Product Taxonomy

- Companies with lots of products and services often have many different ways of talking about them.
- It's easy to get confused, which is where a Product Taxonomy can help (this is our version).
- A consistent understanding across the business means everyone knows what to sell, deliver and measure.

Typical Product Taxonomy Structure

Product line
Used where there is a wide range of product configurations available that can be logically grouped.

Product bundle
A group of products and services that are offered for sale as a standard package. Usually has common attributes such as terms & conditions, support services, etc.
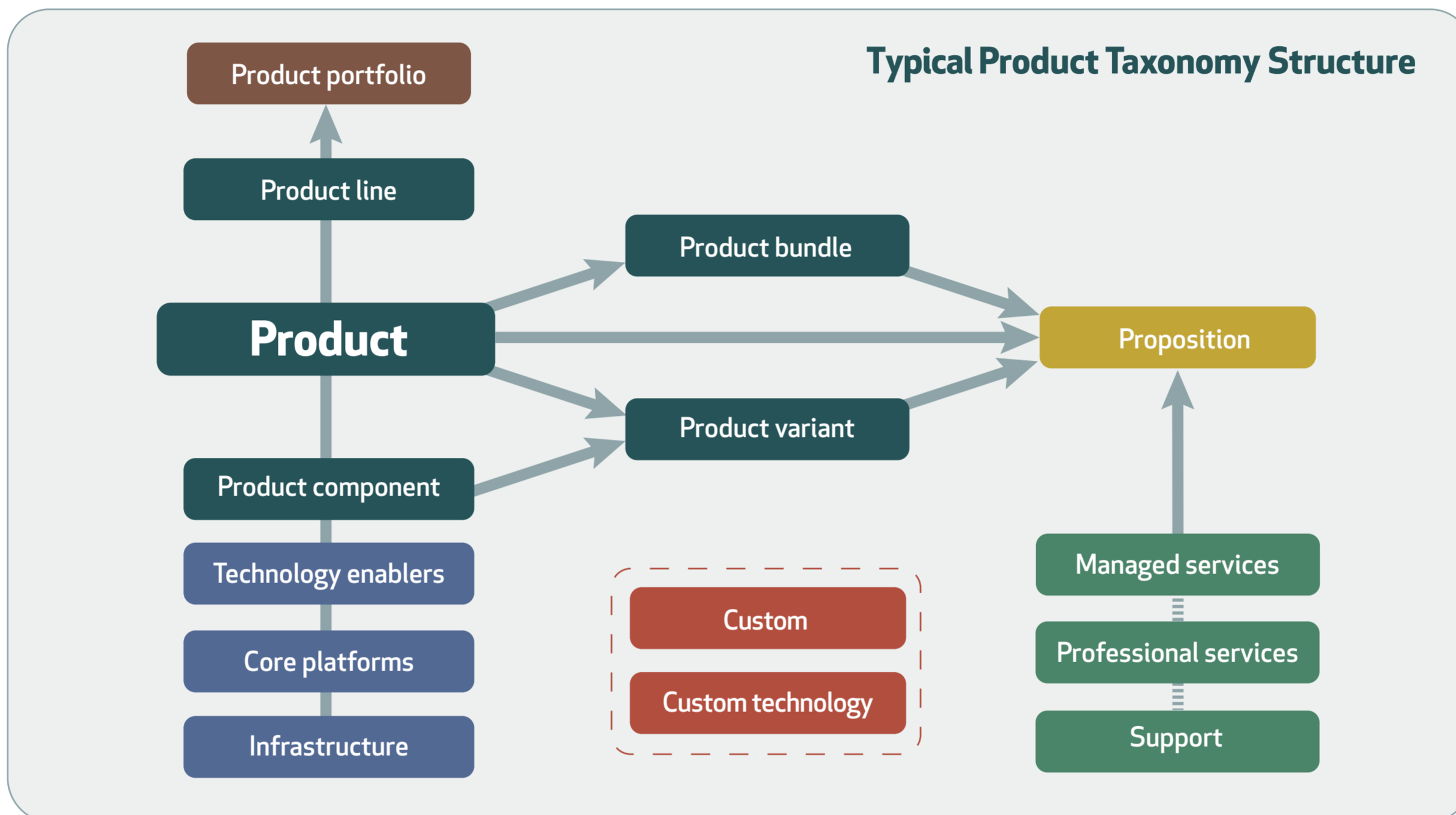
Product
The primary offer at a product level. Normally customers will purchase and contract at this level.

Product variant
Adaptation or different technology needed to support local markets and addressing the same market problem. Local variants often mean that global capabilities cannot be fully leveraged.

Product component
Lowest level of visible product element from a customer perspective. Can be contracted/bought directly – but normally part of the product sale.

Technology enablers
Enablers are the capabilities required to deliver a product. May be specific to a product or shared but aren't sold directly to customers.

Core platforms
Underlying technology supporting a product such as a billing system or customer provisioning system. May be specific to a product or a common horizontal layer supporting multiple products.

Infrastructure
Underlying capabilities needed to support platforms, products and services such as hosting, networking and other IT infrastructure.

Product portfolio
Highest level of product grouping, e.g. of products and product lines. Also includes services where separately defined.

Proposition
Explains the value of the offering to a specific group of target customers (market segment) who have a problem or need. Also known as a "value proposition".

Managed services
Ongoing (for the customer) and repeatable services, often running for the contract duration such as an end-user help desk.

Professional services
One time (to customer) specialist services such as consultancy, deployment planning, audits, transition support, etc.

Support
Support and other elements provided by people that complement the delivery and operation of a product.

Who owns what?

Portfolios
Portfolio management is often done by the Senior Leadership Team or a dedicated product portfolio management team.

Propositions
Propositions may be developed by a dedicated propositions team or they will be the responsibility of product management or product marketing.

Products
Product elements are usually managed by the product management team which may be centralized or distributed in a multinational company.

Technology elements
Technology elements are usually owned by the development/IT team who architect and deliver enablers, platforms and infrastructure to meet the needs of the product.

Services
Services are typically owned by a mix of professional services and support teams who provide their service in support of a range of products.

Custom
Created specifically for a customer and not developed in a repeatable and reusable way. May be referred to as a "custom" or "bespoke" solution.

Custom technology
Technology or partner capability that is needed to complete a custom solution. Will need to be bought and architected into a specific solution for the customer.

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