# PRODUCT ROADMAPS

## A PRODUCT TEAM'S FRIEND OR FOE?

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# Introduction

Welcome to the first project from the research team at Receptive. We'd like to extend our thanks to all the product managers that took time out of their hectic schedules to contribute; we couldn't have done this without you!

We chose to look into how software companies use roadmaps as our first research project because we are always amazed by the different approaches and attitudes we encounter.

Product roadmaps can be an incredible communication tool but using them effectively and capturing the data that informs the roadmap planning in the first place can be a real challenge for product teams.

We hope you find the survey results as enlightening as we have and that the "Survey takeaways" section helps you use roadmaps effectively within your organization.

A series of podcasts with product managers who contributed to the survey will be available soon where we dig deeper into all topics covered.

If you'd like to contribute to our future research or podcasts, our research team would love to hear from you. Contact us on research@receptive.io

Happy roadmapping folks!

Hannah Chaplin
CEO, Receptive

"At the heart of product management lies communication. Communicating what has been done, what's in progress and what is to come is a core skill which is difficult to master—especially with so many stakeholders in tow.

A good product roadmap can be a key driver for successful product teams, amazing products and growing businesses. If roadmaps are produced and managed well, they keep customers & internal teams aligned and sell an appealing vision of the future."

# Executive Summary

This report explores how software companies build and use roadmaps.

We surveyed a range of software company product managers, analyzing by company size, team and external stakeholder roles, and sentiments towards roadmaps.

The research identifies:

- how stakeholders you talk to when creating your product roadmaps affect how positive your company feels about the document;
- why using deadlines in roadmaps can lead to confusion galore;
- how sourcing data from inside your company is just as important as gathering information from external stakeholders;
- how the method you use to create & maintain your roadmaps change their effectiveness;
- how the role of roadmaps evolves as companies grow;
- top tips on using roadmaps effectively in your organization.

## Respondents by company size



1-10
6%

11-50
25%

51-200
27%

200-500
13%

500 +
27%
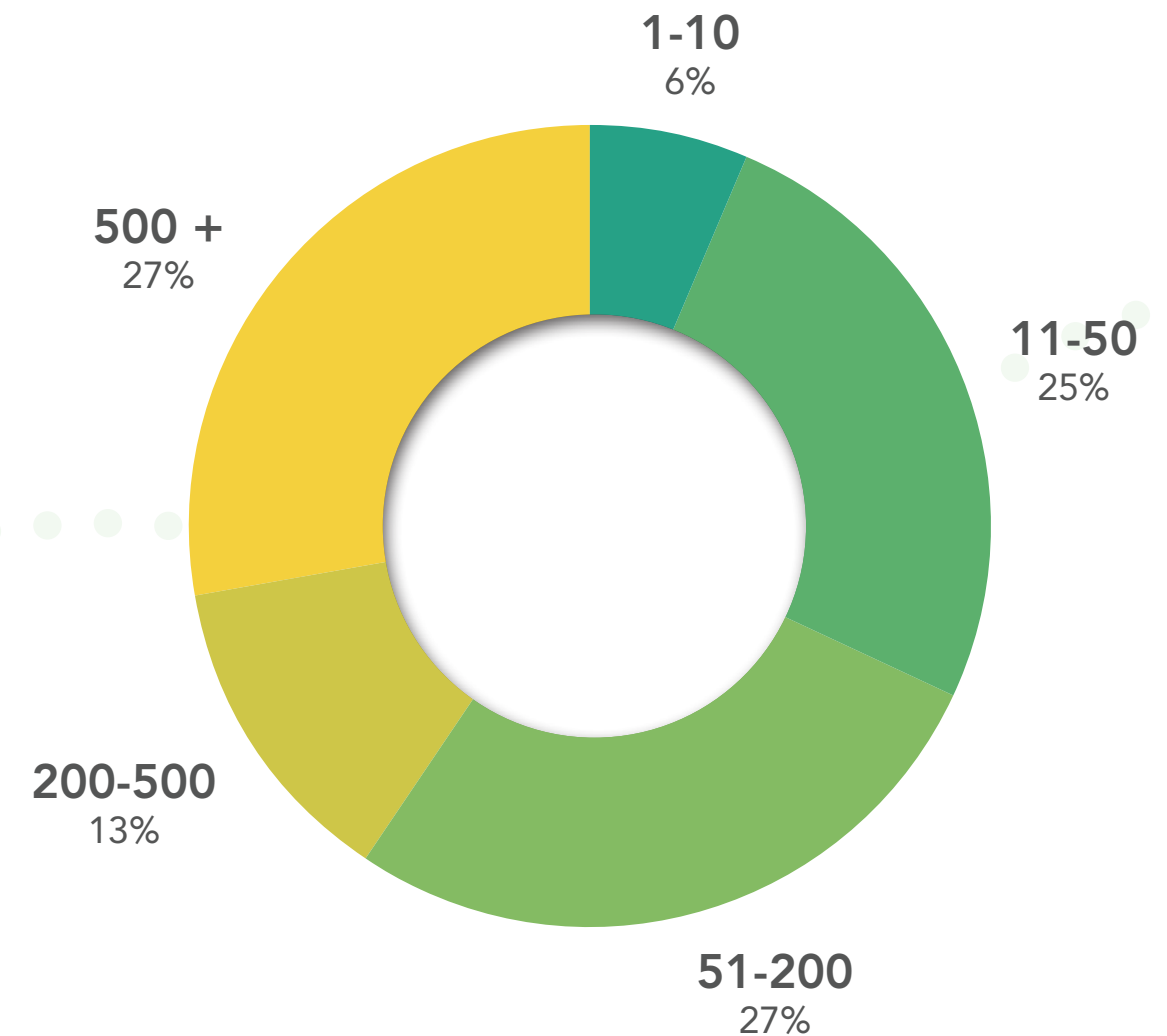
Who informs your roadmap?

# External Stakeholders

Input from a range of external sources are key drivers for product roadmaps in many of the organizations we surveyed. Customers, investors and prospects all had a marked influence; we were especially surprised to learn how many businesses list investors as a key source of input.

## Customers

67% of companies get information from their customers to create their roadmap.

Of those, 38% see roadmaps as helping align the organization. This was most notable in larger organizations with 60% reporting that a product roadmap was a good tool for keeping teams focused on the overall company goals.

Businesses with only 11-50 employees had the highest correlation between using information from customers and feeling that roadmaps set the wrong expectations. It was reported that a roadmap could add pressure to teams because they felt it created hard delivery deadlines that customers held them accountable for.

However, only 28% of all product managers surveyed felt roadmaps were seen as a hard commitment, with even fewer (19%) feeling they set the wrong expectations.

"Allowing our customers to influence our roadmaps has helped us gain new customers and reduce churn, and will have a good long-term impact on our growth."

- Matt Warren, CEO at Veeqo

## Prospects

44% of companies reported that using information from prospects helped align teams with the company vision. This sentiment was most prominent in companies with 200-500 employees where 67% reported this, and 100% in businesses with 1-10 employees.

The finding that demand from prospects was so vital in smaller organizations could be due to them working out product market fit and reacting to market demand over their existing customer base.

## Investors

46% of companies report that investors inform their roadmap; this was most prominent in companies with 200-500 employees, with 83% of them reporting investors had some level of input.

However, this drastically declined once companies exceeded 500 employees, with only 15% reporting investors actively informed their roadmap decisions.

Companies who chose to include investor input expressed more positive sentiments towards their product roadmaps. This was particularly true in companies with 51-200 employees, who were 5 times more positive than negative.

46% of companies get information from their investors

67% of companies get information from thier customers

Just 44% of companies get information from prospects

# Internal Teams

Balancing requirements not just from your user base and prospects, but also your internal teams is key to building a great product.

As companies grow, they are more likely to diversify who they got information from internally. However, once they hit 500+ employees, there was a sharp decline in who informed their roadmap across the board.

## Customer-facing teams

In companies with 500+ employees, 63% of those who were informed by their customer-facing teams believed roadmaps added a great layer of transparency.

This was not true with smaller companies however, with none of the companies with 50 employees or less reporting they thought it added transparency.

It was interesting to see how the two spectrums of opinion related to the size of the organization. More research is required to explore this potential link.

*Including information from not just your company, but also your customers & prospects, makes your colleagues almost twice as likely to view your roadmap positively.*

## Whole company

Only 37% of companies include information from every department in their product roadmap; the majority fell in the 51-500 employee bracket. These companies were 12 times more positive about their product roadmap.

Not a single company between 1-10 employees got information from all areas of the business. This was an interesting finding from the survey

as we had expected smaller teams to be able to include company-wide insights in their product planning much more easily.

A meager 15% of companies with 500+ employees reported including informatin from every department, which could be due to the challenges of gathering product demand data effectively from such a large number of people.

## Sales teams

67% of companies report their sales teams inform their roadmap.

Companies with 1-10 employees were the least likely to get information from sales teams, with only 33% reportedly doing so. While we did not account for not having a sales team - which some smaller organizations do not - this could also be affected by individuals who cover the role of sales who sit on different teams.

Of those that get information from their sales teams, 34% noted that roadmaps provided focus, and 44% commented that it helped align the business.

It is worth noting however, that 41% of companies showed a correlation between including information from their sales teams and negative sentiments towards roadmaps being seen as a hard commitment to delivering features.

### Which internal teams inform your roadmap?
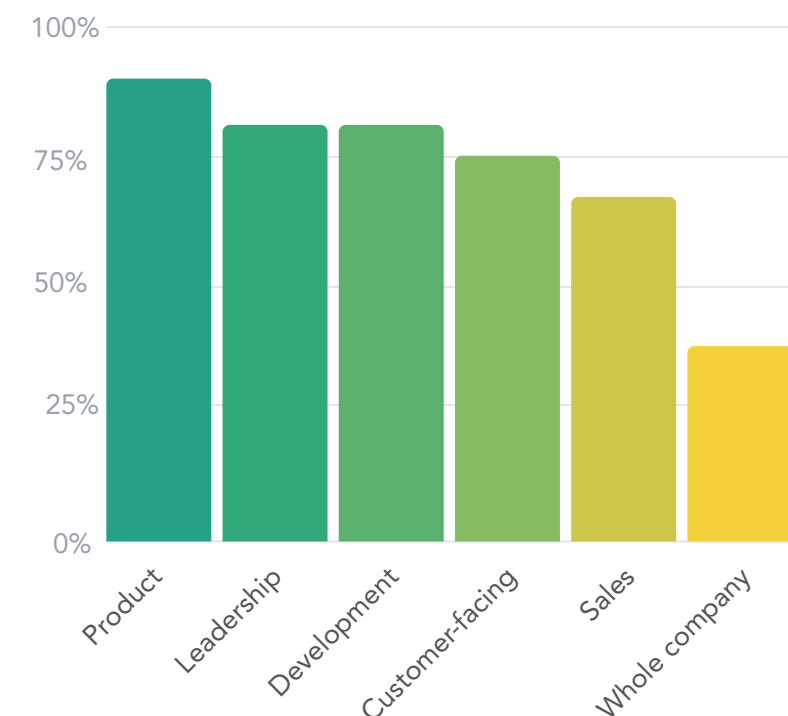
"Never forget that customer demand exists as one part of the picture. Demand from internal teams and the market are also essential ingredients that feed your product roadmap"

Never prioritze your roadmap based on customers feedback

## Customers

Sharing a product roadmap with customers can help keep the right users around and excited about where you are going. However, you must do this carefully. Don't include hard delivery dates, and only show a high-level view of what is planned and in progress.

Remember that the decision to share a high-level roadmap with your customers will very much depend on your business; it won't be right for everyone.

## Prospects

Capturing product demand from prospects can boost confidence that your roadmap is developing the product in a way that supports growth.

Remember that prospect demand is one input to your roadmap alongside demand from your customers and internal teams.

## Investors

We were surprised to learn how much influence investors had over some organizations when it came to creating a product roadmap.

Always balance investor demand with the needs of your customers, teams and prospects; it can be dangerous to let one voice have too much say.

## Internal teams

Your internal teams are a great source of product ideas, features, feedback and insights. Make sure you have a system to capture and manage this data; it can have a hugely positive impact on your roadmap and how positively teams view product development in your organization.

Building & maintaining your roadmap
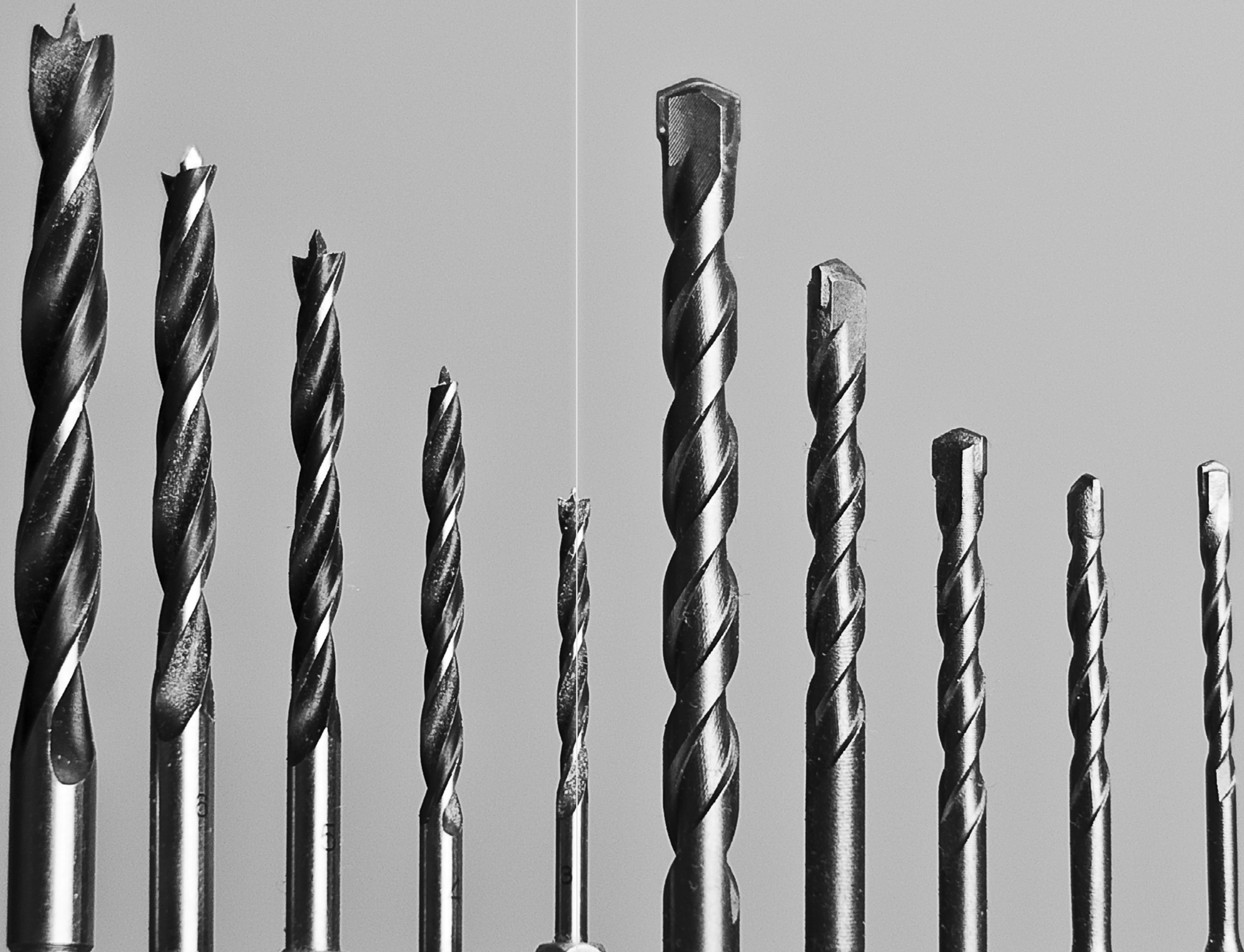
# What do you include on your roadmap?

## Delivery dates

To include, or not to include? That is the question.

According to 80% of companies surveyed, the answer is 'include.' However, including is not without its downsides.

While expected delivery dates can be useful for some of your internal teams, 43% felt they can result in misconceptions about delivery dates.

Your product roadmaps are living documents that needs to adapt to changing priorities of your customers, teams and the market. Being too rigid around delivery dates can set the wrong expectations and cause additional work for your product team as they spend time justifying changes.

It can also lead to poor product decisions because of the fear of making changes even after new information has come to light.

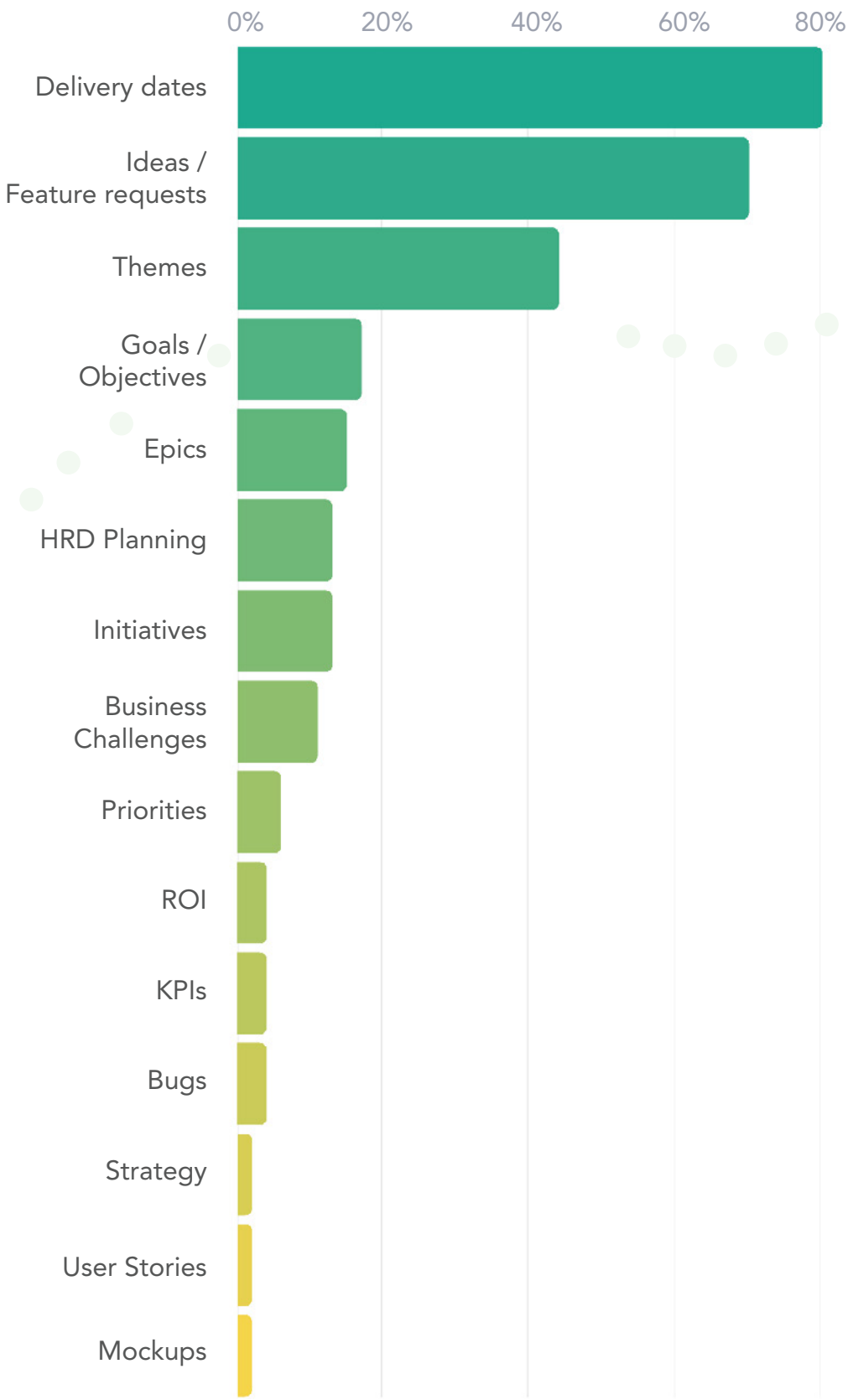"A good roadmap helps align investments to organizational goals, customer challenges and market issues."

*Survey respondent*

## Themes

Aligning your product decisions with your wider company strategy and product vision is key to success. Of those that included themes on their roadmap (44%), 45% felt that roadmaps helped align their teams and wider company.

35% of those who include themes felt roadmaps helped with communication. However, 45% of those who included themes also felt that roadmaps were seen as a commitment, as opposed to only 33% of those who do not.

Likewise, 25% cited lack of flexibility as a negative, as opposed to only 15% of those who don't include themes.

It was surprising to see the level of negative sentiment that can be created around product roadmaps and how even using themes alone can create concern around the expectations that are set with stakeholders.

### What do you include on your roadmap?

### Balancing expectations

Try using high-level timings & themes of work to show stakeholders rough delivery times, but make it clear that the roadmap isn't set in stone. Setting expectations of what the roadmap represents is key to using them successfully. Make it clear that the roadmaps will evolve as new data becomes available. As one respondent said:

> "It is important to watch out for mixing up roadmaps with project and delivery plans, where the latter contains deliverables, dates, etc."

Remember you may need different roadmap versions depending on your audience. For example, high-level timings can be great for the sales team to help them sell the product vision. It's also very beneficial for the leadership team as they will be able to see how themes & planned development aligns with the company strategy. This will help you build confidence by showing you are steering the product in the agreed direction.

More granular planning of actual features with expected delivery dates can take place on shorter term deliverables.

"We have never found that sharing hard delivery dates is a positive experience for either the software vendor or customer. It sets expectations that are near impossible to keep."

Roadmaps: A product team's friend or foe?

# How long does it take?

43% of companies report spending a day or less per month updating their roadmap, a shocking 15% reported spending a week or more on this task. Some even reported that this was all their product managers did!

On average, companies that spent between 3-4 days showed the highest positive sentiment towards roadmaps. However, when broken down by company size, this varied wildly.

Companies with 51-200 employees were most positive when spending 1-2 days per month updating their roadmap.

This was also true of companies with 1-10 employees who expressed positive feelings towards roadmaps when they took 1-2 days to create and update. Spending less than a day made them far more negative.

Companies with 200-500 employees were most positive when they spent less than a day on their roadmap, with 75% citing alignment as the biggest positive outcome.

"All their time.
That is all they do."

*Survey respondent*

# Ensuring your roadmap is up to date

Keeping roadmaps a real-time reflection of planned product development can be a difficult task for product teams. In our research, we explored the various techniques product managers use to create and maintain their roadmaps.

## Ad hoc

27% of companies report that their roadmap is only updated on an ad-hoc basis. These companies were 27% less likely to report team & company alignment as a positive benefit of roadmaps than those who used project or product roadmapping software.

However, they were still 25% more likely to report alignment as a positive than those who used meetings to update their roadmaps.

## Project & roadmapping software

Companies using software to create their roadmaps were most likely to report transparency as a positive than those who used meetings or updated roadmaps on an ad-hoc basis. They also reported "focus" as a huge benefit; possibly because the software allows roadmaps to be viewed and shared with stakeholders very easily.

However, they were 2.2 times more likely to report lack of flexibility as a negative aspect of roadmaps, compared to those that update their roadmaps in meetings. They were also 71% more likely to consider roadmaps as setting the wrong expectations. This could be due to the difficulty in keeping the roadmaps a true reflection of the current state of play.

Companies who run meetings to update roadmaps also report lack of flexibility as a major negative. This could be due to how expectations are set during meetings or the lack of visibility of the roadmap in between planning sessions.

# 2.2
times more likely to report lack of flexibility

# 71%
as likely to think they set the wrong expectation
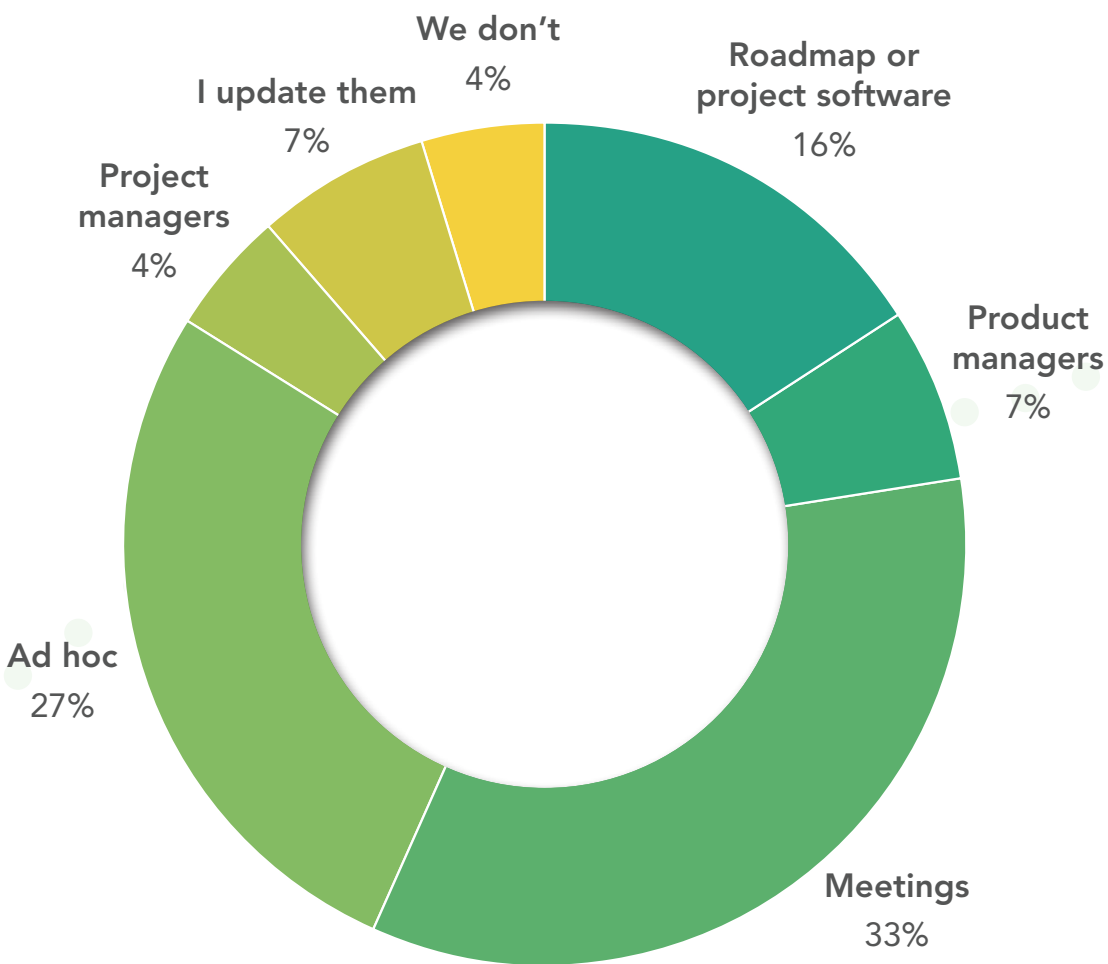


## Meetings

While 50% of those who used meetings to maintain their roadmaps reported focus as a positive, they were more likely than both those who updated their roadmaps on an ad-hoc basis and those who used software to see roadmaps in a negative light, especially in regards to setting the wrong expectations.

# 27%
of compaies update on an ad hoc basis

Who uses
your roadmap?

# Internal Teams

Only 33% reported that the whole company viewed and used the product roadmaps.

The majority cited that outside of their product team, leadership (81%) and development (75%) were the key teams that used the roadmap documents produced.

A much smaller fraction reported their sales (56%) and marketing (35%) teams used the documents.

The most surprising result was that not all product teams use roadmaps even though they were being produced by a member of their team. 2% actually reported that it was only the product manager who produced the roadmaps that actually used them.
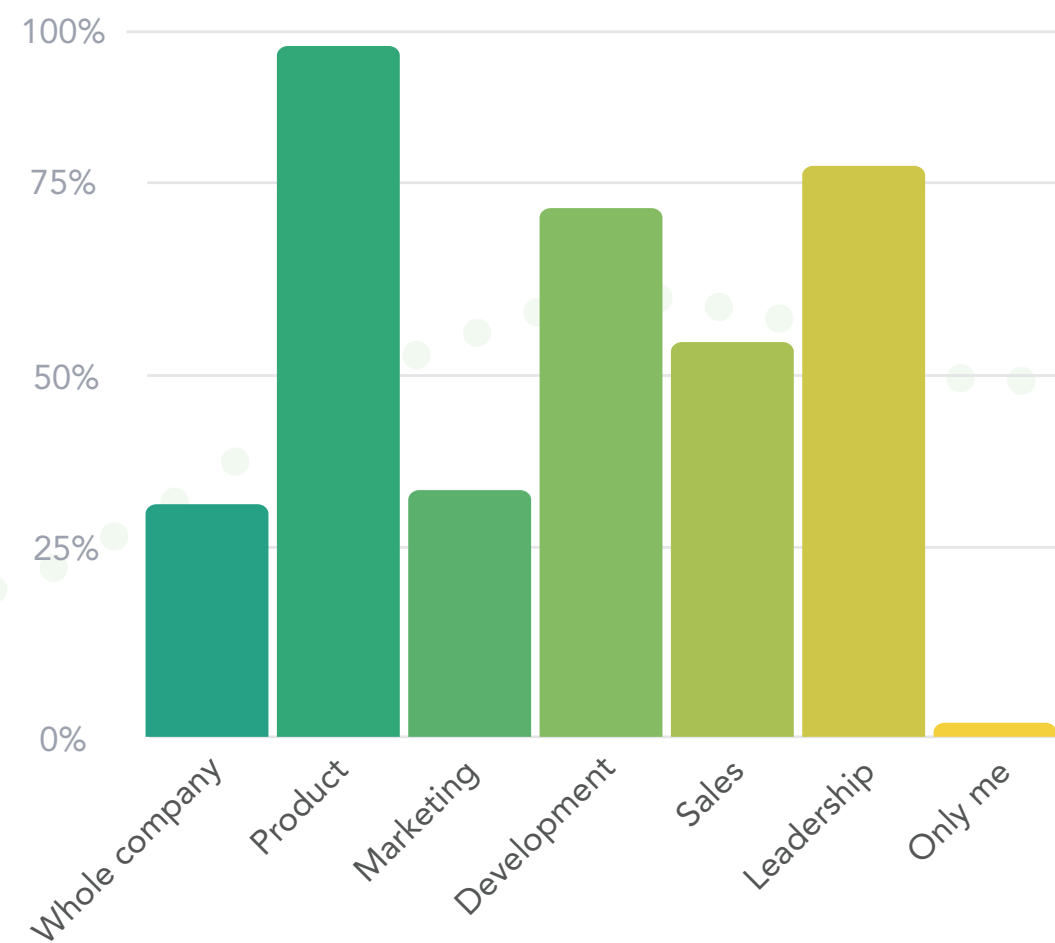


# External Stakeholders

## Customers

Only a fraction of companies - 18% - reported roadmaps being used by the customer base.

Those who did were more likely to cite roadmaps providing transparency, focus and alignment than those who do not share their roadmap with customers. But they were also more likely to cite roadmaps being seen as a commitment or setting the wrong expectations.

## Prospects

An even smaller fraction reported sharing them with their prospects - just 8%. These companies all reported negative sentiments involving misconceptions about items on their roadmap being seen as commitments or roadmaps being time-consuming.

## Investors

When it comes to investors, companies with 1-10 employees were 1.5 times more negative than positive about roadmaps if they were shared with investors. In contrast, companies with 51-500+ employees were more than twice as positive about roadmaps than those who chose not to share their roadmap with investors.



Only 19% share their roadmap with customers

19% share their roadmap with investors

Just 8% of companies share their roadmap with prospects

"Not having any idea of where a company is heading forces customers out the door, while transparency keeps the right customers in. If a customer is considering leaving, but you have some important features on your roadmap, that may change their mind."

Emeric Ernoult, CEO at AgoraPulse

# Survey takeaways

The survey has created some surprising insights into how product teams within software companies create, maintain and share product roadmaps.

Based on these findings, here's our top roadmapping advice:

## Know the expectations & limitations of your roadmaps

There was a clear theme running through the survey results - most people felt that roadmaps could easily be misread, especially when they came into contact with multiple groups of stakeholders.

Make sure you know the purpose of your roadmaps - who they are for and what they need to communicate - and most importantly, educate those who come into contact with them. When everyone knows what to expect, the roadmap can be very powerful:

> "The roadmap keeps us on track. In our two week sprint cycles, it is easy to get off course with various customer asks that arise, but our product roadmap is our reference point that helps us keep our ship moving forward."
>
> *- Survey respondent*

## A product roadmap is a living document

It's very clear from the survey that it can be hard to stop the roadmap being seen as an indicator of hard delivery dates.

> "DATES = commitments. This is how people read it. And/or wrong interpretation about what an item really is"
>
> *- Survey respondent*

Set the expectation with all stakeholders that product roadmaps are a living document. If you try to set things in stone, you can't react to new information that has become available; this is especially important if you create and update roadmaps in meetings.

A good approach could be to create broad themes you want to address often a quarter or two in advance, then planning the features and detail in shorter term deliveries. This works really well because it creates direction and focus but it's never at the expense of being able to react quickly as things change (which they inevitably do).

## Know your audience

Some of the challenges raised could be addressed by having more than one roadmap to suit different audiences. For example, giving your sales team a high-level view can really help them when they talk to prospects, whereas more granular detail will be required when working with your project and development teams.

> "We generally have an internal and external version. The internal one can have different flavors depending on the level that is going to see it, the amount of detail and timeframe can be different."
>
> *- Survey respondent*

## Hard delivery dates are (probably evil), especially where customers are concerned

Despite 80% of respondents using hard delivery dates in roadmaps, you should always handle this very carefully. This is especially true if you choose to share a roadmap with your customer base because it can set expectations that are near impossible to keep.

> "When people use it as a way to enforce deadlines or ensure "maximum velocity", the agile process doesn't work properly. The Now/Soon/Someday framework instead of specific dates has been a simple way to set the expectations of the recipients of the roadmap."
>
> *- Survey respondent*

There are just too many factors that can affect how long an improvement or new piece of functionality takes to develop. That's why choosing to show "Features in Development" and "Features that are Planned" is more than enough transparency to keep customers confident you have a plan and strategy behind your product.

Remember that what you share with customers is very individual to each business. Do what works for you. Adding a layer of transparency with a customer-facing roadmap can be extremely beneficial, but it's not for everyone.

## It's all about the strategy

When you're creating your product roadmaps, always start with the strategy. Usually this will involve input from several people so make sure you know who you should talk to.

There are a load of different ways to create a strong product strategy. Themes of work could be directly linked to company KPIs, part of a plan to crack open a new market or a direct reaction to feedback you've received from customers....just make sure you have a strategy in place otherwise you can end up building features that don't really add anything to the company.

> "Roadmaps have become unfashionable in the age of lean product development, but I find them very useful even in lean-agile development environments. They help having good discussions, create alignment and focus and communicate product strategy."
>
> *- Survey respondent*

## Better data = a more positive experience for everyone

It's clear that companies are more positive about roadmaps when they are created using data from a wide range of sources.

There are 3 main inputs into your product roadmap - demand from your customers, your internal teams and the market. When gathered and handled well, the insights, feature requests, feedback and ideas you collect from these groups allow you to create a truly special product.

"As a fast-growing SaaS business, we can't afford to waste time or money building features that don't add value to our product. Before Receptive our feature backlog was unstructured and disorganised. Now we can see what features are most valuable and work on those"

- Matthew Lanam, CEO at GeckoLabs

## Our Mission

Working out which features to build is a critical business decision for every software company; time and resources are finite and no one wants to waste money or time creating features that don't grow revenue, increase retention or fail to deliver strategic value. Building the wrong features negatively impacts growth and valuations yet making informed product decisions is a real challenge.

Receptive was born out of experiencing these issues first hand and we built the product to answer the question at the heart of every software business:

> "What is the highest-impact thing I can work on right now given my limited resources whether that's people, time, or money?"

We are the leaders in Product Demand Intelligence enabling companies to make data-driven product decisions by translating demand from customers, internal teams and the market into actionable insights.

## Our Beliefs

We believe all software companies should have:

The power of data: Up-to-date and prioritized demand data from customers, teams & the market

Segmentation: The ability to easily segment data to truly understand product demand

Communication & Transparency: Seamless communication from leadership down, between teams and with customers & prospects

Automation: Smooth workflow between teams & systems and product teams that don't spend their time on manual process

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