The Pragmatic Institute
2019 Annual Product Management and Product Marketing Survey

PRAGMATIC
INSTITUTE

LIKE ITS 18 PREDECESSORS, THE 2019 Pragmatic Institute *Annual Product Management and Product Marketing Survey* is filled with valuable, relevant data about the product management and product marketing professions.

The following pages offer a profile of today's professionals as well as insights into their day-to-day pains and gains. This year's survey also examined the effect respondents expect artificial intelligence to have on their role in the next few years (and no, no one said they're expecting robots to take their jobs).

As you read through this year's survey, note that this icon reflects responses to the question, "If you could say one thing to your CEO without fear of retribution, what would it be?" And when you see this icon, those comments reflect the open-ended responses to the question, "How do you see AI and machine learning impacting your role in the next few years?"

Inside the Profession

A total of 2,474 respondents participated in this year's survey, representing product professionals of all types and backgrounds from around the world.

Due to rounding, not all numbers in this report add to 100.

GENDER

58% | **42%**
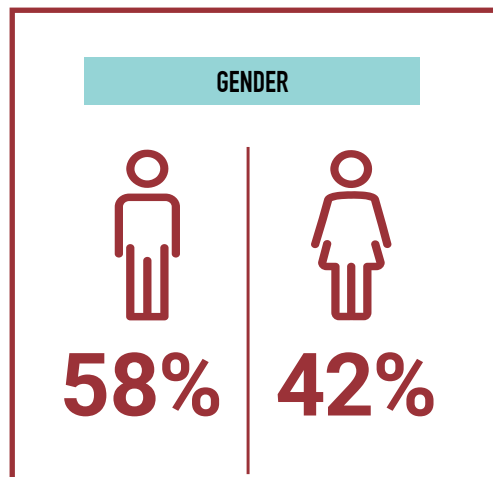
"Address the widespread gender bias that permeates the company."

– Senior Product Manager, PMC-IV

AGE

- 19–29: 9%
- 30–39: 34%
- 40–49: 34%
- 50–59: 19%
- 60+: 4%

EDUCATION

- 3% DOCTORAL DEGREE
- 40% MASTER'S DEGREE
- 43% BACHELOR'S DEGREE
- 2% ASSOCIATE DEGREE
- 1% HIGH SCHOOL DIPLOMA
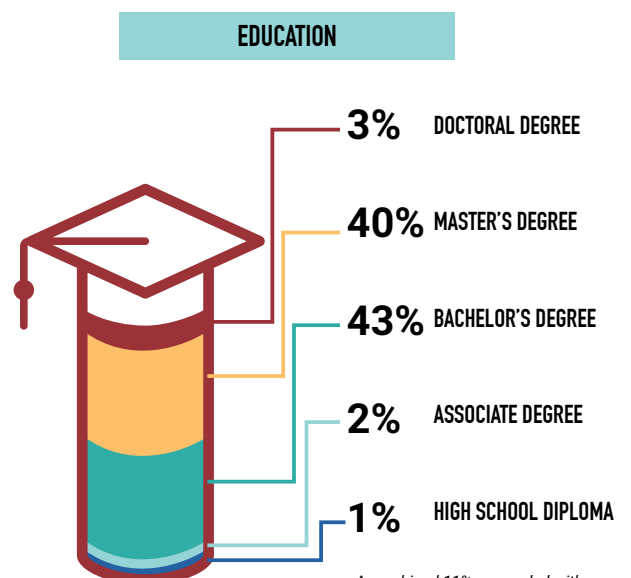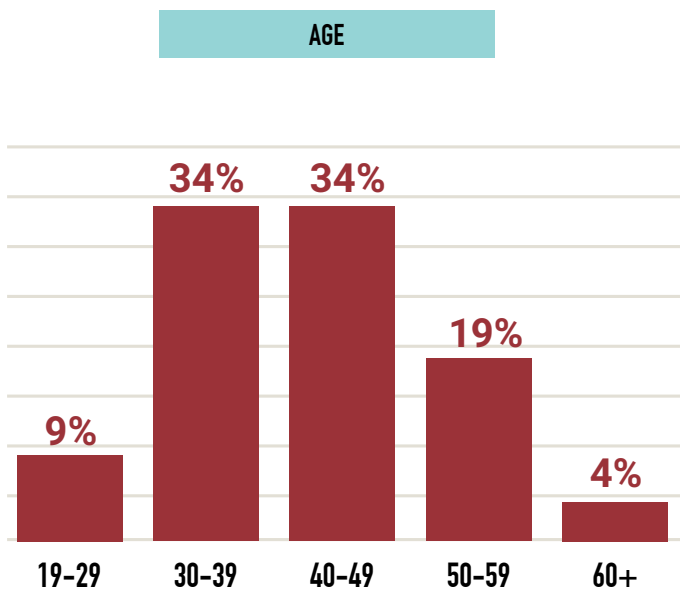
A combined 11% responded with some college or master's education

NUMBER OF PROFESSIONAL CERTIFICATIONS HELD

- 0 — 19%
- 7+ — 2%
- 4-6 — 11%
- 1-3 — 68%
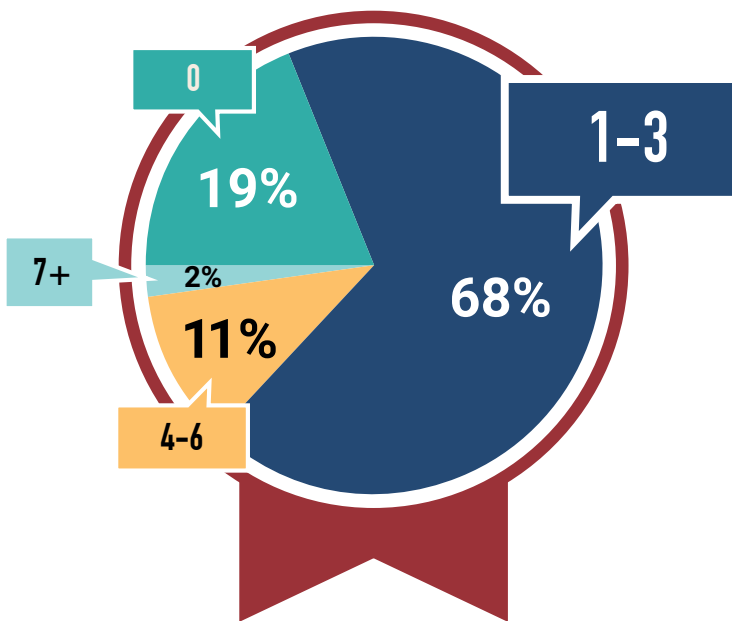
> "Educate and train product management teams to speak the same language and carry out their roles and responsibilities with the same philosophy."
>
> – Global Senior Product Manager, PMC-II

PRAGMATIC INSTITUTE CERTIFICATION (PMC) LEVEL

- PMC- VI — 15%
- PMC-V — 7%
- PMC-IV — 10%
- PMC-III — 40%
- PMC-II — 14%
- PMC-I — 14%

PRAGMATIC INSTITUTE
PMC
MANAGEMENT CERTIFICATION
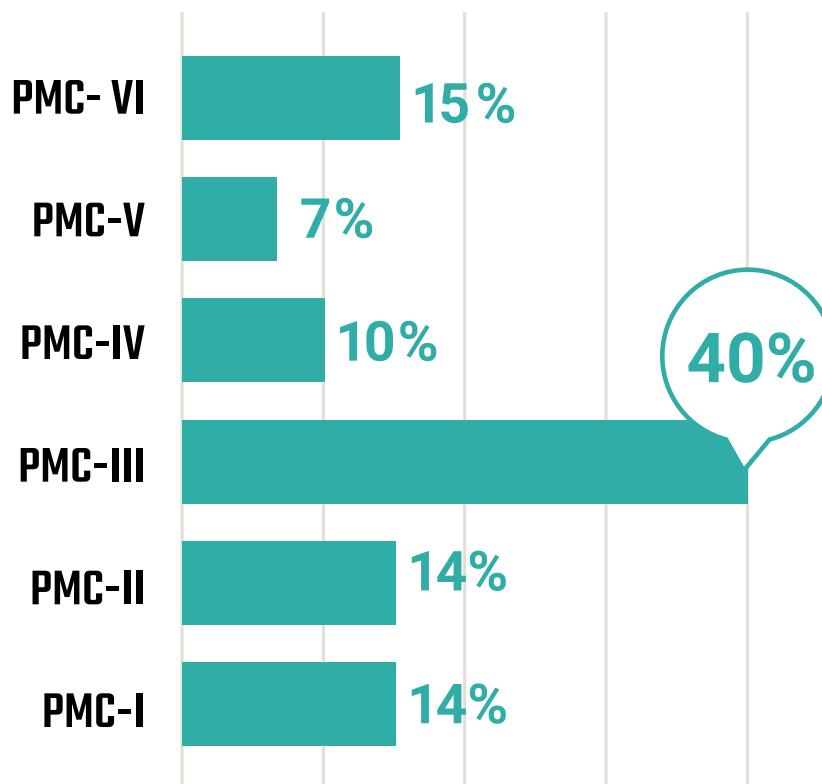
DID YOU KNOW?

Companies searching for product professionals on websites like Indeed and Monster.com frequently look for candidates with a PMC-III certification or higher. In 2019, Pragmatic Institute introduced the **PMC-VII certification**.

PROFILE OF THE PROFESSION

YEARS OF PRODUCT EXPERIENCE

33% 0 TO 4
26% 5 TO 9
16% 10 TO 14
11% 15 TO 19
13% 20 OR MORE

YEARS

ROLE WITHIN DEPARTMENT

INDIVIDUAL CONTRIBUTOR 65%
DEPARTMENT HEAD 27%
EXECUTIVE 9%

PARTICIPATING REGIONS

NORTH AMERICA 81% | **EUROPE** 13% | **ASIA** 4% | **OCEANIA** 2%

Africa, South America and Central America are omitted because the number of responses did not meet the minimum sample size.

PARTICIPATING U.S. STATES

CALIFORNIA 14% **TEXAS** 9% **MASSACHUSETTS** 7%

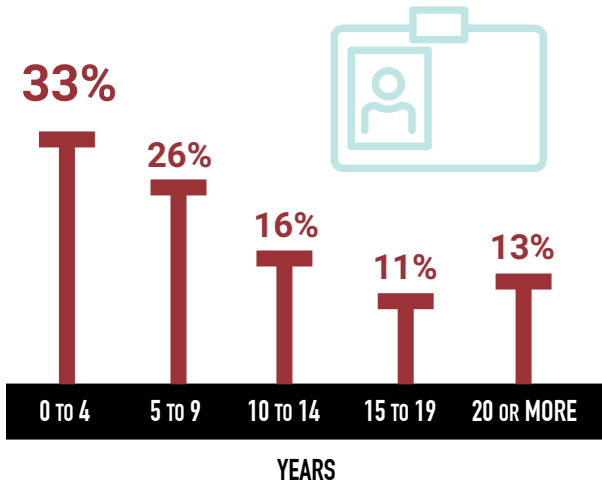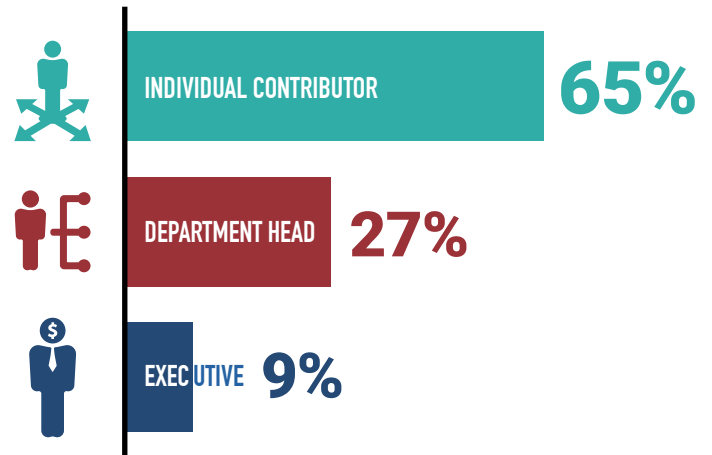| State	%	State	%	State	%	State	%	State	%
Alabama	1%	Georgia	4%	Massachusetts	7%	New Jersey	3%	Tennessee	1%
Arizona	2%	Idaho	1%	Michigan	2%	New York	3%	Texas	9%
California	14%	Illinois	5%	Minnesota	5%	North Carolina	4%	Utah	3%
Colorado	5%	Indiana	1%	Missouri	1%	Ohio	3%	Virginia	2%
Connecticut	1%	Iowa	1%	Nebraska	1%	Oregon	3%	Washington	4%
District of Columbia	1%	Kansas	1%	Nevada	1%	Pennsylvania	4%	Wisconsin	2%
Florida	3%	Maryland	1%	New Hampshire	1%	South Carolina	1%		

Alaska, Arkansas, Delaware, Hawaii, Kentucky, Louisiana, Maine, Montana, New Mexico, Oklahoma, Rhode Island, South Dakota and Vermont are omitted because the number of responses did not meet the minimum sample size. Other states not listed had zero respondents reporting residence.

TECHNICAL SKILL

VERY TECHNICAL **25%**

SOMEWHAT TECHNICAL **66%**

NOT TECHNICAL **9%**

B2B VS. B2C

B2B 80%

B2C 10%

ABOUT EQUAL 9%
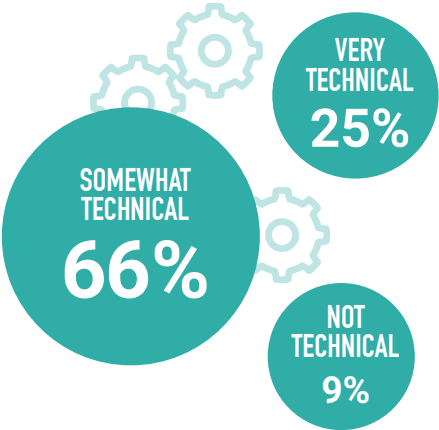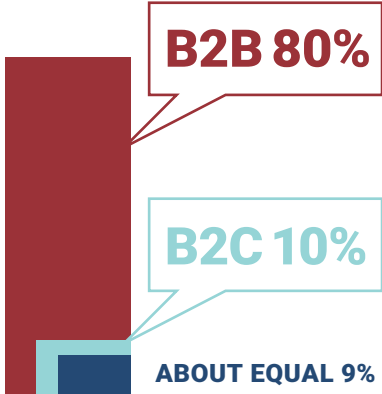
TYPES OF PRODUCTS OFFERED

SOFTWARE		**82%**
PROFESSIONAL SERVICES OR CONSULTING		**56%**
HOSTED OR CLOUD SERVICES		**52%**
HARDWARE		**27%**

PRODUCTS AND REVENUE

NUMBER OF PRODUCTS MANAGED

1 TO 10 **86%**

11 TO 20 **7%**

21 TO 30 **2%**

31 TO 40 **1%**

41 TO 50 **1%**

51 < **3%**
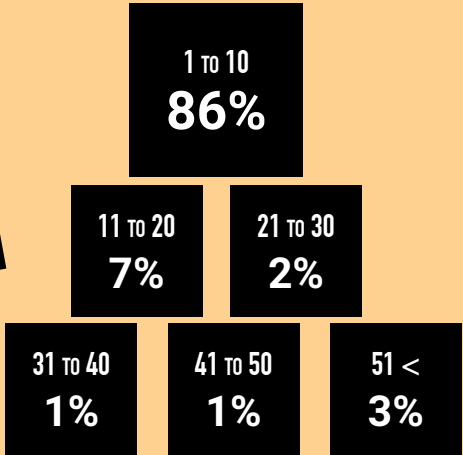
> "Focusing on near-term revenue opportunities is hurting our long-term product strategy."
>
> — Senior Product Manager
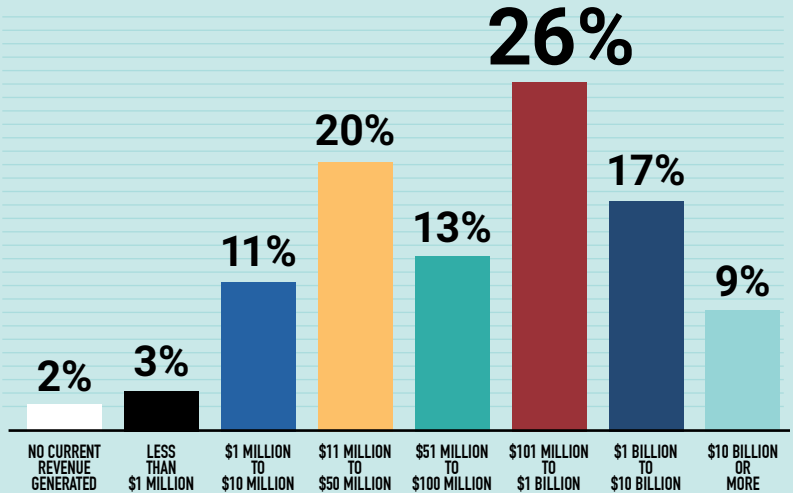
> "Focus on employees, help them pursue excellence, and the money will follow."
>
> — Director, Product Management, PMC-III

ANNUAL REVENUE

NO CURRENT REVENUE GENERATED	LESS THAN $1 MILLION	$1 MILLION TO $10 MILLION	$11 MILLION TO $50 MILLION	$51 MILLION TO $100 MILLION	$101 MILLION TO $1 BILLION	$1 BILLION TO $10 BILLION	$10 BILLION OR MORE
2%	3%	11%	20%	13%	26%	17%	9%

The Pains and Gains

One recurring theme in this year's survey is product professionals' ongoing frustration at spending more hours in their week working on tactics rather than strategy.

THERE'S NEVER BEEN ENOUGH STRATEGIC WORK DONE, according to Nancy Rourke, PMC-IV, vice president of product and business development at LIMSABC Technology who has more than 20 years of experience in product management. "There are a lot of factors—a lot of people don't know what our role is," she said. "Often, it's hard to sell long-term strategy to the boss."

The good news is, respondents spent more time on strategic activities this year than last year. Still, the reported split was 27% strategic vs. 73% tactical—well below the desired state.

Finding the right balance is "mission impossible," said Stephane Blondin, vice president of product management and marketing for Presagis, the Canadian provider of modeling, simulation and embedded display graphics software.

"There is not a single day that goes by when a single product manager will feel on top of strategic vs. tactical. People expect a magic answer—which feature will have the greatest impact on the company's profits. There is both art and science in these kinds of decisions," he said. "The struggle of strategic vs. tactical is at the core of product management. If you can't wear both hats, you will have trouble being a product manager."

Flexibility also is critical, according to Adrian Makohon, PMC-II, head of product management for Germany-based PRISMA GmBH, which builds and manages capacity platforms for natural gas throughout Europe. He compared product managers to firefighters. "We have to jump in to respond to different situations," he said. "It helps establish our place in the company."

And being able to think strategically often is "a question of carving out time for yourself," he continued. "Sometimes you need to be quite ruthless about it."

Laurie McBrierty, a consultant who spent 15 years as a vice president of product management in various healthcare-related businesses, agreed it's up to the product manager to establish time for strategic thinking. She used to allot two hours per week for her product managers to be totally free to think strategically.
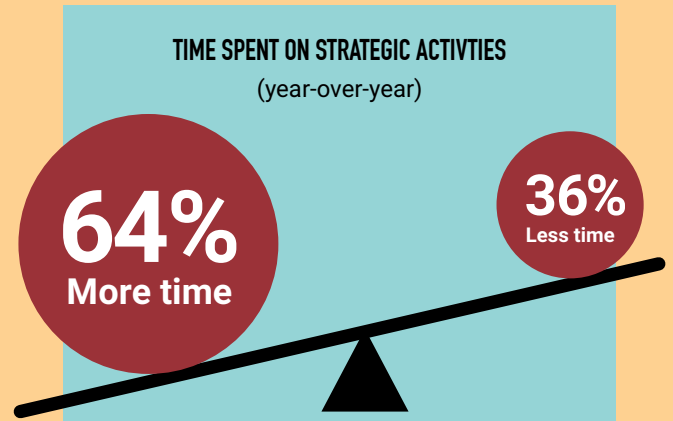
"If you don't set aside the time, the tactical will always win out," she said. "Product managers owe it to themselves to take the time. Take responsibility, don't play the victim. If you aren't getting the time, you need to have a conversation with your manager."

TIME SPENT ON STRATEGIC ACTIVTIES
(year-over-year)

64% More time

36% Less time

ACTUAL TIME SPENT ON STRATEGIC VS. TACTICAL ACTIVITIES

STRATEGIC
The things that help you find the next market, the next product or the next innovation

TACTICAL
The things that help with current business issues

27%

73%

Even as respondents reported spending only 27% of their time on strategic activities, they believe *they should be spending* 53% of their time on them.

HOURS WORKED IN A TYPICAL WEEK

A line chart titled "Hours Worked in a Typical Week" with y-axis labeled PERCENT (0–100) and x-axis labeled HOURS with categories: LESS THAN 40, 40 TO 49, 50 TO 59, 60 OR MORE.

Legend:
- INDIVIDUAL CONTRIBUTOR
- DEPARTMENT HEAD
- EXECUTIVE

Labeled values: 65%, 45%, 42%

STRATEGIC AND TACTICAL BY ROLE

Average percent of time respondents *believe should be spent* on both strategic and tactical activites

	STRATEGIC	TACTICAL
INDIVIDUAL CONTRIBUTOR ▶	51%	49%
DEPARTMENT HEAD ▶	56%	44%
EXECUTIVE ▶	60%	40%

"Allow product to be more strategic and solicit input from the market rather than allow business to dictate solutions."

— Senior Product Manager, PMC-III

"Allow us time to do our research and our work to deliver on the outcomes you require and accurately and completely solve market problems with our product."

— Product Manager, PMC-VI

"Be suspicious of product managers who spend more time with PowerPoint than with customers."

— Manager, Product Management, PMC-III

How many hours product professionals spend each month on activities

CREATING AND MONITORING GO-TO-MARKET PROGRAMS

Identifying customer referrals and references
1

Ensuring all departments are prepared for external product launch
6

Defining plans and budgets for selling products to new customers
2

Defining plans and budgets for ensuring customer loyalty
2

Measuring and tuning product marketing plans to ensure alignment with corporate goals
3

CREATING PRODUCT STRATEGIES FOR THE ORGANIZATION'S PRODUCTS

Planning and communicating your product roadmap
10

Analyzing market segments to support current and future business
7

OFFICE AND ADMINISTRATIVE TASKS

Managing email
25

Attending meetings
40

ASSISTING THE SALES CHANNEL WITH PRODUCT AND MARKET EXPERTISE

Personally delivering product information in support of existing sales efforts
5

Producing standard product presentations and demo scripts
5

ENSURING THE SALES CHANNEL'S ABILITY TO SELL AND SUPPORT PRODUCTS

Creating or delivering training programs to teach the sales channel how to sell your product
3

Creating sales collateral for your target buyer audience
6

Creating sales tools for your sales channel throughout the sales process
4

CONNECTING BUSINESS PLANS WITH THE TEAMS THAT DEVELOP AND DELIVER SOLUTIONS

Researching and documenting the buying process your target personas use
4

Articulating and prioritizing product requirements to development
18

Leveraging Artificial Intelligence

THERE MAY BE A LIGHT AT THE END OF THE STRATEGIC TUNNEL as more organizations look to artificial intelligence and machine learning to improve the way work is done. This year's survey introduced a new question, "How do you see AI and machine learning impacting your role in the next few years?"

Overall responses indicate that AI and machine learning will solve for repetitive and tactical duties, thus freeing brain power for strategic thinking.

"With AI, we can spend less time on the routine and more time focusing on developing meaningful strategies," said Lisa Quinn, director of global product marketing for inRiver, an international provider of SaaS-based product information management systems. "It will enable us to be closer to our customers and capture a larger share of their wallets."

Nick Benecke, a product manager at an Australian digital media and advertising company, said AI is the perfect tool for providing scale in a digital transformative age.

"It can help us look for patterns in the data we've gathered and makes for much more valuable requirements for product enhancements," he said.

AI can also eliminate built-in human bias, said Greg Council, vice president of marketing and product management for Parascript, a document automation business.

"It can provide more accurate information than surveys—people are in a different mindset when they take a survey than they are while performing a task. They don't remember things accurately," he said. "Therefore, a survey wouldn't be as accurate as AI-generated data. Observation is valuable but is a huge expense and is time-consuming. AI can work all the data then develop and present insights."

However, it will be important to balance the integration of AI and machine learning in a way that makes sense for the business.

"An old company I used to work for violated something that I learned at Pragmatic and I worry that it might be the same with AI," said LIMSABC Technology's Nancy Rourke. "Instead of developing a product outside-in, they were thinking inside-out. 'Here's a shiny new toy. Now figure out how to sell it.' But it should be the opposite—find a problem to solve using our technology."

Ultimately, the intelligent use of AI likely will determine the market strength of the business.

"AI will separate those who have invested in tech and those who have not," said Ross Reynolds, PMC-I, vice president of product marketing for Marketly, a Bay Area media and software company. "Going forward, players who have made investments into data analytics will be comparable. The difference will be those who develop strategic uses."

The term "augment" came up frequently in relation to how AI will affect respondents' jobs. "AI will not replace product managers," said PRISMA's Adrian Makohon. "It is a set of tools that will augment what we do."

That augmentation will assist across a variety of functions. For example, it can examine different data points to identify outliers, markets that haven't been identified or things like patterns in recorded conversations that may not have otherwise been seen. With AI, "humans will have the capacity to free up time," said Agile Coach Rob Shea, PMC-VI. "Time to problem solve, show empathy."

At the same time, it's important to remember to focus on the human factor. "It's the people, leadership, vision and execution that will determine how well you perform," Shea said. "5% is the hard skills, data and science. All the rest of it—the squishy stuff—will determine if you make a dent in the market."

> "I see AI and ML making it much easier for me to spot trends, identify potential risks and quantify opportunities. The hardest part of these exercises is gathering, collating and culling the data needed to conduct the exercises in the first place!"
> — Senior Product Manager, PMC-III

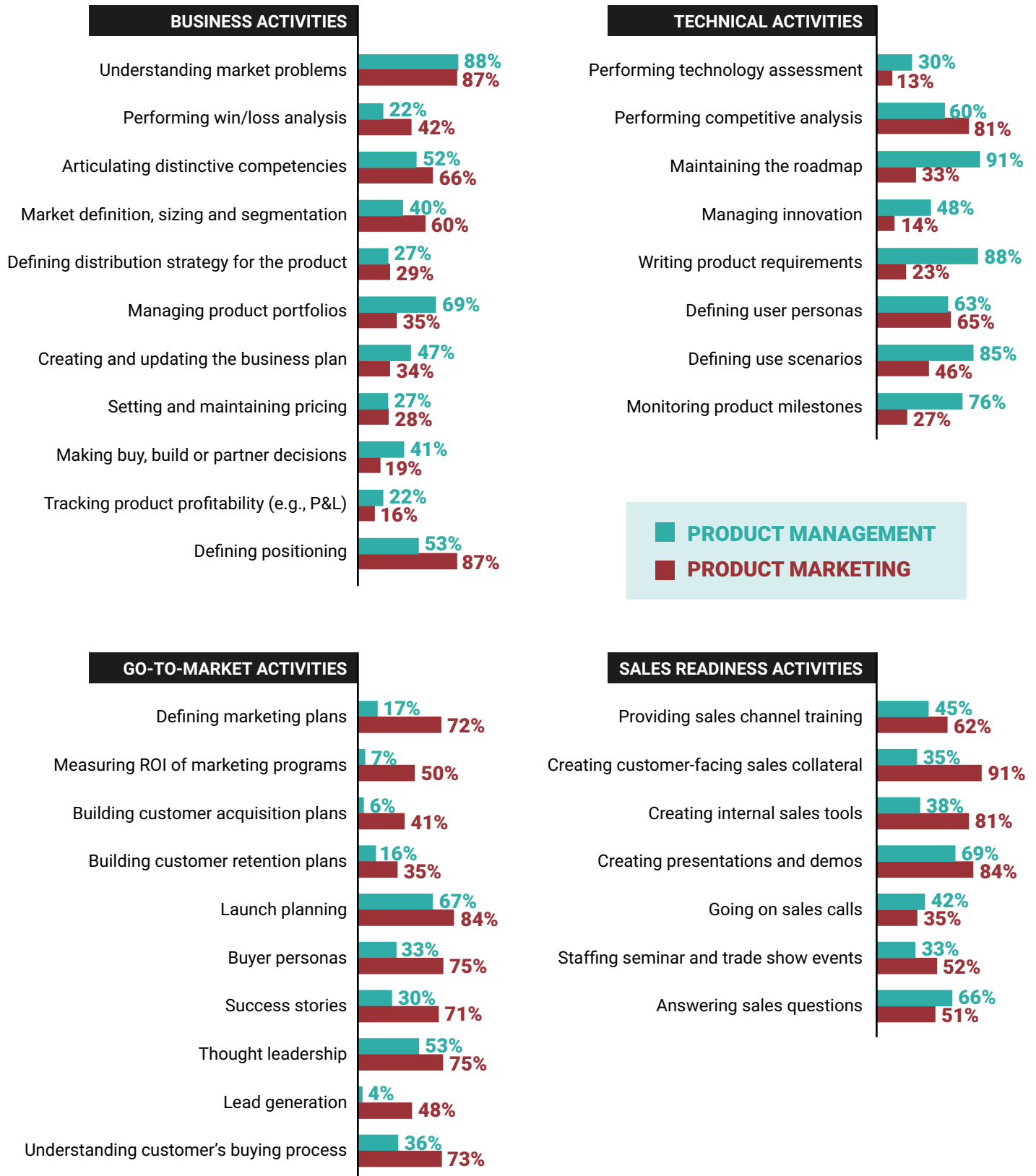> "Providing more user/customer insights via data usage patterns that can help guide customer research and market insights/trends. Helping product leaders to spot new market problems or design retention plans."
> — Director of Marketing, PMC-II

> "With the proper implementation of AI we can flip the 80/20 model from 80% tactical to 80% strategic."
> — Product Manager

Activities

Despite AI's abilities, it won't replace product professionals. Rather, it will develop areas where the astute product professional who knows how to use it will have that "aha" moment.

BUSINESS ACTIVITIES

Activity	Product Management	Product Marketing
Understanding market problems	88%	87%
Performing win/loss analysis	22%	42%
Articulating distinctive competencies	52%	66%
Market definition, sizing and segmentation	40%	60%
Defining distribution strategy for the product	27%	29%
Managing product portfolios	69%	35%
Creating and updating the business plan	47%	34%
Setting and maintaining pricing	27%	28%
Making buy, build or partner decisions	41%	19%
Tracking product profitability (e.g., P&L)	22%	16%
Defining positioning	53%	87%

TECHNICAL ACTIVITIES

Activity	Product Management	Product Marketing
Performing technology assessment	30%	13%
Performing competitive analysis	60%	81%
Maintaining the roadmap	91%	33%
Managing innovation	48%	14%
Writing product requirements	88%	23%
Defining user personas	63%	65%
Defining use scenarios	85%	46%
Monitoring product milestones	76%	27%

■ PRODUCT MANAGEMENT
■ PRODUCT MARKETING

GO-TO-MARKET ACTIVITIES

Activity	Product Management	Product Marketing
Defining marketing plans	17%	72%
Measuring ROI of marketing programs	7%	50%
Building customer acquisition plans	6%	41%
Building customer retention plans	16%	35%
Launch planning	67%	84%
Buyer personas	33%	75%
Success stories	30%	71%
Thought leadership	53%	75%
Lead generation	4%	48%
Understanding customer's buying process	36%	73%

SALES READINESS ACTIVITIES

Activity	Product Management	Product Marketing
Providing sales channel training	45%	62%
Creating customer-facing sales collateral	35%	91%
Creating internal sales tools	38%	81%
Creating presentations and demos	69%	84%
Going on sales calls	42%	35%
Staffing seminar and trade show events	33%	52%
Answering sales questions	66%	51%

TIME SPENT ENGAGING CUSTOMERS AND EVALUATORS

HOURS PER MONTH

Legend:
- Interviewing customers
- Interviewing untapped potential customers
- Conducting win/loss analyses of recent evaluators

16 to 20
- 5%
- 1%
- 1%

11 to 15
- 2%
- 0%
- 0%

6 to 10
- 16%
- 4%
- 4%

1 to 5
- 37%
- 21%
- 25%

0
- 37%
- 73%
- 68%

> Customer and evaluator feedback is critical for making market-driven decisions. Yet the vast majority of respondents spend less than 5 hours a month gathering feedback.

> "Adequate staffing is critical for the future potential of the business."
>
> — Product Manager, PMC-II
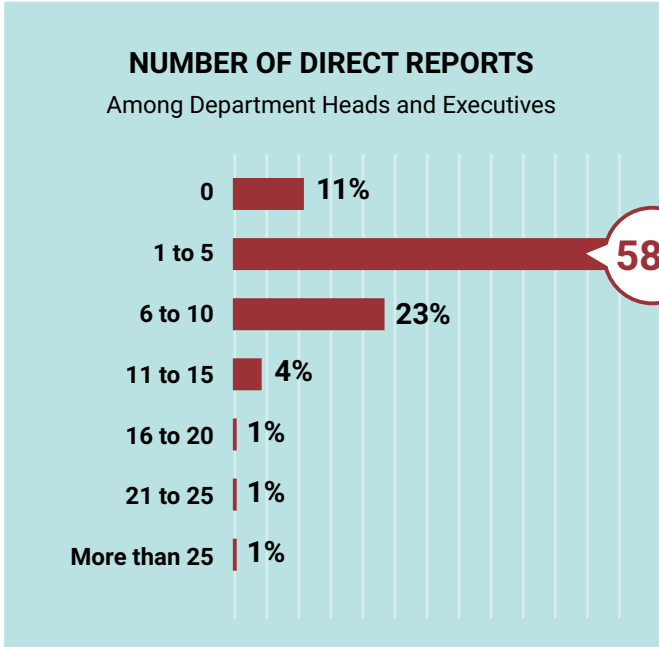
EMPLOYEES BY DEPARTMENT

For every **ONE** product manager there is:

Department	Count
Engineers/developers	7.1
Salespeople	5.3
Sales engineers or pre-sales consultants	1
Engineering/development manager	1
Quality assurance	0.9
Project management	0.6
Product marketing	0.4
Business/systems analyst	0.4
Product-level architects or designers	0.4
Marketing communications	0.3
Product owners	0.3
UI/UX/human computing designers	0.2
Data scientists	0.2

NUMBER OF DIRECT REPORTS

Among Department Heads and Executives

- 0 — 11%
- 1 to 5 — 58%
- 6 to 10 — 23%
- 11 to 15 — 4%
- 16 to 20 — 1%
- 21 to 25 — 1%
- More than 25 — 1%

> "For the past several years we have achieved our goals. Please realize that we also need a significant increase in staffing to continue to support such aggressive growth targets."
>
> — Product Manager

Salary

WHEN LOOKING AT HOW PAY STACKS UP IN THIS YEAR'S SURVEY, it's important to remember that several factors affect employers' compensation plans. Company characteristics like industry, size and its philosophy about why it pays what it pays all factor in—and ignoring those company-specific factors can produce misleading generalizations, according to Catherine Hartmann, a compensation expert with global consulting firm Willis Towers Watson.

"We are finding more and more that an employer's compensation philosophy influences where the numbers come out," Hartmann said. "They are thinking more strategically with their compensation."

Overall, Hartmann said the numbers in this year's survey follow national trends. The overall average salary was $120,633, with male respondents averaging $126,044 and female respondents averaging $112,189. All salaries shown are in U.S. dollars.

> "Empower women in this company. Empower young leaders. Empower the product team beyond having a weekly meeting with us."
>
> — Product Manager, PMC-III

AVERAGE SALARY BY GENDER

$126K | **$112K**
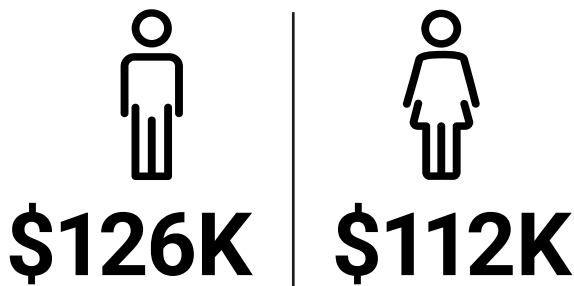
> "Align compensation based on value a product manager brings and spend more on marketing activities."
>
> — Market Owner, PMC-IV

SALARY BREAKDOWN

MALE   **FEMALE**

	$0 to $100K	$101K to $149K	$150K or more
FEMALE	46%	40%	14%
MALE	39%	30%	31%
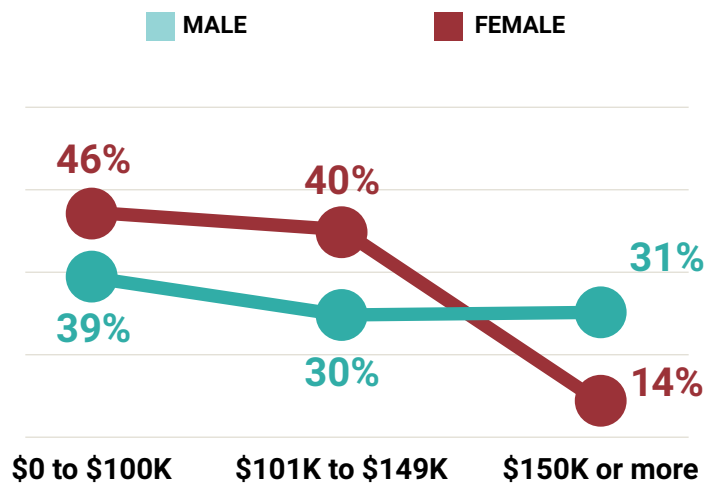
SALARY BY ACTIVITIES

Average salary based on where respondents spend the majority of their time
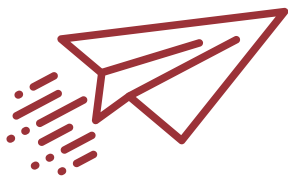
Creating and executing go-to-market strategies for products (e.g., working with sales and marketing, channel support)

$118,571

Deciding what should go in products (e.g., gathering requirements from the market, prioritizing, working with development)

$117,829

> "Focus on the product rather than getting caught up in the politically correct trend of the day."
>
> — Product Manager-Aftermarket Marketing

SALARY BY STATE

As with most professions, salaries average higher on the coasts, with Massachusetts ($153,200), California ($151,500) and Connecticut ($150,000) le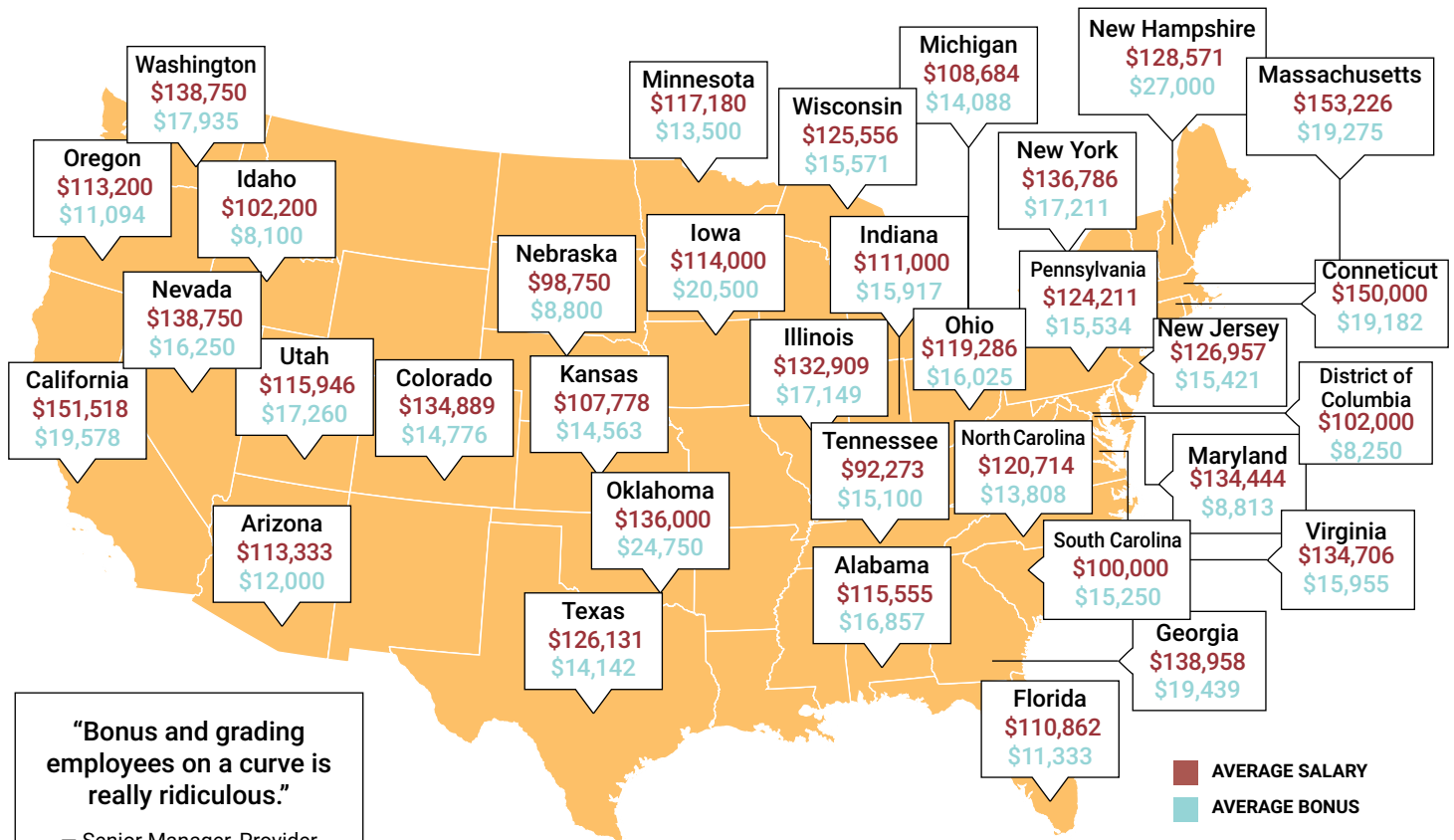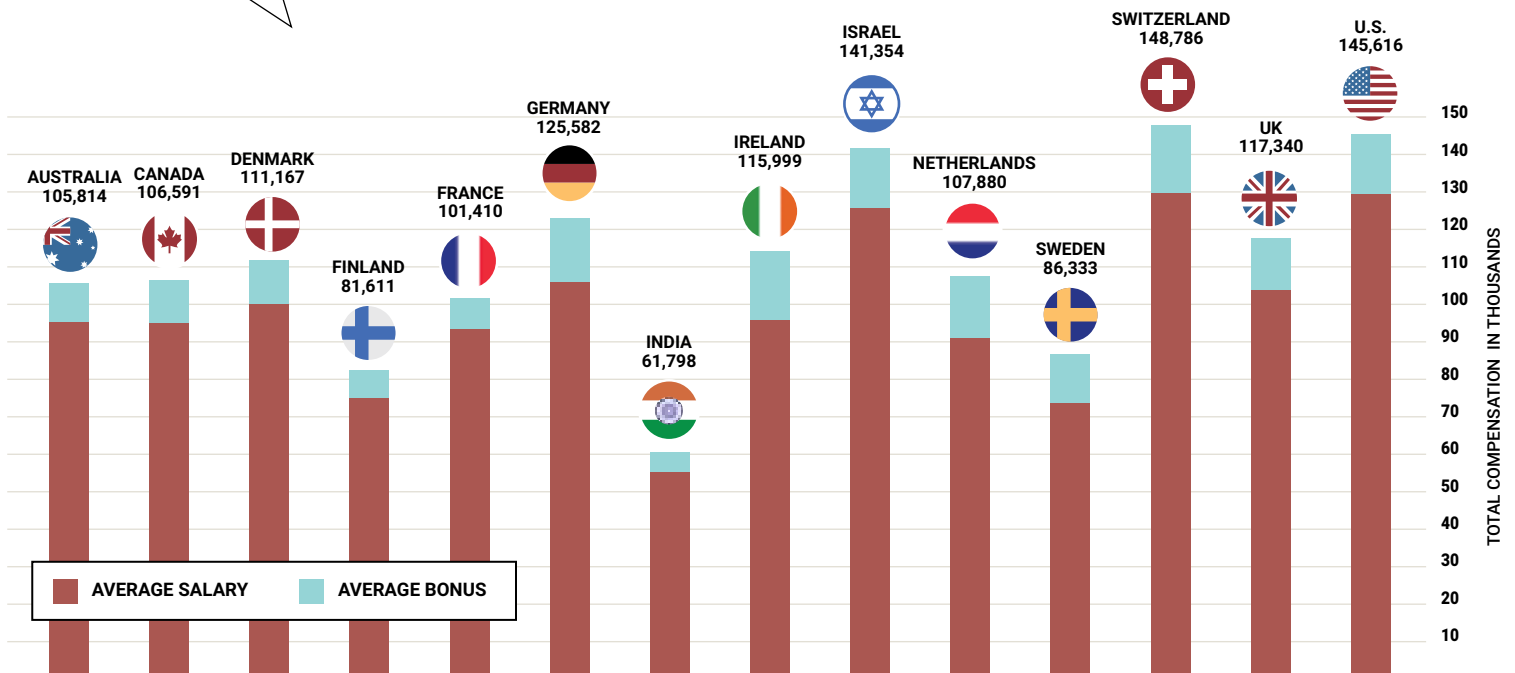ading the way. Hartmann said there are some hot spots inland, such as Dallas, Houston, Austin and Denver. "Generally, it takes only one or two high-paying companies entering the market to cause a hot spot," she said.

Washington
$138,750
$17,935

Oregon
$113,200
$11,094

Idaho
$102,200
$8,100

Nevada
$138,750
$16,250

Utah
$115,946
$17,260

California
$151,518
$19,578

Colorado
$134,889
$14,776

Arizona
$113,333
$12,000

Nebraska
$98,750
$8,800

Kansas
$107,778
$14,563

Oklahoma
$136,000
$24,750

Texas
$126,131
$14,142

Minnesota
$117,180
$13,500

Iowa
$114,000
$20,500

Wisconsin
$125,556
$15,571

Michigan
$108,684
$14,088

Illinois
$132,909
$17,149

Indiana
$111,000
$15,917

Ohio
$119,286
$16,025

Tennessee
$92,273
$15,100

North Carolina
$120,714
$13,808

Alabama
$115,555
$16,857

South Carolina
$100,000
$15,250

Florida
$110,862
$11,333

Georgia
$138,958
$19,439

New Hampshire
$128,571
$27,000

Massachusetts
$153,226
$19,275

New York
$136,786
$17,211

Pennsylvania
$124,211
$15,534

New Jersey
$126,957
$15,421

Conneticut
$150,000
$19,182

District of Columbia
$102,000
$8,250

Maryland
$134,444
$8,813

Virginia
$134,706
$15,955

- ■ AVERAGE SALARY
- ■ AVERAGE BONUS

> "Bonus and grading employees on a curve is really ridiculous."
>
> — Senior Manager, Provider Portfolio Marketing, PMC-III

SALARY BY COUNTRY

AUSTRALIA 105,814
CANADA 106,591
DENMARK 111,167
FINLAND 81,611
FRANCE 101,410
GERMANY 125,582
INDIA 61,798
IRELAND 115,999
ISRAEL 141,354
NETHERLANDS 107,880
SWEDEN 86,333
SWITZERLAND 148,786
UK 117,340
U.S. 145,616

TOTAL COMPENSATION IN THOUSANDS

150
140
130
120
110
100
90
80
70
60
50
40
30
20
10

- ■ AVERAGE SALARY
- ■ AVERAGE BONUS

SALARY BY EDUCATION
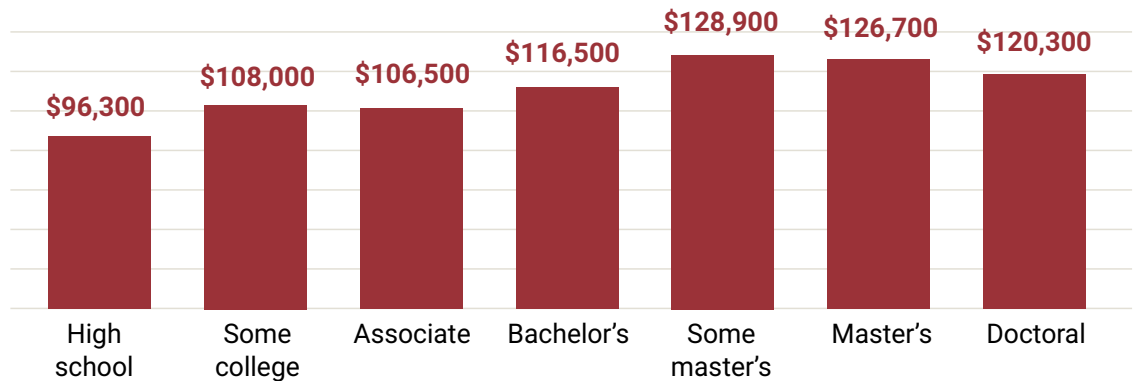
There also is a difference in pay from the lowest level of education in the survey to the highest-paying category. Respondents with completed master's degrees averaged slightly less than those with "some master's," while doctorates averaged about $8,000 less— possibly affected by a smaller sample size.

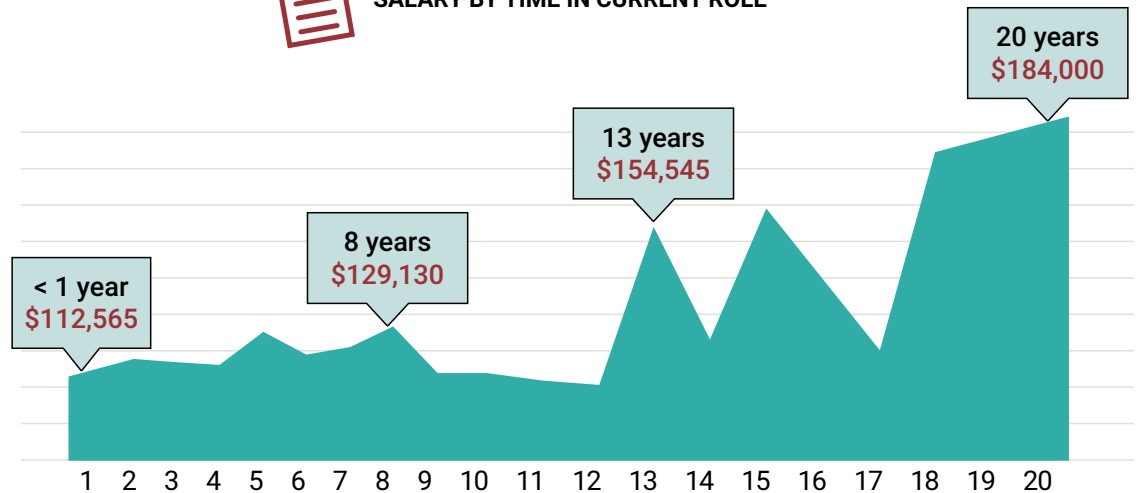| High school	Some college	Associate	Bachelor's	Some master's	Master's	Doctoral
$96,300	$108,000	$106,500	$116,500	$128,900	$126,700	$120,300

SALARY BY TIME IN CURRENT ROLE

Average salary based on number of years in current role

Not surprisingly, there is a sizeable difference from respondents new to their current role to those who have been in their position the longest.

< 1 year $112,565

8 years $129,130

13 years $154,545

20 years $184,000

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20

THE MORE PEOPLE ARE PAID, THE MORE SATISFIED THEY ARE:

"Total rewards (compensation packages that include benefits such as healthcare, retirement investment, work-life balance, flexible work arrangements) are important," Hartmann said, "but competitive pay is still the major driver. It's what makes people take jobs and leave jobs."

Very satisfied
$146,400

Satisfied
$121,592
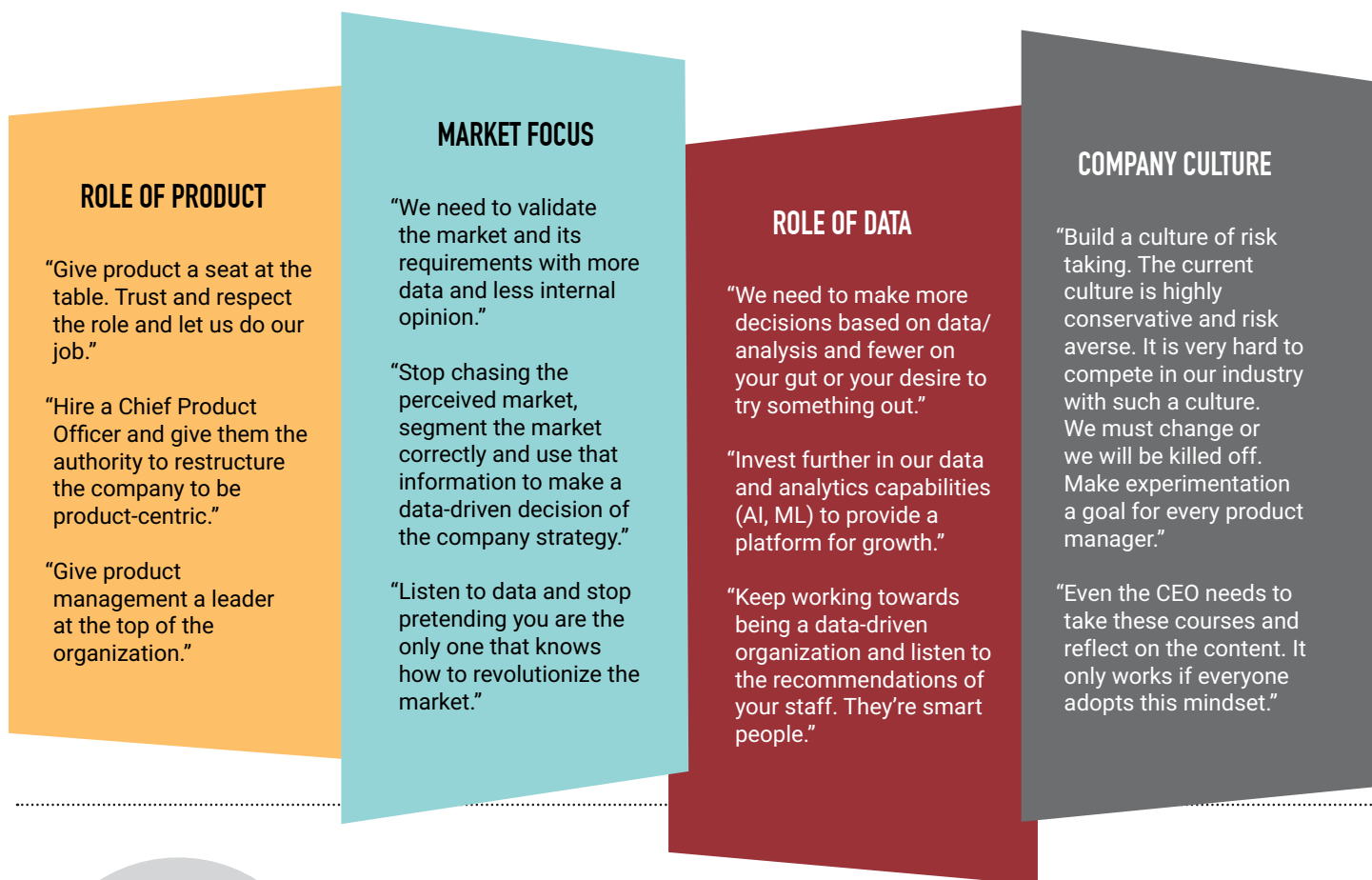
Somewhat dissatisfied
$106,601

Very dissatisfied
$100,698

Product's Point of View

Respondents had a lot to say in response to the question, "If you could say one thing to your CEO without fear of retribution, what would it be?" Here are some additional insights into the minds of today's professionals.

ROLE OF PRODUCT

"Give product a seat at the table. Trust and respect the role and let us do our job."

"Hire a Chief Product Officer and give them the authority to restructure the company to be product-centric."

"Give product management a leader at the top of the organization."

MARKET FOCUS

"We need to validate the market and its requirements with more data and less internal opinion."

"Stop chasing the perceived market, segment the market correctly and use that information to make a data-driven decision of the company strategy."

"Listen to data and stop pretending you are the only one that knows how to revolutionize the market."

ROLE OF DATA

"We need to make more decisions based on data/analysis and fewer on your gut or your desire to try something out."

"Invest further in our data and analytics capabilities (AI, ML) to provide a platform for growth."

"Keep working towards being a data-driven organization and listen to the recommendations of your staff. They're smart people."

COMPANY CULTURE

"Build a culture of risk taking. The current culture is highly conservative and risk averse. It is very hard to compete in our industry with such a culture. We must change or we will be killed off. Make experimentation a goal for every product manager."

"Even the CEO needs to take these courses and reflect on the content. It only works if everyone adopts this mindset."

A Look Foward

ON THE SURFACE, THE RESULTS OF THIS YEAR'S SURVEY seem similar to past years' results. However, a deeper dive shows that product management and product marketing are developing and growing as professions, requiring today's professionals to also develop and grow.

For example, this year's respondents reported having more professional certifications than in 2018, thus reflecting an increased focus on professional development. Likewise, 83% of respondents said continuing education and certifications are either "somewhat" or "very" important to their future career growth, compared with 79% of last year's respondents.

And, while the expected effects of artificial intelligence and machine learning aren't viewed the same among participants, advancing technology and demands on time are undeniable. For companies to not only survive but also thrive in a changing world, product professionals must arm themselves with an understanding of and appreciation for data and how it can be leveraged to make better decisions.

Pragmatic Institute thanks this year's respondents for participating in the 2019 *Annual Product Management and Product Marketing Survey*. The insights gained continue to support this survey's reputation as not only the longest-running, but also the most credible report in the profession.

About Pragmatic Institute

Pragmatic Institute is the world's leading authority on product management, product marketing and data science. Founded in 1993, the company's courses—taught by accomplished product professionals with real-world experience—are based on a proven framework for creating market- and data-driven products people want to buy. With more than 150,000 alumni around the world, Pragmatic Institute has created one of the largest and most prestigious product communities in the world. For more information about our public, online or onsite training, visit PragmaticInstitute.com or call 480-515-1411.

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