

Assignment 1 - Phase 1 - Praveen ancha C47



Cohort 47

Assignment 1 – Product Quest

Phase 1: Understanding Product and Users

Product: Claude AI by Anthropic

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Why I chose this product

I chose **Claude AI** because it is a tool I use often, which makes it easy for me to notice where the experience feels smooth and where it gets frustrating. It is also one of the more relevant AI products in the market right now with clear user groups like Free and Pro and some interesting challenges around subscriptions and usage. I felt it was the right balance, simple enough to study within this assignment but still rich with insights on engagement and retention.

Since this course is about AI product management, I wanted to focus on a product in that space, and Claude felt like the perfect fit.

Let us deep dive into this product and analyse

Step 1: Getting started with the Product Analysis - Flows & Frictions

Flow/ Touch points	What works well	Confusion/Friction
Claude → login options → Sign in	1. Login is hassle free 2. if you are already user it would automatically sign in with the email 3. You got an option of SSO	For web version - There are limited options to sign in, just the email.
Login → UI	1. UI is good and easy to understand 2. Good placement of chatbox and navigation bar 3. Smoothness and responsiveness of the page is good in all the devices.	For free users there are limited options which might result in limited usage. Icons are small which would be difficult for the new users who might find difficult in finding and navigating these. For Pro users the dark theme icons sucks, as they are unidentified because of the theme
UI → Features → Models	1. Incognito chat - private conversations 2. Settings - languages - Multiple Languages, which is easily accessible to large group of people 3. Options of accessing chatbox - uploading files, writing styles, connectors, projects option. 4. Screenshot option - It provides an option of taking screenshot of specific area 5. Models - Claude models works well for deep research, writing clean code.	1. The UI of Incognito chat can be improved a bit. 2. If a user want to try this feature of language, the user has to change the keyboard setting everytime which feels exhausting 3. For a free version: the opus 4.1 model (latest model) can be used only for three chats 4. It is only a text based AI model, As a user if i want to generate images or videos. It is not accessible.

Step 2 - Company Context (Mission, Revenue and Differentiators)

Field	Context
Anthropic mission	In 2023, Anthropic set out to develop an AI system that would be honest and helpful. This led to the creation of their large language model, Claude. Claude is designed to assist users with a wide range of tasks such as coding, research, analysis, creative thinking, and writing. It has been developed and trained on a foundation of ethical principles to ensure its outputs are as safe, harmless, and unbiased as possible.
Revenue Streams	Claude generates income through two revenue streams 1. Through API's: Claude gives it API's to other enterprises, which account to 70% -85% of total revenue 2. Through subscriptions: If a user wants to use Claude AI model with premium feature, the user has to subscribe. Through this it accounts to 15% of the total revenue. 3. Other subscriptions are through large enterprises, public sectors in US, Educational licensing.
User value	User value: Assist in technical jargon, Summarizes documents, Plans trips, Deep research about the topics. Business value: Cost cutting, automating things, Improving efficiency and productivity, Scalability.
Key differentiators Vs Top 3 Competitors	Differentiators: ChatGPT - Conversational AI for the human to assist users who want all in one tool kit Claude delivers quality writing and optimal code through its Sonnet 4 model Gemini - Multimodal AI integrated along with its product Google search and apps to assist humans in their day to day tasks.

	Claude has better writing style with sonet 4 and optimal code through its Opus 4.1 model which is helpful for the users who works in technical field and content creating. Perplexity AI - AI with websearch to get updated results Claude differentiates from web-enabled AI assistants through its stronger writing quality and cleaner code generation, compensating for capabilities that search-integrated models typically lack
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Step 3: Feature Reverse Engineering

Feature	Problem it solves	How it works	Why it works
Incognito chat	I have a problem with using the regular chatbox to seek help in writing private code or researching important topics by uploading my current papers, as it would use this data to train the models, which would result in a data breach	Click the ghost icon on the top right corner of the screen and initiate the chat. It will provide the results as per your requests	User value: To address privacy concern of the user Business value: More confidentiality → more trust → high usage → higher revenue.
Language Selection	I find it difficult to use a AI model because my English is not good and I have limited language skills.	Click on the home icon at the bottom of the sidebar/navigation bar and select 'Language.' This provides multiple language options for you to choose from, thereby helping you	User value: Help the user to use AI in their comfortable language. Business value: Reaching out to wider

		access the chatbox in your preferred language	demographics → User retention
Code generation	I get stuck writing optimal code when automating tasks, it feels frustrating and time-consuming.	Head over to Claude, upload your code error or give a prompt, it will answer accordingly.	User value: Helps the user to understand the error and effective way of solving. It saves lots of time. Business value: Improved developer productivity → Continuous usage → User retention → Higher revenue growth

Step 4: User Segmentation

Primary Segment	Sub-segments	Key Needs/ Use Cases	User Problems
Students	1. Different age group of students 2. Researchers	Students need to complete assignments or build new projects Researchers use this for deeper analysis	Deadlines to complete the assignments - limited time Exam preparation Run out of ideas More time consumption in researching multiple resources.
Professional	1. Coders (Developers, Testers etc.,) 2. Content creators 3. Freelancer's 4. Marketing 5. Film industry	Each user has different use case. For a musician, assisting in writing lyrics and	often struggle to come up with fresh lyrics and creative ideas for tuning music notes, which slows down my songwriting process

	6.Musicians 7.Designers	giving ideas to tune the music notes	
Enterprises	1.Strategy and consulting firms 2.Manufacturing 3.Cloud based companies	Cloud based companies are using the models to build their own AI models.	Need to build AI models in order to be competitive.
Casual	Home makers	Want to cook some new recipe, learn some new skill, assisting in tasks	want to try new recipes or learn new skills, but I struggle to find clear and reliable guidance.

Step 5: Problem Hypothesis

After analyzing the user segments and their needs, I've developed the following problem hypotheses for each segment:

Priority	Problem Hypothesis	Why I Selected This	Gut Confidence
Students (P1)	Students struggle to complete assignments on time due to information overload, difficulty in structuring their thoughts, and lack of efficient research methods, causing stress and potentially lower grades.	This problem has high impact (affects academic performance) and high urgency (deadlines). It's also a recurring problem throughout their academic journey, making it a significant pain point.	High
Professionals (P2)	Developers spend excessive time debugging code and searching for solutions across multiple resources, reducing productivity and causing project delays.	Time is money in technical roles, and inefficient problem-solving has direct business impact. This problem occurs with high frequency and affects multiple stages of development.	Medium

Enterprises(P3)	Enterprises struggle to implement AI solutions due to lack of expertise, concerns about data privacy, and difficulty in customizing models for their specific needs.	This represents a strategic challenge with long-term implications for business competitiveness. The complexity and cost make this a high-value problem to solve.	High
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