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Top Priorities for Tech & Service Providers: Leadership Vision for 2021

Product Manager



Introduction

As every organization becomes more dependent on technology in all facets of business, the market for technology products and services will expand to cover more aspects of business and open new markets.

Advances in digital technologies continue while the digitalization of the world's economy is still a work in progress. The path toward a digital future is accelerating, however, due to the COVID-19 pandemic. The combination of these factors strengthens demand for technology products and services. Despite challenges, high buyer optimism in the near term will drive increased buying effort, which signals increased opportunity for providers.

Several forces are playing a larger role in the way enterprises differentiate their business models. Further, these forces also serve as a basis for startups to disrupt existing markets. They will continue to drive large changes in the technology and services markets.

Enterprises that successfully leverage technology prowess, including robust diagnostics and benchmarking, will be able to strategically transform into competitive threats to existing technology products and services. These companies will drive growth through innovation by creating both competitive and substitute products.



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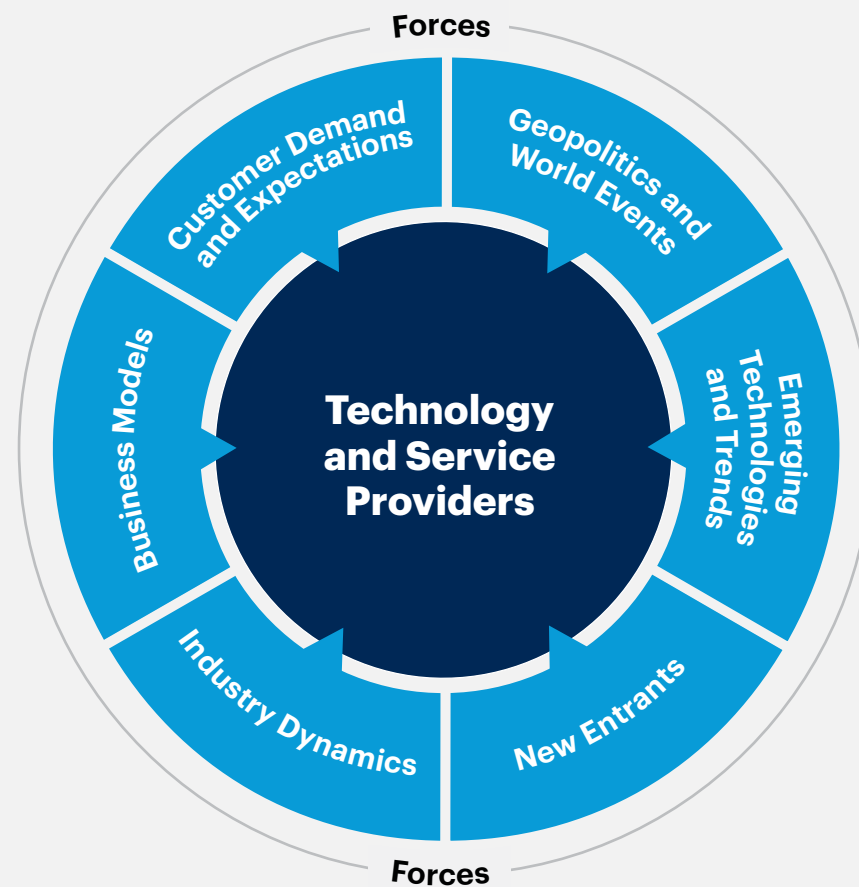
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Introduction

The role of a product manager is fundamentally changing as digital business transformations and disruptions take place. These forces will impact how product managers and their teams navigate the life cycle of products, services and solutions.

As technology markets evolve, these disruptions will require proactive understanding to embrace market shifts, understand customer wants and needs, and capitalize on emerging opportunities.

6 forces challenging product managers



3 trends that will impact product managers in 2021

Hyperscale cloud infrastructure and platform services (CIPS) providers will dominate cloud markets

The speed of innovation of hyperscale CIPS has accelerated digital initiatives, and hyperscale CIPS providers will continue to threaten existing models. Depending on their situation and expertise, to survive, product leaders must decide whether to partner to align or innovate to compete.

Customers select options that best meet their entire needs, which can encompass elements beyond the core product

As customer expectations shift from a focus on the “best” technology product or brand to a focus on the best experience from a solution, it can be difficult to define value propositions that resonate with stakeholders. Product managers may struggle to understand the larger context in which customers will use a product until long after the product is launched.

Customers will expect products that offer dynamic, proactive and even prescriptive personalized experiences

Transforming the product experience will require a progression from standardized offerings built for a broad, general audience to highly personalized and transformative solutions built to meet the needs of individuals. Product leaders who use customer analytics tools with deep AI/machine learning capabilities can fast-track their efforts to personalize customer experiences.

2 challenges facing product managers in 2021

Although product managers will face many challenges in 2021, here are two to begin strategizing for:



Increased buyer interest in innovative products, even for traditional technology offerings

Unique combinations of technology, operations and partner ecosystems will enable the development of innovative technology offerings. In addition, buyers will be affected by market forces, including:

- Technology becoming more accessible to business lines
- A business technology focus on personalized experiences through consumerization
- The influence of cloud models on expectations
- The need for solutions that increase value and lower risk



The shift from multiple stand-alone products to portfolios of products built on common platforms that address specific business needs

The shift toward management of product portfolios required by customer centricity and technology development can lead to inefficient decision making and prioritization.

2 actions for product managers to take in 2021

Given the challenges product managers will encounter, consider these two actions to help move the organization in the right direction:



Use technologies and data to strengthen the relationship with customers, including valuable metrics like key trust indicators (KTIs)

To strengthen digital product trust, implement five elements of trust (credibility, reliability, accountability, empathy and transparency) to reduce risk and guide product decisions during the product life cycle. Evaluate KTIs by combining trust-related metrics such as average retention rate, opt-in data sharing and subscription period extension, which together create a comprehensive picture of product trust performance.



Apply whole-product thinking to build compelling customer experiences and ensure products deliver value to customers

Develop an integrated experience by mapping the total customer journey and providing services at each touchpoint. To ensure the whole-product experience, communicate the needed components to the related functions (such as sales and service departments), as well as parties outside of your company, if necessary (specifically, channel partners and resellers).

Five essential areas of focus for product managers

- 1 Cloud:** Product leaders must adapt to survive the market dominance of hyperscale CIPS providers.
- 2 Services:** Solution providers will leverage assets and expertise, requiring a dynamic ecosystem to extend their business models.
- 3 Business models:** Product leaders must adapt business models to optimize growth and margins and defend against disruptors.
- 4 Customer experience:** Product managers must use customer analytics tools with AI-embedded capabilities to personalize customer experiences.
- 5 Competition:** In an era where “every company is a technology company,” product leaders will have to compete harder for market share.

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