

# Ethical Product Strategy: Your Key to Long-Term Success

WHY ETHICAL THINKING IS THE DEVELOPMENT TOOL YOU NEED TO BUILD LONGEVITY AND SUCCESS INTO YOUR DIGITAL PRODUCT.

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## Introduction

You've probably seen this story play out before: A company creates a new digital product. Maybe it's a new social media platform or a way to make payments between friends simpler. Whatever the case, it quickly becomes popular and users adopt it in droves. But then the problems start.

Bad actors start using the social media platform to spread disinformation or the payment app to scam people out of money. Or maybe users find out their data wasn't stored securely and there's been a breach.

Now the company behind the product has to scramble to save face, keep users loyal, and patch up the now gaping holes in their product plan.

In the world of digital product development, success starts with a good idea and a solid product strategy to bring it to users. But if you want longterm, lasting success you need to dig a little deeper. You need to think about product ethics.

Product strategy is your tool to create a development roadmap that guarantees your product addresses user wants and needs. Your team gains clarity, you gain a streamlined development process, and your user gains a product that they want to adopt. It's a win-win-win.

By introducing ethical thinking into your product development, you take those benefits a step

further. You're inherently adding considerations that identify weak points in your product, expand your user base, and make your product more resilient to market change or competition. You're also building guidelines for your team to more quickly make any of the thousands of decisions they need to execute along the development process.

Ethical product strategy is the tool that strengthens the foundation of your product while also eliminating points of risk before they become a problem.

In this Ebook, we'll walk you through what ethical product strategy is and lay out the business value of adopting it. Finally, we'll leave you with a playbook for how to start introducing ethical thinking into your unique product development process.



# What is Ethical Product Strategy?

To put it simply, ethical product strategy is tangible risk mitigation. How? By taking the foundation of your product strategy and making it stronger by asking the right questions.

#### Valuable, Viable, Feasible, Usable

Product strategy is based on four core tenets: Your product should be valuable to users, viable for your business to support, feasible for your team to build, and usable by the audience you want to adopt your product.

# IN THE PRODUCT STRATEGY DEVELOPMENT PROCESS, YOU CAN EVALUATE THOSE FOUR TENETS WITH QUESTIONS TO FIND—AND ELIMINATE—WEAKNESSES:



Ethical product strategy takes those same principles and adds another layer of consideration:

#### VALUABLE

Is this a meaningful solution? Do your users feel in control?

#### VIABLE

Who is not in the room in product development? What is the code of ethics of our organization?

#### FEASIBLE

How are we collecting and storing data? Are our products accessible?

#### USABLE

What is the unintended use or misuse? Are we challenging users as well as validating?

Oftentimes, digital product companies focus on viability and feasibility. Namely, "Will this product help achieve our business goals?" and "This is how we'll develop this product." But that creates an environment where users are left out of consideration. And both the product and business suffer in the long run as a result.

That environment can also translate to a product development team that never speaks to users or potential users. It results in a team that moves forward with stakeholder requests or a general gut feeling of what users want without stopping to consider their core behaviors or motivations.

The next step from there is a final product that was built for what you or your team wanted, not what your users wanted. But you're not building a product to get your team on board. You're building it to try to get your users to adopt it and stay loyal to your product over your competitors'.

Product strategy is the tool that helps you map out your development process to build the right product for your business goals. Ethical product strategy is an even more valuable tool: It helps you do that while also consistently centering your user and identifying weak points to fix before they become a problem.

It's risk mitigation you can start with well before launch day.

#### Building for the Long Term

When you build a product with ethical thinking in mind, you're also building it with risk mitigation in mind (even if you don't realize it).

It works like this: You take the time to ask the right, ethical questions while creating your product strategy. Is the product meaningful? Who's not in the room, and how do we address their viewpoint? Is our product accessible? What does misuse of our product look like?

Then, those answers show you where you can make your product stronger, easier for users to interact with, and better guarded against bad actors and the PR crises they can cause.

So even if you didn't intend to be the white knight of digital product development, by adopting an ethical strategy, you've built longevity and resilience into your product from day one.

#### **Types of Ethical Considerations**

The specific considerations you'll need to account for will vary depending on the product you're building. If you're creating a social media app, you'll need to ask how user data is stored. If you're creating a ridesharing app, intentional misuse will look very different than it would for a music streaming app.

But there is some common ground you can start with to begin identifying potential areas for consideration, as laid out in a <u>report by Deloitte</u>. Consider issues like data usage, environmental sustainability, trustworthy AI, threats to truth (disinformation, misinformation, deepfakes, or weaponized data, for example), and impacts on physical and mental health. IN A DELOITTE SURVEY OF TECHNOLOGY INDUSTRY PROFESSIONALS, data privacy was seen as the most critical dilemma.

# The Business Value of Ethical Product Strategy

Now you understand what ethical product strategy is and the kinds of ethical issues you should be considering. The good news is that all the work you'll put into creating an ethical product strategy is a sound investment—the benefits of ethical strategic thinking are wide-ranging.

You'll see increased revenue, better brand perception, and even a more streamlined development process. Ethical strategic thinking can have a ripple effect that makes your product stronger, your business more profitable, and your team more effective.

#### **Increase Revenue**

The easiest way to see the value of adopting an ethical product strategy is to take a look at how it's helped other companies like yours. The data is clear: Ethical practices are profitable.

IN 2022, THE HONOREES OF ETHISPHERE'S WORLD'S MOST ETHICAL COMPANIES AWARD OUTPERFORMED A COMPARABLE INDEX OF LARGE-CAP STOCKS BY

## 24.6% over five years.

Operating ethically is attractive. It's attractive to consumers, to investors, and even to your own employees. By investing time into creating an ethical strategy for your digital product, you're also advertising your values as an organization. And that leads to compounding returns with every new user, new employee, or new investor who interacts with your company.

#### **Proactively Avoid Missteps**

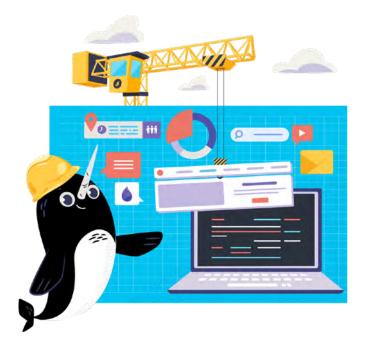
As we've already discussed, creating an ethical product strategy is a tangible effort toward reducing risks for your product post-launch. It builds value for your organization while also saving you time and money addressing mistakes down the line.

One of the things you and your team will consider while developing your ethical product strategy is intentional and unintentional misuse of your product. No one sets out to build a product that causes harm or alienates users, but we also can't ignore the fact that it can happen.

Take artificial intelligence products, for example. A large language model, such as ChatGPT, is a valuable tool in many respects. It can help draft repetitive communications more easily, answer user questions, and more. But just as it's easy to use AI technology, it's also easy to misuse it. Scammers have begun using AI voice impersonations to swindle victims out of money over the phone: In 2022 so-called "imposter scams" resulted in \$11 million stolen from victims in the U.S. alone.

When companies creating artificial intelligence tools set out to develop their product, they no doubt never intended them to be used nefariously. But by never considering the possibility, they did their organization a disservice.

They missed a chance to avoid scandal, set safeguards to prevent misuse of their product, and save the time and resources to react to that misuse. Ethical product strategy is how you proactively avoid those problems in the first place.



#### **Build Resilience Into Your Product**

Just as you can mitigate the risk of misuse of your product with ethical product strategy, you can also build longevity into it at the same time.

Risk mitigation and resiliency go hand in hand: By addressing potential problems before they become real-world headaches, you're also creating a rocksolid foundation for your product. You're making sure it's capable of withstanding changing markets, new competitors, and evolving technology.

The process of creating an ethical product strategy is how you build that foundation for your product.

It works like this: You start by asking the right questions to learn how your product will function in the world and impact your users. In the process, you and your team gain a crystal-clear understanding of the strengths and weaknesses of your product and its growth potential.

Then, when it's time to adapt to a new competitor or the ever-changing technological landscape, every member of your team is already well-versed in not only what your product does now, but what it can grow to do later. That makes adapting a simple process. All you have to do is execute a plan you prepared ahead of time, instead of scrambling to come up with whatever option is most easily brought to market in a rush.

#### **Grow Your User Base**

From the C-suite to individual users, ethical product strategy is your foot in the door for a vastly expanded user base.

In a global survey of more than 500 C-suite executives, McKinsey found that 83% of respondents not only said they correlate strong environmental, social, and governance (ESG) performance with higher shareholder value, but that they would be willing to pay a 10% premium to work with a company that had a positive ESG record.

It's clear from research like this that centering ethics in product development is a competitive edge among top decision makers when it comes to choosing a partner or vendor.

At a more micro level, one of the questions you will ask in the process of developing your ethical product strategy is "Is this product accessible?"

Accessibility in digital products runs a wide gamut. It includes everything from text styling to UXD considerations for users who rely on screen readers to whether the colors you choose are visible to those with color blindness.

There are plenty of resources available to help you achieve inclusive design. Just a few include:

The Web Accessibility Initiative

The University of Cambridge's Inclusive Design Toolkit

Microsoft's Inclusive Design Toolkit

By taking the simple step of asking whether your product is accessible, you're simultaneously opening the doors to a new audience of users. As a result, more people will be able to adopt your product and remain loyal to your brand.



Improve Your Internal Operations

Perhaps some of the most easily overlooked benefits of adopting ethical product strategy are the internal benefits you'll see on your team and in your organization.

Most notably, an ethical product strategy makes your product development process run smoother. How? By ensuring that your team has a clear set of guidelines to make all of the thousands of small decisions required during the development process.

Take an engineer, for example. While they're creating the features that will populate your product and make it popular with users, they'll be faced

with choices at every step: How should I approach storing user data? Should location services be automatically turned on when someone is using our app? The list goes on and on.

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It's not feasible to get sign-off on every one of these questions as they come up. At some point, this developer has to make choices based on their best understanding of the final goal of the product.

Without an ethical product strategy, you're leaving them to make a guess and hope for the best. With an ethical product strategy, it's as simple as referring to what's already been established and carrying it out.

## Playbook: How Can You Start Building an Ethical Product Strategy?

We've covered what ethical product strategy is and how it can benefit your business, but how can you start building ethics in your product development process?

Start with resources like this Ebook or the **Danish Design Center's Digital Ethics Compass Toolkit**. With those in hand, you can begin applying ethical principles to your individual product development process.

And it's never too late to start.

## Just as you can create a product strategy for any product—<u>even one</u> <u>already on the market</u>—you can start introducing ethical product strategy no matter what stage you're in.

Even if you launched your product several years ago, all that means is you now have a trove of user data at your fingertips.

#### Shift Your Mindset Perhaps the most important thing to keep

in mind about ethical product strategy is that it starts as a mindset shift. You're not adding any additional work to your development process. You're simply shifting the work you're already doing so it increases the audience for your product while making it stronger.



## Start Where You're At

To start, examine where you can begin injecting

ethical thinking into each stage of your product development process. From the discovery phase to the design process, through development and launch, what questions can you ask to make ethics a non-negotiable pillar at each step? For example, during the discovery phase, consider who's not in the room. What users aren't represented on your team, and how can you proactively seek out their viewpoints to make your product stronger or more accessible?

Then take those questions and turn them into actions. To use the discovery phase example again, you already know you need to conduct user research. Now you can make that research more thorough by adding in points of view that might otherwise have been overlooked.



### Ask the Right Questions

Go back to the four tenets of product strategy (valuable, viable, feasible, and usable), and ask the ethicsfocused questions relevant to each one. Then take those answers and act on them. For example, for usability you might ask "How understandable is my technology for new people?" and you find you don't know the answer. That's when you seek out someone with no prior knowledge of your product and get their response as a first-time user. What was their initial impression? Were they able to quickly carry out a typical task for a new user? That leaves you with important insight to improve your product.

And if you're not sure exactly what questions to start with, turn to resources like the **Digital Ethics Compass** we mentioned earlier. There you'll find a starting point of questions around automation, data, and behavioral design that keep your user at the center of everything you do.

# A few examples from the compass include:

- → Do you validate or challenge your users?
- → Do you give people access to their own data?
- → Do you inform users about how they are profiled?
- → Are your algorithms prejudiced?
- → Are your users aware that they are interacting with an automated solution?



#### The Importance of Impartiality

One thing to keep in mind is the need to engage with the process of creating an ethical product strategy from as unbiased a point of view as possible. If the people creating the strategy have their own objectives, they're less likely to voice opinions that might run counter to what they want.

For example, if your project manager has a KPI that prioritizes speed to delivery, they're not as likely to want to spend extra time during discovery finding and speaking with additional users. Or, if your designer knows that the tools required to make your product accessible will require additional budget, they might not raise the issue.

If you're not absolutely positive that your team can be objective enough to raise the right issues when necessary, this is where it can be useful to bring in outside help. An objective, third-party expert will be able to tell you what you need to hear to make your product strategy—and your product—as strong as possible.

# Conclusion

Ethical product strategy has wide-reaching benefits for your product and your larger organization. They range from a more comprehensive understanding of a single product to better risk management and even improved team cohesion.

Ethical product strategy can be a valuable tool to make your product more resilient and your company more competitive. All it takes to start is asking the right questions, and a willingness to put your users first.

If you're ready to get started incorporating ethical product strategy into your development practice, **contact DockYard today** to find out how we can help. With more than a decade of experience **helping innovative companies achieve success**, we're ready to put our expertise to work for you and your goals.



## About DockYard

DockYard is a digital product consultancy. We specialize in production-ready apps that scale as companies grow.

For over a decade, companies like Apple and Netflix have trusted us to overcome complex product challenges. We help to upskill teams through a range of consulting services with capabilities in product design, full-stack engineering, project management, QA, strategy, training, and user experience (UX).

We're also dedicated to advancing open-source web development technologies, such as libraries and tooling built around the Elixir programming language. From idea to impact, DockYard empowers forward-thinking teams to build for the future. Ready to put our expertise to work for you? Contact us at hello@dockyard.com. DockYard's Commitment to R&D

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