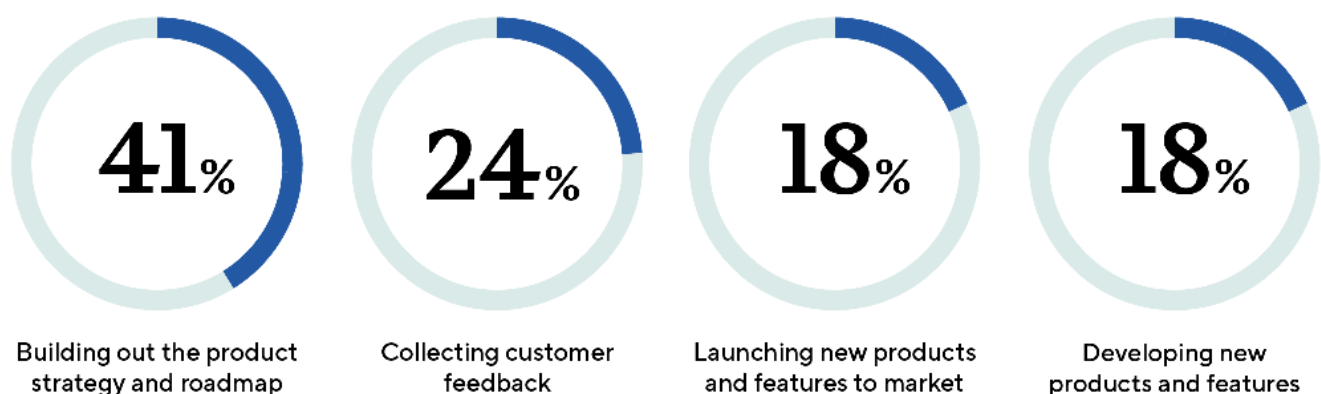
It appears that **outcome related measures**, be it business measures like revenue or product metrics like retention and usage, are the primary measures. We take that as a sign that more organizations look to outcomes rather than outputs to measure success. We see that as a good sign.

While there is not a significant difference between individual contributors and product leaders, the individual contributors were slightly more likely to look at how many items they knocked off their roadmap or how many people were using their product compared to product leaders.

And even though most product organization success metrics are outcome focused, there's still room to measure how successful certain activities are, if for no other reason than to identify opportunities for improvement.

When we asked respondents to identify the activities that were most challenging to track, a significant plurality (41%) identified **building out the product strategy and roadmap**. Collecting customer feedback came in second with 24%. Respondents probably found these activities more difficult to measure because there are not as clear output measures compared to developing or launching products.

Which activities are the most challenging to track and measure?





# Prioritization

One of the key actions that product people take that plays a role in the success of products, investments, and the product organization is prioritization.

With that in mind, we wanted to look at what drives prioritization. We asked respondents to rank five factors in the order in which they drive prioritization. The resulting order was: customer needs/wants, company goals, internal requests, competition, and other.

You can see the full results below. Notice that **customer needs/wants** and **company goals** were fairly close 1 and 2. That shows that organizations consider solving customer problems and business problems to an equal degree, which is also a positive sign.

## Factors that drive prioritization, ranked

### Customer Needs/Wants



### Company Goals



### Internal Requests



### Competition



### Other



We also wanted to look into who ultimately controls prioritization decisions. From an overall perspective, **CPOs** were the ultimate decision maker in a roughly same percentage (40%) as **CEO** (38%).

When we split the results out by company size, we see there is a considerable difference in who controls the decision making. In 43% of small companies, CEOs control prioritization decisions compared to 38% of small companies see Product owning prioritization decisions. That's most likely because of small companies not having formed product departments yet so the CEO inherently makes those decisions.

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*From an overall perspective, CPOs were the ultimate decision maker in a roughly same percentage (40%) as CEO (38%).*

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In medium and large companies, more companies percentage-wise see Product controlling priority decisions and fewer where the CEO controls decision making.

A trend to watch is whether companies that had product controlling prioritization decisions will follow the lead of Airbnb and walk away from empowered product teams to more centralized control with the CEO.

One way to gauge if that trend occurs is to compare who respondents said ultimately controls prioritization decisions compared to who product reports to.

Regardless of who Product reports to, the CEO and Product have the highest percentage of controlling priority decisions. Only with product reporting to the CEO or CPO did that role have control of priority decisions in a majority of cases.

**55%**

of organizations in which **Product reports to the CPO**, Product had control of priority decisions

**56%**

of organizations in which **Product reports to the CEO**, the CEO had control of priority decisions

There are a couple conclusions you can draw from these results. First, there is no one model for determining who controls priority decisions - it is up to each organization, and probably heavily dependent on the people filling specific roles.

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*Regardless of who Product reports to, the CEO and Product have the highest percentage of controlling priority decisions.*

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Second, where Product reports to a role other than CPO, but Product decides priority, that could be a sign that product managers in those organizations control priority decisions.

# Product Process

The product community has had a continuing discussion about how product management and product ownership relate to each other. To some extent, that's a discussion about whether product management is about discovery, delivery or both.

So we wanted to get a sense for where our respondents spent most of their time: **discovery**, **delivery** or **equal amounts both**.

We found that a plurality (42%) of our respondents spent equal amounts of time on **discovery and delivery**. If there was a focus of one activity over the other we found a larger percentage spent their time mostly on **delivery** (39%) compared to mostly on **discovery** (17%). Those ratios stayed mostly the same when comparing individual contributors to product leaders.

Where do you spend most of your product management activity?

	Role Type		
	INDIVIDUAL CONTRIBUTOR	PRODUCT LEADER	ALL
EQUAL AMOUNTS BOTH	41%	45%	42%
MOSTLY DELIVERY	38%	41%	39%
MOSTLY DISCOVERY	19%	13%	17%
OTHER	2%	1%	2%
50%+ TIME SPENT IN DISCOVERY	60%	58%	59%

We wanted to see if there were any other characteristics that may drive differences in product activities, so we organized the results based on company size. While small and large companies model the overall numbers fairly closely, it was interesting to see that nearly half of the respondents from medium-sized companies said they spent an equal amount of time on **discovery and delivery**.

We also wanted to see if the primary influence on product strategy related to where product managers spent their time. We determined the percentage of respondents who spend 50% or more of their time in discovery by combining respondents who responded equal amounts both or mostly discovery.

We then compared those percentages based on their response to the question of primary influence on product strategy.

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*In organizations where senior leadership dictates product strategy, product people are less likely to perform discovery activities.*

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Where respondents said their product strategy was primarily influenced by **competition and market, customer feature requests, or sales and support feedback**, over 60% spend a majority of their time in **discovery**.

Contrast that with respondents who said that **senior leadership** was the primary influence on product strategy, slightly less than half spent most their time in discovery.

A conclusion to reach from this is in organizations where senior leadership dictates product strategy, product people are less likely to perform discovery activities. These are the organizations where you're most likely to find feature factories and product managers solely focusing on delivery.

# User Research

One activity tied closely to discovery is **user research**. In order to get a clearer idea of how organizations approached discovery, we asked a couple questions about user research.

First, we wanted to get a handle on **who performed user research**. Respondents could select more than one role, so this was partly an attempt to find out how many organizations were taking a cross functional approach to user research.

When we look at the results for each role, we see that 73% of our respondents reported that a **product manager** was involved in user research. Only 45% of organizations had a **product designer** involved in user research and only 23% had a **tech lead** involved.

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## Who is involved in user research?



We next wanted to see how many organizations used a **product trio**, so we looked at the number of times certain combinations of people were involved in user research. Our results showed that only 14% of organizations use what's typically described as a product trio (**PM, Product Designer, Tech Lead**) in user research. That number increases to 16% if you consider a UX researcher filling the role of product designer.

If we broaden the definition a bit and look for the number of organizations that have cross functional user research, the percentage goes to 57% of respondents.

### Combinations of roles performing user research

PRODUCT MANAGER	PRODUCT DESIGNER	TECH LEAD	UX RESEARCHER	PERCENT
X				<b>18%</b>
X	X		X	<b>14%</b>
X	X			<b>10%</b>
X			X	<b>8%</b>
X	X	X	X	<b>8%</b>
X	X	X		<b>6%</b>
			X	<b>6%</b>
X		X		<b>4%</b>
	X		X	<b>3%</b>
X		X	X	<b>3%</b>
	X			<b>2%</b>
		X		<b>2%</b>
	X	X	X	<b>.6%</b>
	X	X		<b>.5%</b>
		X	X	<b>.2%</b>

So while there may be a lot of talk about the product trio, the use of it in practice is not nearly as wide as you might expect.

We wanted to know what people did with the results from their research. Overall, more than half of the respondents keep their feedback in a location other than their backlog with 39% using a **separate feedback repository**, 21% of respondents dropped their research results straight into their **backlog**.

When you compare what people do with their research results compared to their primary PM activity.

### What do you do with user research results in comparison to your primary PM activity?

		PM Activity			
		BOTH	DELIVERY	DISCOVERY	OTHER
What do you do with user research results?	WE HAVE A SPECIFIC RESPOSITORY FOR FEEDBACK	43%	33%	42%	39%
	THEY'RE IN OUR INTERVIEW NOTES	22%	26%	21%	24%
	THEY GO STRAIGHT INTO OUR BACKLOG	21%	21%	23%	21%
	WE DON'T TRACK RESULTS FROM OUR USER RESEARCH	8%	14%	10%	11%
	OTHER	5%	6%	5%	6%

Note that the people who spend most of their time in Discovery are more likely to have a specific repository for feedback, rather than not tracking feedback at all.

Why separate feedback from backlog? It's highly unlikely that you're going to act on every single piece of feedback you receive. Storing feedback separate from your backlog gives you the opportunity to analyze and consider whether you take action on feedback. The separation prevents you from trying to do everything and helps to identify patterns and trends.



# Report Methodology

We conducted the 2024 Product Management report survey in Q4 of 2023. The survey audience includes product professionals contacted via social media, product management communities, and ProductPlan's email subscribers. We received over 1440 responses.

To provide some context to the results, we asked the following demographic questions. Sometimes we consolidated the responses to provide some common categories. We've noted those groups where appropriate.

## What is your job title?

We listed most of the common product job titles in industry and provided an other category. We also identified each title as representing either an Individual Contributor (IC) or Product Leader (PL). In the Other category we categorized each response individually.



## How many employees are at your current company?

We provided ranges of the number of employees for this question. We also grouped the responses into Small, Medium, and Large categories based on the [Small Business Administration definition of company size](#).

### Small Companies



### Medium Companies



### Large Companies



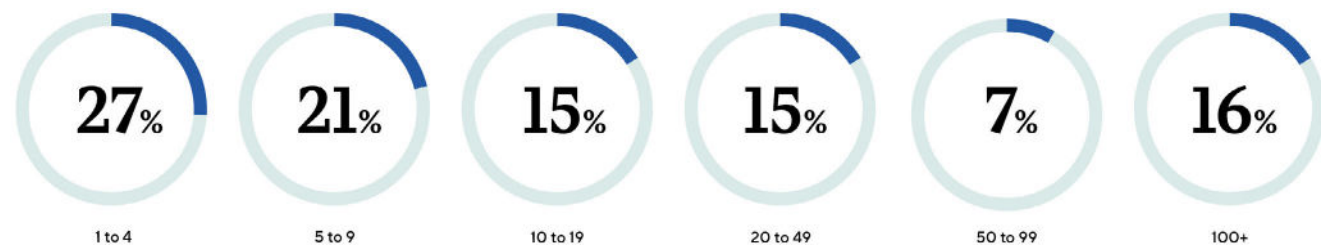
## Where is your company's headquarters located?

For this question, we provided a list of regions and an Other category.



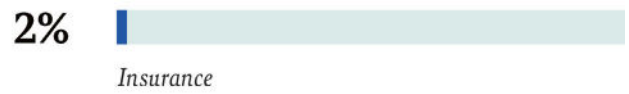
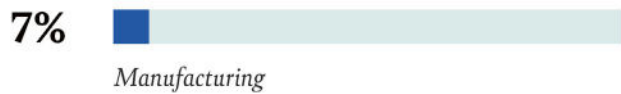
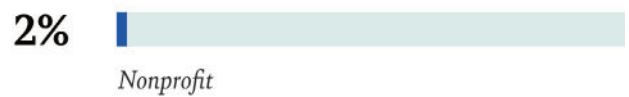
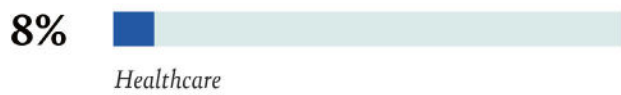
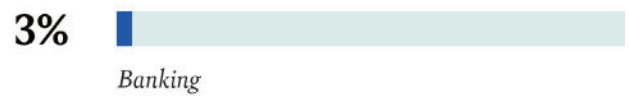
## How many people work in product at your company?

We provided ranges of the number of people who work in product as choices for this question.



## What industry do you work in?

For this question, we provided a common list of industries and an Other category.



# Conclusion

We hope you found the *2024 State of Product Management Report* as enlightening to read as we did putting it together. As you can see, there are several factors working in conjunction to make 2024 the year of product. Product has moved front and center and has assumed its role as the strategic nerve center of the business.

There are many complexities to successfully running a product organization. Internal challenges include product-market fit, managing customer feedback, communicating the vision and strategy with key stakeholders, and successfully launching new features and functionality. Challenges from the outside include economic uncertainty, AI, and changing consumer habits.

In response to these opportunities and challenges, we found that organizations increasingly rely on outcome-related measures of success. We also found that product organizations balance customer needs and company goals to influence their prioritization decisions.

 **ProductPlan**

# About ProductPlan

ProductPlan is an end-to-end product management solution that supports product organizations throughout the product development lifecycle.

Thousands of product organizations worldwide—including Virgin Atlantic, Microsoft, and Sony—partner with ProductPlan to access new opportunities, build a winning product strategy, and launch innovative products in one easy-to-use platform.

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