



Pragmatic Marketing's 11<sup>th</sup> Annual  
**Product Management  
 and Marketing Survey**



*By Steve Johnson*



Each year Pragmatic Marketing conducts a survey of product managers and marketing professionals. Our objective is to provide information about compensation as well as the most common responsibilities for those performing product management and marketing activities. Over 1,800 completed the survey between October 29 and November 25, 2010.



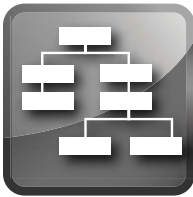
Note: When making decisions, remember this summary describes typical practices, not best practices. For best practices in product management and marketing, attend a Pragmatic Marketing seminar.





## Profile of a product manager

- Average age is 39
- Responsible for 3 products and works in a department of 6 people
- 92% claim to be “somewhat” or “very” technical
- 33% are female, 67% are male
- 93% have completed college and 43% have completed a masters program



## Reporting structure

The typical product manager reports to a Director or Vice President in the product management department.

### Reporting to Title

- 39% report to a director
- 31% report to a vice president
- 21% report to a manager
- 9% report to a CXO

### Reporting to Department

- 29% direct to CEO or COO
- 31% in Product Management
- 20% in Marketing
- 14% in Development or Engineering
- 6% in Sales



## Product Management ratios within the company

When looking at staffing, it's often helpful to see how ratios of product managers at your company compare to the industry norm.

For each product manager, we find:

- 0.6 Product marketing managers
- 0.5 Marketing Communications
- 2.1 Salespeople
- 0.6 Sales engineers (pre-sales support)
- 0.4 Development leads
- 2.0 Developers
- 0.1 Product architects and designers

### Other ratios of interest

- 1.8 developers per QA manager
- 3.0 salespeople per sales engineer





## Compensation

For product management and product marketing titles, the average compensation is \$96,483 salary plus \$12,688 annual bonus. 67% of product managers and marketers get a bonus. Bonuses are based on (multiple responses were permitted):

- 69% company profit
- 26% product revenue
- 59% quarterly objectives

### **Geographic impact on compensation** (in US \$)



	<b>Base salary</b>	<b>Bonus</b>
Africa	\$76,000	\$22,500
Asia	\$83,392	\$5,058
Australia/New Zealand	\$104,625	\$11,163
Canada	\$89,934	\$10,747
Central/South America	\$81,000	\$12,000
Europe	\$87,239	\$12,257
Middle East	\$109,334	\$15,000
United States	\$102,960	\$14,173

### **US regional impact on compensation** (in US \$)



	<b>Base salary</b>	<b>Bonus</b>
Midwest	\$91,157	\$10,965
Northeast	\$109,415	\$16,179
Pacific	\$113,880	\$15,221
South	\$100,375	\$15,477
Southwest	\$110,285	\$16,973
West	\$98,926	\$12,496

Midwest (IA, IL, IN, KS, MI, MN, MO, ND, NE, OH, SD, WI)

Northeast (CT, DE, MA, ME, NH, NJ, NY, PA, RI, VT)

Pacific (AK, CA, HI, OR, WA)

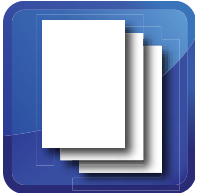
South (AR, LA, OK, TX)

Southeast (AL, FL, GA, KY, MD, MS, NC, SC, TN, VA, WV)

West (AZ, CO, ID, MT, NM, NV, UT, WY)



**Compensation by years of experience** (in US \$)



	<b>Base salary</b>	<b>Bonus</b>
Less than 1 year	\$98,968	\$13,593
1-2	\$93,383	\$13,891
3-5	\$98,628	\$12,715
6-10	\$103,969	\$14,059
11-15	\$113,374	\$16,009
More than 15	\$121,734	\$12,896

**Compensation by education** (in US \$)



	<b>Base salary</b>	<b>Bonus</b>
Bachelors degree	\$94,763	\$12,260
Masters in Business	\$105,031	\$15,581
Masters in Engineering	\$103,144	\$11,696
Other Masters degree	\$101,005	\$13,546

**Compensation by title** (in US \$)



	<b>Base salary</b>	<b>Bonus</b>
Product Manager	\$100,964	\$13,235
Product Marketing Manager	\$96,470	\$14,912
Product Owner	\$104,702	\$17,183
Technical Product Manager	\$91,841	\$9,845

**Compensation by technical ability** (in US \$)



	<b>Base salary</b>	<b>Bonus</b>
I am non-technical	\$94,204	\$12,962
I am somewhat technical	\$99,082	\$13,584
I am very technical	\$101,973	\$13,448

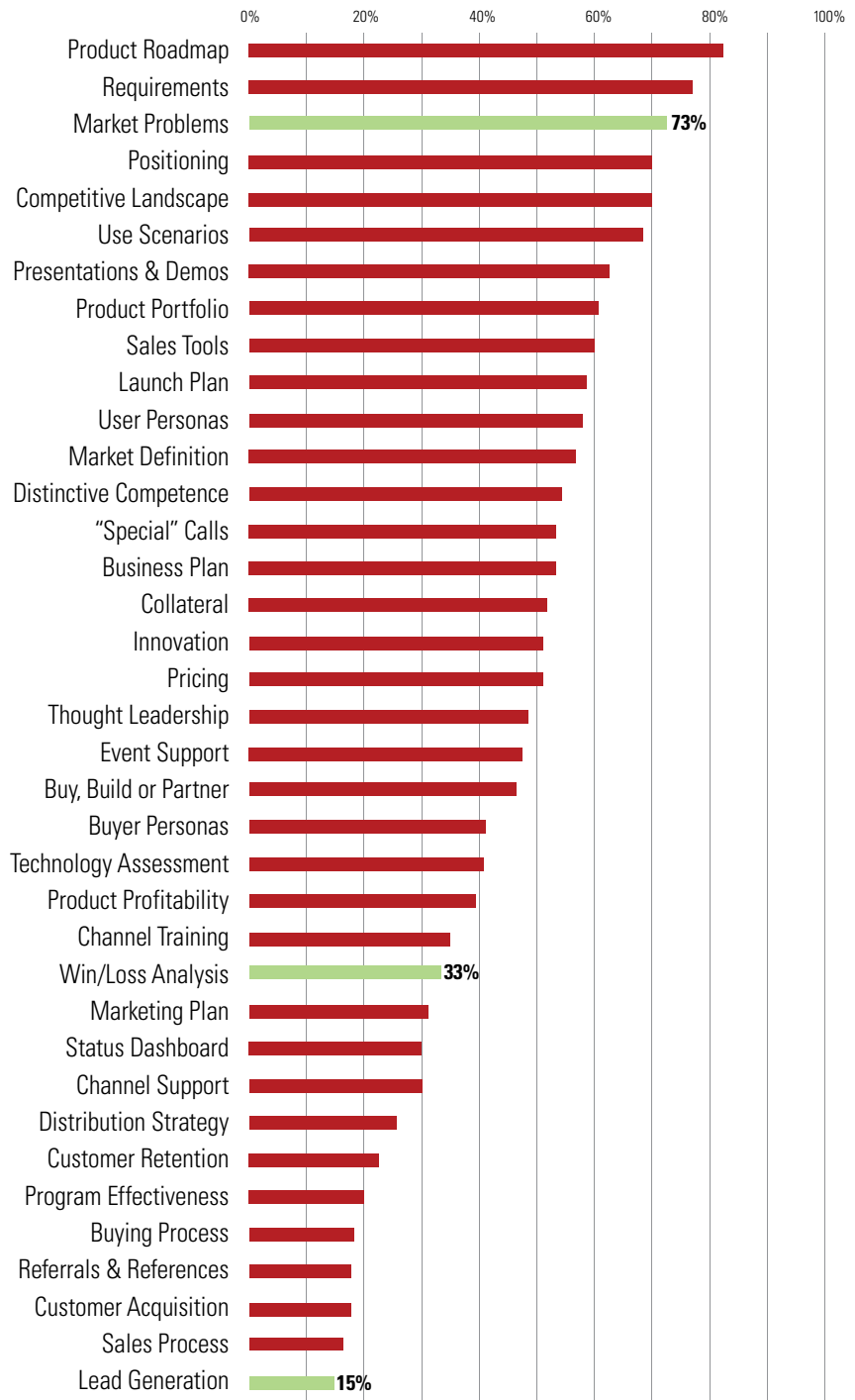




## Responsibilities and job titles

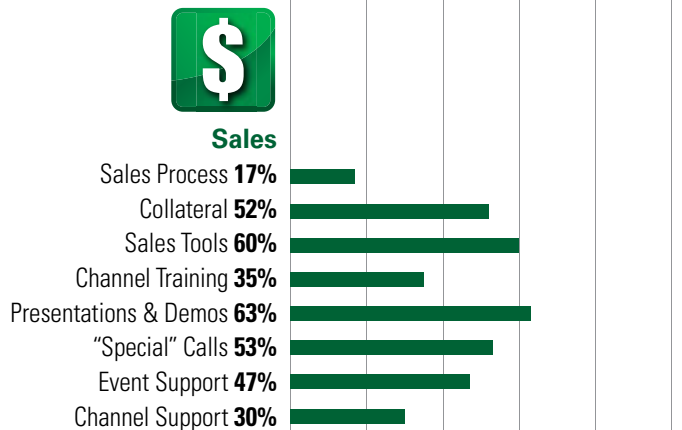
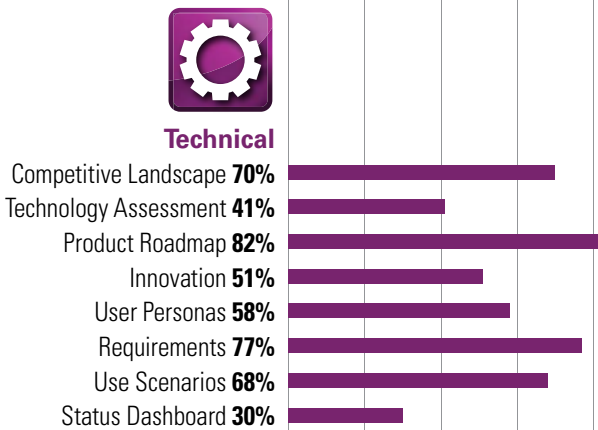
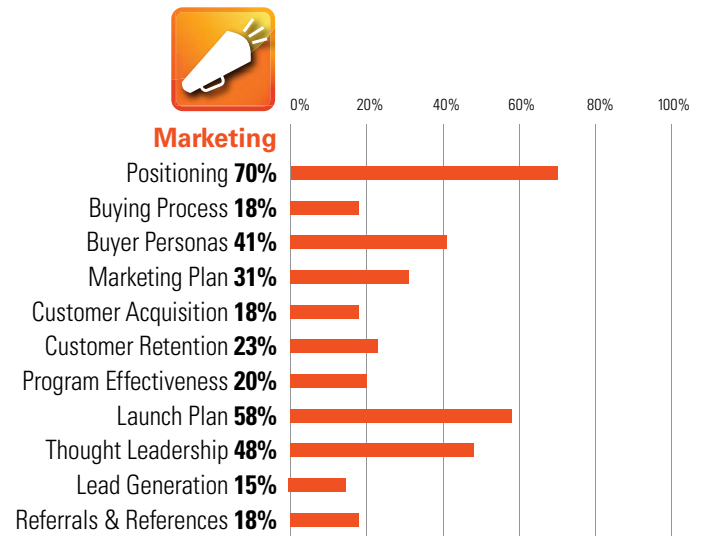
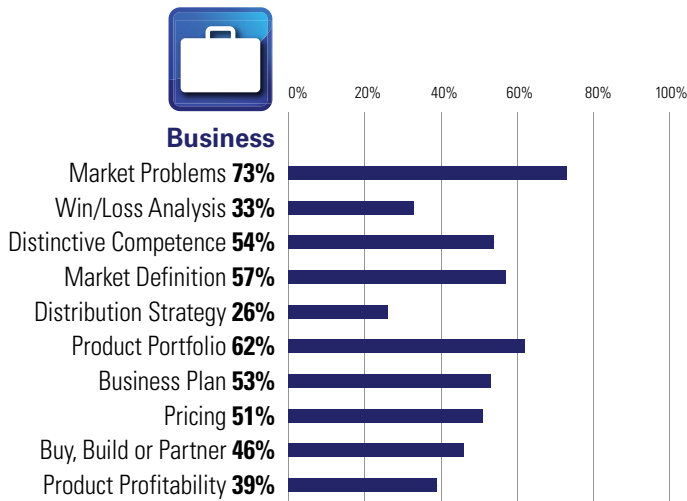
We looked at responsibilities for each of the 37 activities on the Pragmatic Marketing Framework™. So, for example, 73% of people with **product management** and **product marketing** titles claim responsibility for understanding Market Problems while only 33% claim responsibility for Win/Loss Analysis.

Here we see the activities and percentages sorted from most to least, showing “Product Roadmap,” “Requirements,” and “Market Problems” are the most common activities claimed by those with product management and product marketing titles while, at 15%, “Lead Generation” is least cited.





Here we see the same information—activities and percentages of people with **product management** and **product marketing** titles—grouped by discipline: Business, Technical, Marketing, and Sales support.



# Contrasting

## titles:

*product manager*  
and  
*product marketing manager*



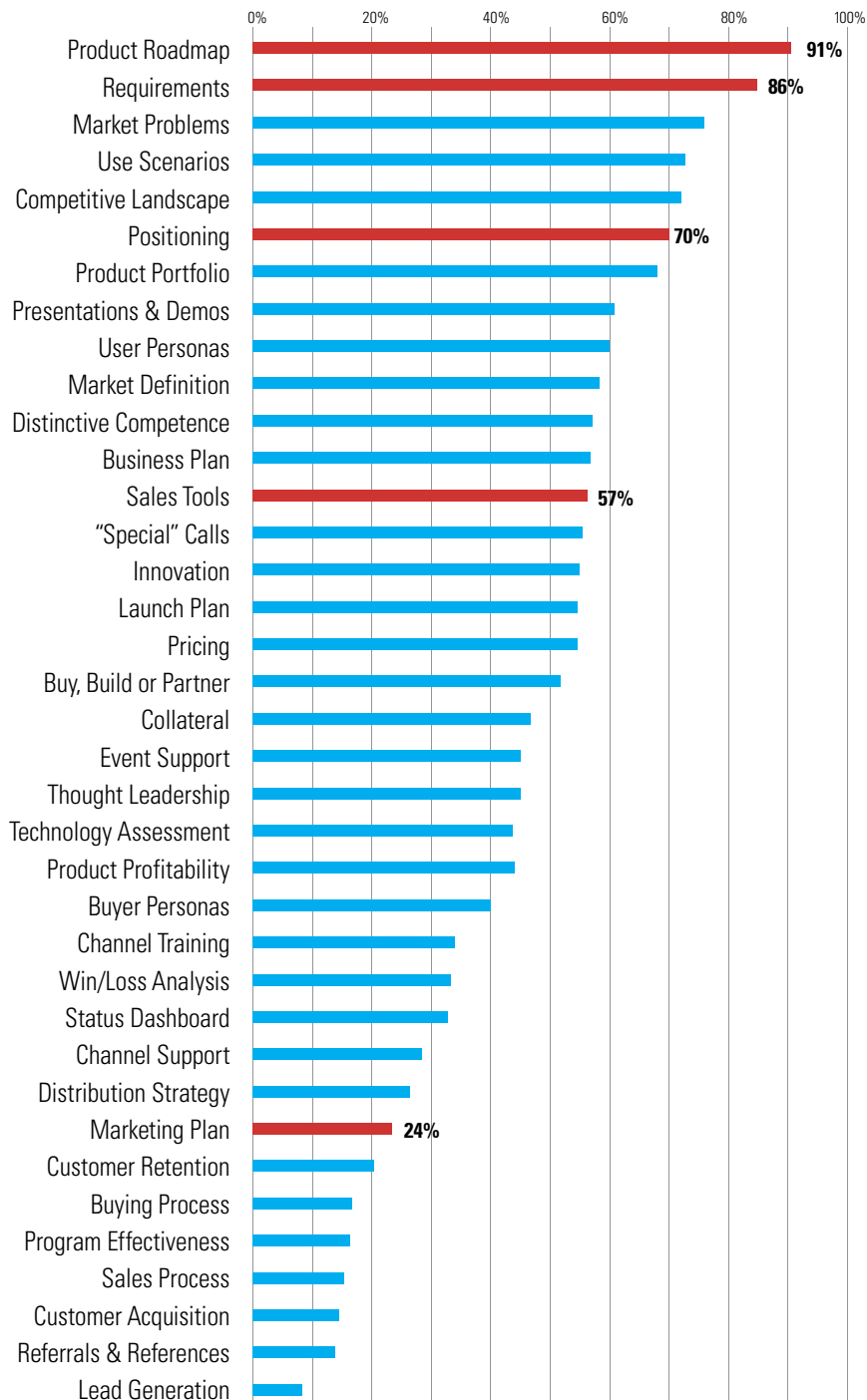
Titles are a mess in our industry. What one company calls a product manager, another calls a product marketing manager. In general, when both titles are present in one organization, product managers are focused on technical and business activities while product marketing managers are focused on go-to-market activities.



For those with a title of *product manager*, we found these responsibilities

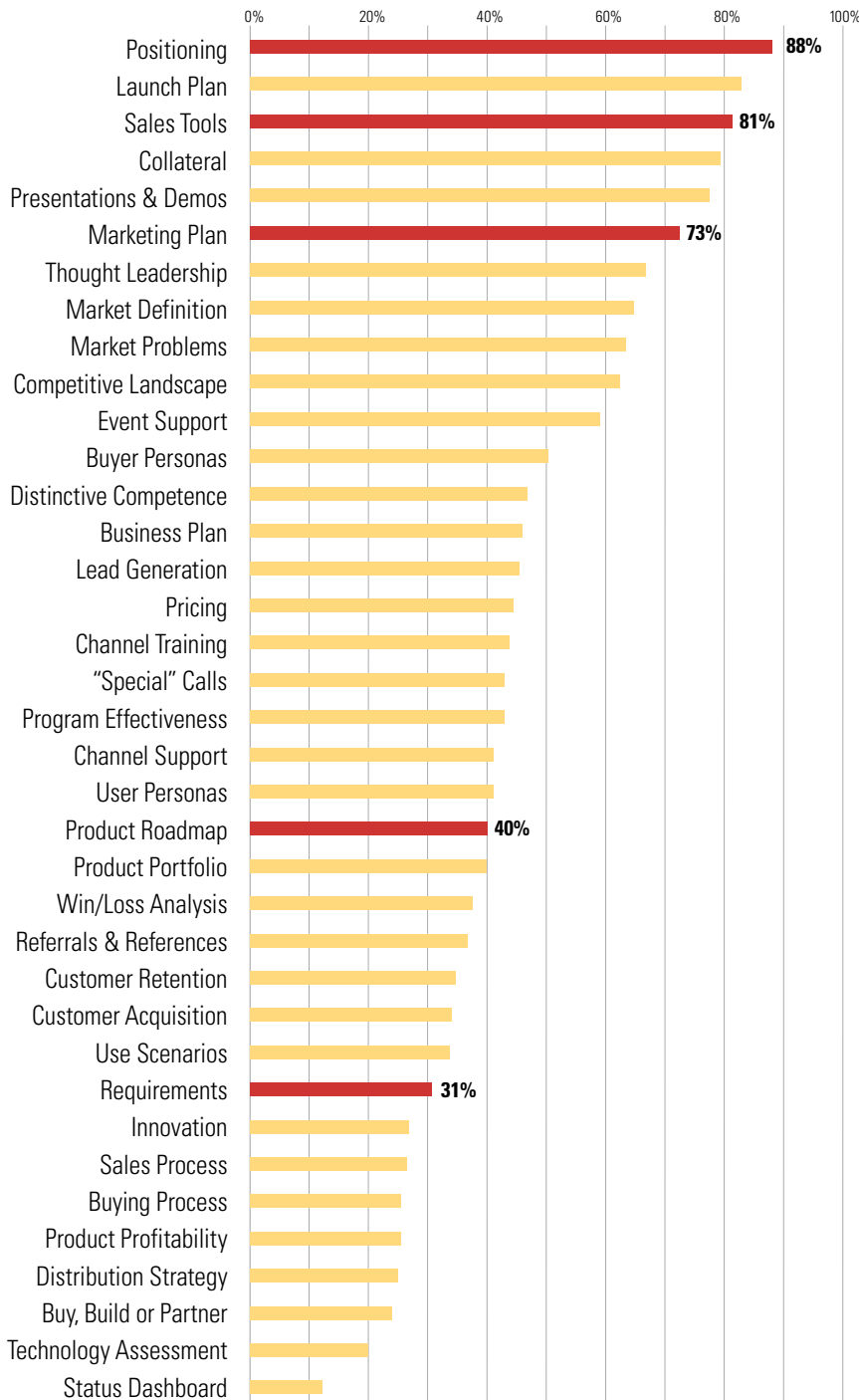
In the following charts, we've highlighted five representative documents to help contrast product management and product marketing: Product Roadmap, Requirements, Positioning, Sales Tools, and Marketing Plan.

As you can see, Product Roadmap and Requirements are the responsibility for over 80% of those with a title of *product manager*.





For those with a title of *product marketing manager*, we found these responsibilities

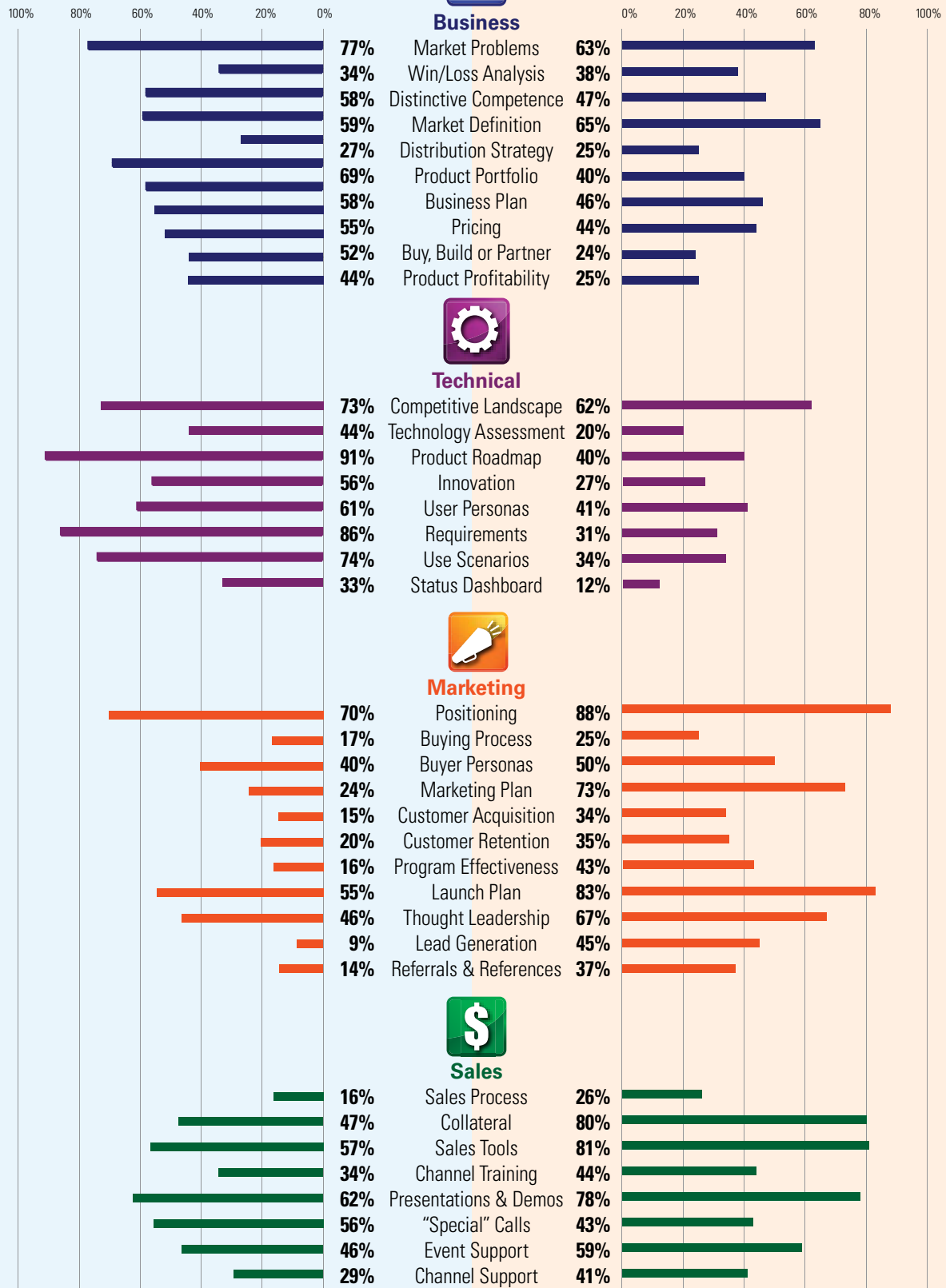


While product managers tend to focus on technical activities, *product marketing managers* are more inclined to focus on go-to-market activities. Positioning, Sales Tools, and Marketing Plan all rate greater than 70% while Product Roadmap and Requirements (which were rated very high for product managers) are less than 50% for product marketing managers.





Looking at the same data in groups, it's clear that product managers tend to focus on the technical activities shown in purple below; however 70% of product managers also claim responsibility for Positioning.





We asked, "How has your job changed over the last two years?"

#### Do more with less

- I am doing three jobs at the same time.
- A million more tasks.
- Fewer people to support my products, in all parts of the company: Marketing, Engineering and Operations.
- Fewer and fewer opportunities to get out of the office as additional layers of management were brought in.

#### Agile

- Agile has rolled out further through the company.
- Agile development teams, much more reporting to executive team.
- Development process has moved to Agile model necessitating a change in how requirements are communicated. In general I believe that this is actually more in line with the Pragmatic approach so I'm ready!

#### Good news

- Greater C-level focus on product management including additional budget and staff (a good thing).
- A lot more responsibility and new focus on growing the business.
- More market oriented with increased customer interaction.
- Far more involvement in business development.



If you could say one thing to your company president without fear of reprisal, what would you say?

- Focus the business on a few key strategic initiatives.
- Focus on the customer's problems (the "Tuned In" philosophy).
- Our short-term orientation means less focus on long-term strategies.
- We're focused more on detail and less on big picture.
- We're constantly whipsawed by the urgent needs of the next sales presentation or inside-out product idea.
- Company strategy needs to be created, communicated and measured throughout implementation.
- A strategic vision is only helpful if you stick to it. (Or at least make a very good case why the vision has changed.)
- Product expertise and industry awareness must be expected within all departments of the company.
- Allow more control from employees below upper management in doing their own jobs.
- I could do my job better if I was allowed to talk to customers.
- I could help us be more effective in marketing and product development if you would only let me.

We had 236 responses from "You're doing a great job!" to "Quit!"

- Kudos (30%)
- Need for better communication (9%)
- Need for more resources (19%)
- Need for coherent strategy (26%)
- Concerns about micromanagement (16%)

TPM



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Are your product management and marketing teams overloaded with tactical activities, spending too much time supporting Development and Sales rather than focusing on strategic issues?

## The Pragmatic Marketing Framework™



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