THE 18TH ANNUAL
Product Management AND Marketing Survey

GAME ON!

pragmaticmarketing.com
1,700 INDIVIDUALS FROM OVER 45 COUNTRIES responded to this year’s product management and product marketing survey. And while every respondent had a different story to tell, there were some common winning strategies. Let’s take a look.

Meet the players

Meet the players

Technical skill level

Years of experience

Years in current role

AVERAGE AGES

18 to 24 years 1%
25 to 34 years 26%
35 to 44 years 37%
45 to 54 years 28%
55 to 64 years 8%

Not technical 7%
Very technical 28%
Somewhat technical 65%

Years of experience in product management or product marketing

<1 1-2 3-5 6-10 11-15 15+
5% 11% 27% 25% 14% 18%

Years in current role

<1 1-2 3-5 6-10 11-15 15+
23% 35% 26% 11% 3% 2%
Titles are a mess.

486 different titles were reported from respondents this year.

486 different titles were reported from respondents this year.

79% said professional certifications were somewhat or very important to their career growth.
The Company
(AKA: Who is sponsoring these guys?)

While all of our respondents created some type of technology, that’s where the similarities ended. Here’s a breakdown:

The Industries

- **Computer software**: 32%
- **Professional, scientific and technical services**: 19%
- **Financial services and insurance**: 13%
- **Manufacturing**: 8%
- **Education and educational services**: 6%

**The Industries Breakdown:**
- **Education and educational services**: 6%
- **Manufacturing**: 8%
- **Financial services and insurance**: 13%
- **Computer software**: 32%
- **Professional, scientific and technical services**: 19%
- **Healthcare**: 13%
- **Computer hardware**: 32%
- **Professional, scientific and technical services**: 19%
- **Healthcare**: 13%
- **Education and educational services**: 6%

The Focus

- **Primarily B2B**: 79%
- **Primarily B2C**: 9%
- **About equally B2B & B2C**: 22%

The Offerings

- **Hardware**: 80%
- **Software**: 52%
- **Hosted or cloud services**: 56%

The Annual Revenue

- Greater than $1 Billion: 24%
- $1 Million - $10 Million: 11%
- $11 Million - $50 Million: 21%
- $51 Million - $100 Million: 15%
- $101 Million - $1 Billion: 26%
- Less than $1 Million: 3%

The Growth Trajectory

- **High growth**: 24%
- **Medium growth**: 47%
- **Low growth**: 22%
- **Flat**: 5%
- **Negative growth**: 2%
The Team
(Because this is not a solo sport)

Number of Employees in Department

- 5 or fewer: 30%
- 6 to 10: 27%
- 11 to 25: 24%
- 26 to 50: 9%
- More than 50: 10%

Where does the team report to?

- Product management: 34%
- President, CEO or managing director: 24%
- Marketing: 14%
- Other: 10%
- Sales: 3%
- Support or services: 2%

How do department sizes compare?

For every one product manager at their company, respondents reported:

- Salespeople: 13
- Engineers/developers: 5
- Sales engineers or pre-sales consultants: 3
- Project management: 1
- Quality assurance: 0.9
- Marketing communications: 0.7
- Product marketing: 0.6
- Engineering/development manager: 0.5
- Business/systems analyst: 0.4
- Product-level architects or designers: 0.3
- Product owners: 0.3
- UX designers: 0.2
World Domination

Product teams are having an impact the world over and the profession is growing internationally. Here’s a breakdown of respondents by region:

Most Respondents by Country

<table>
<thead>
<tr>
<th>Country</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States of America</td>
<td>1167</td>
</tr>
<tr>
<td>Canada</td>
<td>177</td>
</tr>
<tr>
<td>United Kingdom and Northern Ireland</td>
<td>76</td>
</tr>
<tr>
<td>India</td>
<td>50</td>
</tr>
<tr>
<td>Australia</td>
<td>20</td>
</tr>
<tr>
<td>Germany</td>
<td>17</td>
</tr>
</tbody>
</table>

All other countries combined = 126
A Player’s Gonna Play...But What?

Here’s a breakdown the key activities that product management and product marketing own.

<table>
<thead>
<tr>
<th>BUSINESS ACTIVITIES</th>
<th>Product Management</th>
<th>Product Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Understanding market problems</td>
<td>93%</td>
<td>82%</td>
</tr>
<tr>
<td>Performing win/loss analysis</td>
<td>25%</td>
<td>39%</td>
</tr>
<tr>
<td>Articulating distinctive competencies</td>
<td>53%</td>
<td>67%</td>
</tr>
<tr>
<td>Market definition, including market sizing and segmentation</td>
<td>41%</td>
<td>58%</td>
</tr>
<tr>
<td>Defining the right distribution strategy for the product</td>
<td>22%</td>
<td>38%</td>
</tr>
<tr>
<td>Managing product portfolios</td>
<td>67%</td>
<td>37%</td>
</tr>
<tr>
<td>Creating and updating the business plan</td>
<td>42%</td>
<td>36%</td>
</tr>
<tr>
<td>Setting and maintaining pricing</td>
<td>23%</td>
<td>28%</td>
</tr>
<tr>
<td>Making buy, build or partner decisions</td>
<td>40%</td>
<td>15%</td>
</tr>
<tr>
<td>Tracking product profitability (e.g., P&amp;L)</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Defining positioning</td>
<td>49%</td>
<td>84%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TECHNICAL ACTIVITIES</th>
<th>Product Management</th>
<th>Product Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performing technology assessment</td>
<td>32%</td>
<td>13%</td>
</tr>
<tr>
<td>Performing competitive analysis</td>
<td>58%</td>
<td>75%</td>
</tr>
<tr>
<td>Maintaining the roadmap</td>
<td>83%</td>
<td>36%</td>
</tr>
<tr>
<td>Managing innovation</td>
<td>48%</td>
<td>17%</td>
</tr>
<tr>
<td>Writing product requirements</td>
<td>85%</td>
<td>20%</td>
</tr>
<tr>
<td>Defining user personas</td>
<td>64%</td>
<td>57%</td>
</tr>
<tr>
<td>Defining use scenarios</td>
<td>84%</td>
<td>52%</td>
</tr>
<tr>
<td>Monitoring product milestones</td>
<td>72%</td>
<td>28%</td>
</tr>
</tbody>
</table>
## GO-TO-MARKET ACTIVITIES

<table>
<thead>
<tr>
<th>Activity</th>
<th>Product Management</th>
<th>Product Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defining marketing plans</td>
<td>23%</td>
<td>72%</td>
</tr>
<tr>
<td>Measuring the ROI of marketing programs</td>
<td>10%</td>
<td>45%</td>
</tr>
<tr>
<td>Understanding the customer’s buying process</td>
<td>40%</td>
<td>72%</td>
</tr>
<tr>
<td>Building customer acquisition plans</td>
<td>12%</td>
<td>33%</td>
</tr>
<tr>
<td>Building customer retention plans</td>
<td>16%</td>
<td>35%</td>
</tr>
<tr>
<td>Launch planning</td>
<td>70%</td>
<td>80%</td>
</tr>
<tr>
<td>Buyer personas</td>
<td>36%</td>
<td>67%</td>
</tr>
<tr>
<td>Success stories</td>
<td>27%</td>
<td>62%</td>
</tr>
<tr>
<td>Thought leadership</td>
<td>51%</td>
<td>64%</td>
</tr>
<tr>
<td>Lead generation</td>
<td>5%</td>
<td>46%</td>
</tr>
</tbody>
</table>

Respondents are doing all this for **10.8 PRODUCTS ON AVERAGE.**

## SALES READINESS ACTIVITIES

<table>
<thead>
<tr>
<th>Activity</th>
<th>Product Management</th>
<th>Product Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providing sales channel training</td>
<td>47%</td>
<td>63%</td>
</tr>
<tr>
<td>Creating customer-facing sales collateral</td>
<td>39%</td>
<td>80%</td>
</tr>
<tr>
<td>Creating internal sales tools</td>
<td>47%</td>
<td>77%</td>
</tr>
<tr>
<td>Creating presentations and demos</td>
<td>71%</td>
<td>88%</td>
</tr>
<tr>
<td>Going on sales calls</td>
<td>42%</td>
<td>37%</td>
</tr>
<tr>
<td>Staffing seminar and trade show events</td>
<td>39%</td>
<td>54%</td>
</tr>
<tr>
<td>Answering sales questions by email</td>
<td>77%</td>
<td>63%</td>
</tr>
</tbody>
</table>
Of course, what they’re responsible for doesn’t always line up with where they’re spending their time. In fact, product team members are spending **72% of their time on tactical activities**, leaving just about a quarter of their time for the high-value, strategic activities. Here’s a breakdown of how their hours are being consumed.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talking to customers</td>
<td>71%</td>
</tr>
<tr>
<td>Talking to noncustomers in non-sales situations</td>
<td>32%</td>
</tr>
<tr>
<td>Managing email</td>
<td>43%</td>
</tr>
<tr>
<td>Attending meetings</td>
<td>32%</td>
</tr>
<tr>
<td>Assisting with specific sales deals</td>
<td>11%</td>
</tr>
<tr>
<td>Participating in thought leadership (webinars, white papers, speeches, etc.)</td>
<td>5.5%</td>
</tr>
<tr>
<td>Reviewing or creating marketing materials</td>
<td>7%</td>
</tr>
<tr>
<td>Supporting development team efforts</td>
<td>6%</td>
</tr>
</tbody>
</table>

In addition to asking respondents what they were responsible for and where they were spending their time, we asked them how their companies measure the success of their product teams.

**Product sales 71%**

**Competitive positioning 34%**

**Number of releases in a year 18%**

**Lead pipeline 17%**

**Customer satisfaction or NPS scores 48%**

**Launch/release dates are hit 38%**

**Market share 37%**

**Number of bugs reported/rework required 12%**

Link Your Time to Things That Help You Win

In addition to asking respondents what they were responsible for and where they were spending their time, we asked them how their companies measure the success of their product teams.

Almost two full weeks a month on emails and meetings.

Twice as much time spent with development as with the market.

Not surprisingly, fast answers to email and number of meetings attended didn’t make the list. Make sure you’re spending your time wisely.
Powering Up with Pricing

This year’s survey dug deep into how technology companies today are pricing their products. Did they have firm pricing strategies in place, or were they leaving it all up to chance?

THE PRICING JOURNEY

When was the price first put on the product?

- 25% before development started building it
- 45% not until right before (or after) release
- 30% never decided on a price

Don’t have the data to make a decision; lose a turn

Product Type

- Software only: 65%
- Hardware only: 5%
- Hardware and software: 13%
- Service: 17%

Choose Your Strategy

Respondent selected the pricing methodology that most closely represented the one they used.

- Competition Pricing (copying a competitor’s price): 17%
- Cost-Plus Pricing (charging a desired margin above our costs): 21%
- Value-Based Pricing (charging what the customers are willing to pay): 61%
“But we’ve always done pricing this way” monster appears; lose a turn (but not all hope)

Who set the final price before going to market?

- **Executive**: 39%
- **Product manager**: 25%
- **Dedicated pricing team**: 13%
- **Sales**: 8%
- **Product marketer**: 6%
- **Other**: 6%
- **Finance**: 4%

The business plan didn’t contain a price (we won’t judge) 19%

Business plan price was lower 12%

Business plan price was higher 17%

There was no business plan 19%

How did the final price compare to the price in the business plan?

Before putting it on the roadmap 12%

Before designing the solution 18%

Competitors raise prices; zoom ahead two spaces
What Does Winning Get You?
Landing on the right spot could mean winning it all, especially when it comes to earnings. Here's a look at some of the top salaries by geography.

Top Salaries in the United States

- **Washington**
  - Salary: $125,800
  - Bonus: $9,750
- **Oregon**
  - Salary: $87,600
  - Bonus: $2,600
- **California**
  - Salary: $131,000
  - Bonus: $13,550
- **Arizona**
  - Salary: $97,000
  - Bonus: $3,100
- **Utah**
  - Salary: $89,200
  - Bonus: $13,550
- **Colorado**
  - Salary: $113,200
  - Bonus: $13,550
- **Minnesota**
  - Salary: $99,200
  - Bonus: $7,550
- **Wisconsin**
  - Salary: $104,600
  - Bonus: $10,400
- **Michigan**
  - Salary: $112,600
  - Bonus: $12,500
- **Pennsylvania**
  - Salary: $107,200
  - Bonus: $8,200
- **New York**
  - Salary: $105,000
  - Bonus: $4,750
- **Florida**
  - Salary: $107,800
  - Bonus: $8,900
- **Virginia**
  - Salary: $128,200
  - Bonus: $8,250
- **Illinois**
  - Salary: $113,600
  - Bonus: $10,250
- **Ohio**
  - Salary: $113,000
  - Bonus: $6,950
- **Massachusetts**
  - Salary: $128,400
  - Bonus: $17,300
- **New Jersey**
  - Salary: $124,000
  - Bonus: $16,000
- **North Carolina**
  - Salary: $114,200
  - Bonus: $8,150
- **New York**
  - Salary: $105,000
  - Bonus: $16,000
- **Washington**
  - Salary: $125,800
  - Bonus: $9,750
- **Oregon**
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- **Pennsylvania**
  - Salary: $107,200
  - Bonus: $8,200
- **New York**
  - Salary: $105,000
  - Bonus: $4,750
- **Florida**
  - Salary: $107,800
  - Bonus: $8,900

Feeling like a winner: Nearly 70% of the respondents said they were satisfied or very satisfied with their compensation.

Top Earnings Around the world

- **USA**: $123,000
- **Canada**: $97,850
- **UK**: $115,850
- **Australia**: $137,700
- **Germany**: $116,300
- **France**: $78,400
- **India**: $28,200
- **New Zealand**: $103,350
- **Ireland**: $105,000
- **Netherlands**: $78,750
- **UK**: $115,850

- **Average Salary**
- **Average Bonus**
Bringing Your Game to the Next Level

Looking to build up your earnings? Here are the most common traits of respondents who earned $200k or more per year.

Salaries by Traits

**Gender**
- Male $112,600
- Female $101,200

**Education**
- Some college $100,600
- Associate's degree $103,800
- Bachelor's degree $103,600
- Some master's $107,200
- Master's degree $111,800
- Doctoral degree $127,800

**Years in product management or marketing**
- < 1 year $83,200
- 1-2 years $80,600
- 3-5 years $93,200
- 6-10 years $109,200
- 11-15 years $125,600
- 15+ years $132,800

**How technical do you consider yourself?**
- Very technical $109,600
- Somewhat technical $107,600
- Not technical $105,200

**What kind of products does your company offer?**
- Hardware $107,800
- Software $108,600
- Hosted or cloud services $112,200
- Professional services $109,800

**Where do you spend the majority of your time?**
- Deciding what should go into products $104,800
- Creating & executing go-to-market strategies for products $108,600
- Each about equally $113,400

11+ years of experience in field
B2B focus
Equal time on product management and go-to-market strategies
Medium growth company
Software or SaaS products
30% or more of time on strategic activities
Manage portfolios
Involved with pricing
California or Massachusetts resident
5 or less years in the role
Reports directly to CEO
1 or more professional certifications
King for a Day

We asked our respondents: If you could say one thing to your CEO without fear of retribution, what would it be? Here is a sampling of their responses.

**Market Focus**
- “Market problems should be defined based on multiple sources of data, not just anecdotes from visiting customer offices.”
- “Spend 20% more time thinking about what is right for the customer and 20% less time only talking about the revenue.”
- “We need to focus more on determining our market problems and less time on competitive parity.”
- “We need to actually do what Pragmatic Marketing taught us.”

**Strategic Alignment**
- “Make sure there is a clear vision for every product in the portfolio and make sure everybody knows what it is.”
- “Drive cross-functional alignment on goals across the organization.”
- “Not everything can be the number one priority.”
- “Do less, and do it better.”

**Revenue Marketing**
- “Marketing is a huge part of being able to create and drive pipeline, which ultimately results in revenue. Cutting marketing means cutting revenue in reality, not just cutting costs.”
- “Marketing is more than brand and communication. Educate yourself on what real product marketing is all about.”
- “Build it before you sell it. Stop turning the organization upside down to win one deal.”
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Survey results describe typical practices. To learn about best practices in product management and marketing, register for a Pragmatic Marketing course near you. Have a question about any of the data shown or want to know more Contact us at survey@pragmaticmarketing.com.
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