

Gartner Research

Product/Service Evolution and Management Primer for 2024

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Initiatives: Product/Service Evolution and Management

Product and service evolution and management is the set of ongoing activities needed to maintain and grow an existing product or service throughout its life cycle. These activities include continued innovation and evolution while managing complex portfolios in the face of constant disruption.

Scope

The product/service evolution and management initiative helps clients understand those activities that are essential to maintaining and growing a product after it has been launched into a market.

Topics in this initiative include:

- **Align and Reconcile Portfolios:** Review product and service portfolios proactively to ensure alignment and maximize customer value.
- **Manage Evolution and Growth:** Adjust to changing conditions for in-life products and services to optimize business and customer value.
- **Plan for Innovation and Disruption:** Push technology, market and business boundaries through disruptive change and discrete innovation paths.

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Analysis

Figure 1: Product/Service Evolution and Management Overview

Product/Service Evolution & Management



Source: Gartner
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Product/service evolution and management reflects activities that product or offering managers must address after the product has been launched and remains an available offering. Aligning and reconciling portfolios, managing evolution and growth, and planning for innovation and disruption are key life cycle responsibilities that continue to evolve and intensify. The modern world of technology hardware, software and services requires constant attention to market conditions and customer expectations that are changing rapidly. Many challenges of maintaining and growing an in-life product are variations of those challenges in bringing it to initial market launch, but some are unique to in-life products.

Software products, for example, are increasingly built with continuous and shorter release targets, based on transformed delivery mechanisms (DevOps and DevSecOps), and must meet increasing user experience expectations from end users and buyers. Service offerings are evolving to become more digital, more repeatable, and more automated and standardized to better scale within the market. Hardware products are increasingly driven by software and platforms, allowing greater flexibility for postlaunch updates and improvements than ever before. AI, and particularly GenAI, has been the greatest disruption yet seen, driving product managers to overhaul their roadmaps quickly and in a coordinated way across the portfolio in order to fully exploit information about the user across their platforms. These critical transformations, combined with other disruptive factors, drive product or offering managers to plan and prepare for managing life cycle events, such as upgrades, discontinuations and recalls, with more proactive and continuous approaches.

These transformations have opened new opportunities for product or offering managers to drive innovation down disruptive paths and look at achieving financial objectives through a wider range of initiatives, including alternative business models and delivery structures. Product and offering managers generally have a perpetually growing portfolio of products and services to be managed, and they must successfully navigate the challenges of assigning resources between those products, including deciding what products to maintain, refresh or retire. They must also deliver on portfolio integrations, balancing the need for individual products to have a unique value proposition with the management of the integrated value proposition and experience.

Topics

Product/service evolution and management is one of the most critical and challenging components of product and offering management, whether the product is software, hardware or services. Too many organizations take a reactive approach to dealing with portfolio expansion, managing evolution and growth, and planning for innovation and disruption. Proactive approaches that put in place predictable processes, communications plans and agile approaches allow organizations to position themselves to come out of periods of disruption in an upswing, allowing them to separate themselves from their competition.

Our research in this area addresses the following topics:

Align and Reconcile Portfolios

Product and service portfolios in large technology providers are constantly expanding — either organically through the introduction of new capabilities and product lines, or through mergers and acquisitions. It is increasingly necessary for product or offering managers to take a broader view of the portfolio in which products participate, and to align and reconcile across that portfolio. They are in an optimal position to look across the product portfolio and encourage changes to strengthen their competitiveness within the broader ecosystem. Delivery of compelling solutions to customer problems requires careful curation of various solutions within a portfolio, ensuring no significant overlap or gaps.

Questions Your Peers Are Asking

- How can I lead efforts to assess the health of a product or service portfolio?
- How can I effectively balance competing interests in efforts to merge competing or complementary products or features?
- What are the leading practices and trends in aligning and reconciling portfolios for product or service evolution and management?

Recommended Content

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- Use Connected Portfolio Strategies to Reveal Hidden Revenue Opportunities
- 3 Critical Portfolio Actions Product Managers Must Follow After an Acquisition

- An Anatomy of a Generative High-Tech Provider Business Model: A Product Manager Perspective
- Innovate Product Portfolios With Graph Technologies

Planned Research

- Portfolio management best practices for prioritization, reconciliation and sunsetting of capabilities
- Assessing the health of a portfolio by analyzing the performance of individual products or services
- Best practices for managing competing stakeholder interests regarding portfolio alignment and reconciliation

Manage Evolution and Growth

After launch, products and services must continue to evolve to meet changing customer and market needs. Making the right investment prioritization decisions is challenging with finite resources for product evolution. Improving customer satisfaction and chasing new revenue streams with feature improvements must be balanced with the need for infrastructure enhancements and other internal investments. It is critical for the success of a product or service that it continues to grow business and customer value throughout its useful life, and equally critical to determine when an existing product or service should be retired. Similarly, determining how best to embrace or counter disruptions is critical. Innovation extends from the lowest levels of changes in features and functions to complete business transformations.

Questions Your Peers Are Asking

- What inputs, metrics and methods should I use to optimize continued growth and evolution for in-life products or services?
- How should I approach and address plateaus or dips in the evolution and/or growth of our products or services?
- What are the leading practices and trends in managing evolution and growth for product or service evolution and management?

Recommended Content

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- Remove Product Legacy Features to Reduce Complexity
- Vendor Guide to the Magic Quadrant for Security Service Edge
- Changes and Emerging Needs Product Managers Must Address in the CIPS
- Market Offering Manager Insight: Sovereign Cloud Portfolio Design for Cloud IT Services Providers
- CPaaS Product Managers Must Provide New Tools to Compete in CXaaS

Planned Research

- Getting the right balance of resources in product growth and evolution
- Capitalizing on usage and other customer-centric data to inform prioritization and planning
- Moving beyond lift-and-shift challenges, and making products cloud-native
- Evolving service offerings into more automated, easily repeatable products

Plan for Innovation and Disruption

Disruption and innovation have become increasingly important factors as the pace of technology development has accelerated and competition has intensified. Countering the impact of disruptions like GenAI on products and services will be key to ensuring product success, as will harnessing the opportunities through innovation. Most importantly, disruption and innovation come not only in the form of technologies, but also from market trends, economic factors and unpredictable events.

Questions Your Peers Are Asking

- What inputs, metrics and methods should I use to optimize continued innovation and/or disruption for in-life products or services?
- How can I effectively source new ideas for ongoing innovation and/or disruption in our products or services?
- What are the leading practices and trends in planning for innovation and disruption for product or service evolution and management?

Recommended Content

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- Drive Product Adoption With Technical and Commercial Flexibility
- How TSPs Can Accelerate the Generative AI Readiness of Their Enterprise Customers
- Navigate the Black Hole of Digital Technology and Business Services
- A Product Manager's Guide to Voluntary Environmental Certifications

Planned Research

- Providing approaches to develop innovative new products and services to disrupt the market
- Identifying opportunities to leverage artificial intelligence (AI), machine learning (ML) and other emerging technologies to disrupt the market
- Responding to disruptive moves by competitors and those in adjacent markets

Suggested First Steps

- Gartner's Tech Growth and Innovation Conference
- Maintain, Refresh or Retire? End of Life in Product Life Cycle Management
- Start From the End to Improve Innovation Success
- Create a Strategy for Composable Application Services

Essential Reading

- Critical Steps for Product Managers: Align and Reconcile Portfolios
- Critical Steps for Product Managers: Manage Evolution and Growth
- Critical Steps for Product Managers: Plan for Innovation and Disruption
- Toolkit: Maintain, Refresh or Retire? How to Deal With Products at the End of Life
- Emerging Tech Impact Radar: 2024
- Leading Through Times of Economic Turbulence: Key Actions for Product Managers

Evidence

This initiative — and the associated initiatives of product/service discovery and validation, product/service design and creation, product/service introduction and delivery, and product/service leadership and organization — has been developed leveraging multiple Gartner information and insight sources, including:

- Dedicated surveys of product or offering managers to identify their critical initiatives, priorities and challenges
- Published and researched insights around general product management and in particular technology areas
- Engagements with product managers in hardware, software and service technology vendors, as well as end users
- Discussions between Gartner analysts on related product management topics

Document Revision History

Product/Service Evolution and Management Primer for 2023 - 2 February 2023

Product Life Cycle Management Primer for 2022 - 4 February 2022

Product Life Cycle Management Primer for 2021 - 4 January 2021

Product Life Cycle Management Primer for 2020 - 22 January 2020

Product Life Cycle Management Primer for 2019 - 2 January 2019

Product Life Cycle Management Primer for 2019 - 2 January 2019

Product Life Cycle Management Primer for 2018 - 23 May 2018

Related Priorities

Initiative Name	Description
Product/Service Organization and Leadership	This initiative helps innovate product/service management practices, build efficient teams and modern skills, drive cross-department collaboration, and select the right product management toolsets.
Product/Service Discovery and Validation	This initiative can help develop product and service offering plans and strategies based on best practices and insights for assessing customers' needs, market trends and competitive positions.
Product/Service Design and Creation	This initiative provides insights and best practices to improve the effectiveness of the relationship between product, design and engineering, and maximize customer value through collaboration.
Product/Service Introduction and Delivery	Introduction and delivery focuses on making products and services available to customers. Continuous delivery models, product-led growth and buyer behaviors impact product introduction and delivery.

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