Retention "natural frequency," AI moat shifts, and onboarding/GTM choices for AI products

PM Daily Digest

2026-03-01

Retention "natural frequency," AI moat shifts, and onboarding/GTM choices for AI products

By PM Daily Digest • March 1, 2026

This edition covers practical frameworks for building and growing AI products: a retention "natural frequency" law, onboarding tactics for non-deterministic experiences, and how AI is shifting defensibility (data/context up, some network effects down). You'll also get a structured approach to PM-built executable POCs, a DTC creative-iteration bottleneck hypothesis, and candid job market/interview realities.

Big Ideas

1) Retention still follows a "foundational law": match habit frequency to the *natural frequency* of the user's problem

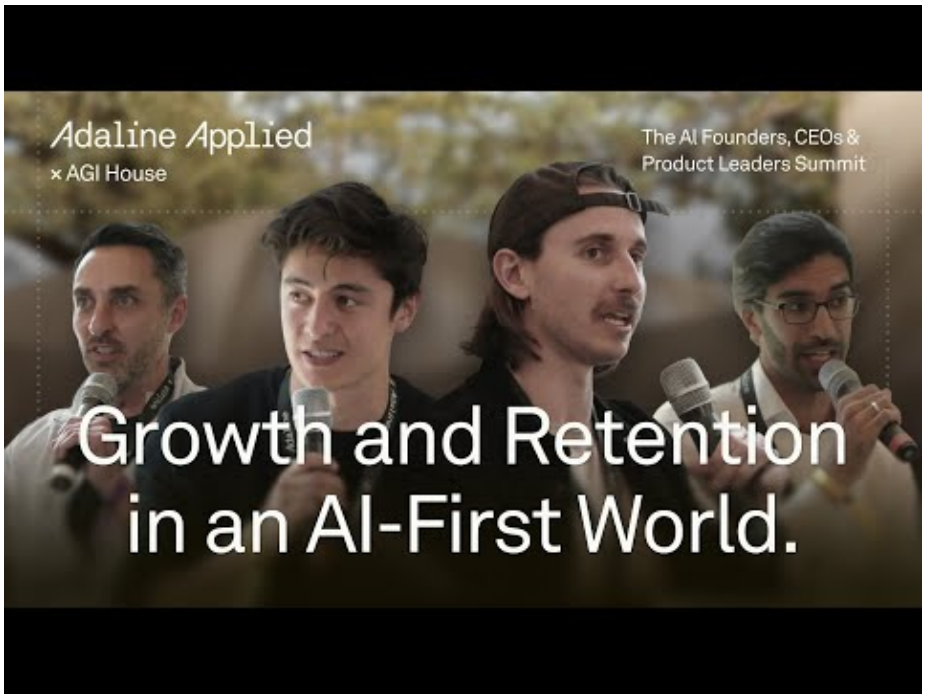
A key retention framework highlighted here is that the sustainable usage frequency of a product is constrained by **how often users experience the underlying problem** (use case + audience + why you win + real-world problem cadence). Trying to force a higher frequency (e.g., turning a monthly need into a daily habit via notifications) tends to create bad experiences and churn [1].

Why it matters: AI may accelerate shipping, but it doesn't repeal the limits of habit formation; teams can grow fast, then churn just as fast if the core use case frequency is mismatched [2].

How to apply: Make "natural frequency" an explicit input to roadmap, lifecycle messaging, and retention goals (see Tactical Playbook).

[1] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[2] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.



Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra. (3:09)

---

2) AI is reshaping moats: speed is table stakes, old moats weaken, new ones (especially data/context) strengthen

One view from the discussion: **"speed has become table stakes"**, and we're in a transition where some traditional moats are being weakened while new moats haven't fully taken shape yet [3].

Several moat shifts called out: - **Weakened:** Some *direct network effects* in social may be weaker than assumed if AI can simulate the experience without a large human network (example given: an AI companion experience) [4]. - **Weakened:** Some *cross-side network effects* (marketplaces reducing transaction costs) may weaken when AI reduces discovery/selection costs with personalized results [5]. - **Strengthened:** Certain **data network effects** and accumulation of **memory/context** are positioned as getting stronger [6].

[3]Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[4]Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[5]Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[6]Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt,

Why it matters: If "network effects" are less defensible in some categories, PMs need to re-evaluate differentiation plans and risk (especially platform dependency).

How to apply: Treat proprietary data and compounding context as first-class product strategy inputs—and pair them with distribution and onboarding choices that accelerate learning cycles.

---

3) Platform risk pattern: "value exchange → escape velocity → tax/copy"

A historical analogy was made to Facebook's developer platform: early generous terms and distribution helped Facebook scale, followed by pulling back terms and absorbing major use cases once they had escape velocity [7]. A parallel expectation was stated that OpenAI may repeat a similar pattern via a platform where the value exchange centers on **data/memory/context** [8].

Why it matters: If you build on an emerging platform, you need a plan for what happens when the platform's incentives change.

How to apply: When evaluating platform bets, document (a) what data/context you're handing over, and (b) what defensible asset you're accumulating that remains valuable if the platform later "taxes" the ecosystem or copies top use cases [9].

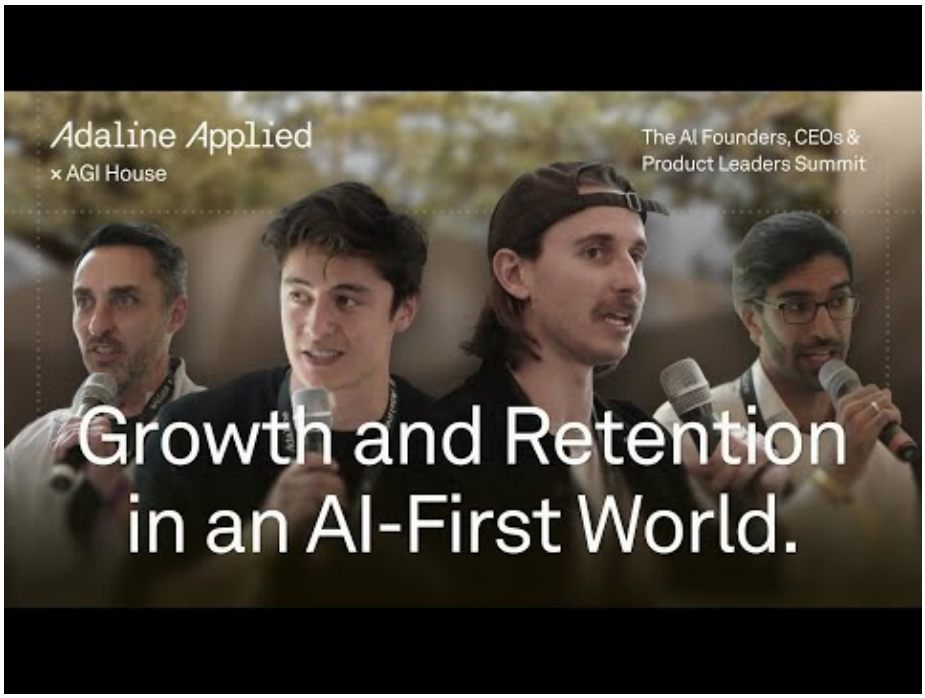
---

and Gaurav Vohra.

[7] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[8] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[9] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.



Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra. (22:58)

---

4) Brand as a moat (but fragile): build "taste" and credible people-led signal

Brand was discussed as a potential differentiator when "you can just build anything," with emphasis that brand is shaped by *everything* (UX, product quality, support, outage handling) and by developing **taste** through iterative output and market feedback [10].

A nuance added: moats are time-bound and need sequencing; different moats have different ceilings and fragility, and **brand may be the most fragile** [11].

A tactical angle: a strong differentiator can be having the brand associated with a person at the company who actively voices informed opinions in the space—because many people increasingly look to trusted individuals for information [12].

[10] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[11] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[12] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

"Speed has become table stakes." [13]

Tactical Playbook

1) Operationalize "natural frequency" before you set retention goals

Goal: Align product expectations and lifecycle design with the real cadence of the problem.

Steps 1. Write the use case definition explicitly: *problem, who it's for, why you win, and how often they experience it in real life* [14]. 2. Translate that cadence into an expected usage pattern (e.g., daily/weekly/monthly) and set retention goals that match it [15]. 3. Use expansion carefully: you can increase frequency slightly by expanding to adjacent use cases, but treat this as incremental—not a free rewrite of the core law [16]. 4. Audit "frequency forcing" tactics (notification spam, artificial check-ins) and remove the ones that try to violate the underlying cadence [17].

What to measure: Retention should be interpreted relative to your expected frequency—misaligned targets can push teams into churn-inducing behaviors [18].

---

2) Onboarding for non-deterministic AI: start concierge to learn, then automate what's worth automating

Two connected onboarding recommendations:

A) Concierge onboarding early (to accelerate learning cycles) - Every startup should do *some* hand-holding for initial customers to understand the customer/problem deeply and set users up for success [19]. - Benefits cited: better retention likelihood, higher-quality feedback, bugs to fix, feature requests to add, and early evangelists [20].

[13] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.
[14] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.
[15] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.
[16] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.
[17] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.
[18] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.
[19] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.
[20] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

B) Transition to self-serve in-app ASAP (keep humans for the truly hard parts) - Concierge onboarding is **not** how you scale; wind it down and build in-app onboarding that does as much of the "lift" as possible [21]. - Keep personal support for complex items (e.g., working with data, legal/security, forward-deployed engineering needs) that are "generally incredibly hard" and not worth fully productizing early [22].

Why this matters specifically for AI: The onboarding motion was described as **"10x more important"** for AI products with non-deterministic experiences, because observing real usage is crucial—and the real speed advantage is learning faster, not simply "getting to market" fastest [23].

---

3) Design self-serve onboarding like a guided game: opinionated, interruptive, interactive

A practical in-app onboarding design trio was proposed: 1. **Opinionated:** Tell users *how* you believe they should use the product (vs. "figure it out") [24]. 2. **Interruptive:** Stop users at key moments and prescribe the next steps (example: require an integration step early because "everything downstream… will suck" if skipped) [25]. 3. **Interactive:** If you take agency to guide them, give something back to play with—hands-on use makes it "fun" and reduces drop-off [26].

How to implement this next sprint - Identify 1–2 "must-do" setup steps that determine downstream success and force them into the critical path [27]. - Replace passive documentation with an interactive flow that demonstrates value in-session [28]. - Use early concierge onboarding calls to watch where non-determinism causes confusion, then encode those interventions into the product [29][30].

---

[21] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[22] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[23] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[24] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[25] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[26] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[27] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[28] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[29] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[30] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

---

4) Pick a GTM motion that survives security/legal friction: avoid getting stuck in the middle

One perspective from the discussion: in the current market, **sales-led motions "do not work"** for many AI products—especially those that touch internal data—because security/legal/IT processes can take months and "ruin your economics" [31].

Recommended "ends of the spectrum" - **Product-led, with sales layered on**, or - **Forward-deployed engineering** (enterprise-heavy end) [32].

Practical decision checklist - If your product requires deep access to internal data/context, plan explicitly for the security/legal cycle time and choose a motion that can absorb it [33]. - Avoid hybrid approaches that land "in the middle" if they can't survive the friction and timeline uncertainty [34].

---

5) Use PM-built, AI-assisted executable POCs as disposable refinement artifacts (with strict promotion rules)

A PM workflow being tested: PMs/POs create **very rapid executable POCs directly with AI** (e.g., "vibe-coded HTML/JS") during discovery/refinement to validate workflow and value assumptions—rather than starting with mockups/wireframes [35][36].

Guardrails that make this work (and reduce organizational risk): - These are **not dev-team sprint-built prototypes** and **not semi-production artifacts** [37][38]. - They should be treated as **disposable behavioral models** for fast validation [39]. - Keep them **isolated and non-production** [40]. - Make "promotion" to a committed Product Goal explicit [41]. - If promoted: start implementation from an **architectural reset** (do not ship POC code) [42].

[31] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.
[32] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.
[33] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.
[34] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.
[35] r/prodmgmt post by u/green-beaver-01
[36] r/prodmgmt post by u/green-beaver-01
[37] r/prodmgmt post by u/green-beaver-01
[38] r/prodmgmt post by u/green-beaver-01
[39] r/prodmgmt post by u/green-beaver-01
[40] r/prodmgmt post by u/green-beaver-01
[41] r/prodmgmt post by u/green-beaver-01
[42] r/prodmgmt post by u/green-beaver-01

How to apply tomorrow: Create a lightweight "POC promotion checklist" before anyone gets attached to the artifact—so speed doesn't turn into hidden tech debt [43][44].

Case Studies & Lessons

1) AI health example: proprietary data as a moat (and why trust/privacy can be part of defensibility)

A case study referenced an AI health company focused on accumulating deep proprietary health data (blood panels, doctor visit records, medical history, vaccines) in order to deliver better healthcare outputs [45]. The moat described is **proprietary data that's hard for competitors (even large model providers) to access**, and that users may be reluctant to hand to a large generalized player for privacy/trust reasons [46].

Takeaway: If your product can earn access to a hard-to-replicate dataset, data accumulation can become a compounding advantage [47].

---

2) Social and marketplace defensibility: AI may replicate the "benefit" without the network

Two examples were used to illustrate moat weakening: - In social-like contexts, an AI companion experience can generate fast "dopamine effects," raising the question of whether a human network is strictly required to create the experience [48]. - For marketplace-like contexts, AI can reduce transaction costs by producing personalized recommendations quickly, potentially weakening the value of traditional intermediaries built around search/discovery friction [49].

Takeaway: When evaluating your moat, separate "the experience users want" from "the mechanism you assumed was required to deliver it." [50]

---

[43] r/prodmgmt post by u/green-beaver-01

[44] r/prodmgmt post by u/green-beaver-01

[45] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[46] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[47] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[48] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[49] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

[50] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.

3) DTC/ecommerce growth constraint: creative iteration speed as the bottleneck for mid-sized brands

A PM thread proposed that for mid-sized DTC/ecom brands (roughly 5–100 employees running paid ads seriously), the repeated failure loop is: ads work → performance drops → they need new creatives fast → production takes too long → CAC rises [51]. The claim is that the blocker is **creative iteration speed**, not media buying [52].

A proposed solution direction: an AI-assisted workflow to generate and test more ad variations quickly, intended to remove the production bottleneck without replacing UGC creators [53].

Takeaway: If you're building for growth teams, validate whether "creative production throughput" is the true constraint—and where in the workflow time is lost—before committing to automation [54].

Career Corner

1) PM interviews are inconsistent—and increasingly subjective—so optimize for adaptability, not one "correct" framework

A thread from a laid-off PM with large enterprise experience (ML, robotics, IoT, wearables) described repeatedly reaching late-stage interviews (final rounds with a small set of candidates) but failing to convert, with a hypothesis that they lack "product language" and frameworks compared with SaaS-native environments [55].

Responses emphasized: - Interviews are "all over the place," with different companies focusing on different frameworks—and candidates often can't know which until they're in the loop [56]. - Questions can be "wishy washy," used to form opinions more than establish facts; one negative read among many interviewers can eliminate a candidate [57]. - The market is highly competitive; improving interview skill can help, but it can still come down to employers selecting a "perfect" candidate late-stage [58].

How to apply: - Prepare multiple ways to explain the same project (problem framing, trade-offs, outcomes), so you can match the interviewer's preferred

[51] r/ProductManagement post by u/No_Twist6469
[52] r/ProductManagement post by u/No_Twist6469
[53] r/ProductManagement post by u/No_Twist6469
[54] r/ProductManagement post by u/No_Twist6469
[55] r/ProductManagement post by u/justanothermedia
[56] r/ProductManagement comment by u/DCsynchronicity
[57] r/ProductManagement comment by u/Habitualcaveman
[58] r/ProductManagement comment by u/FinishMysterious4083

lens without sounding forced [59][60]. - Assume subjectivity: treat each interview as stakeholder management across multiple evaluators (since a single mismatch can end the process) [61].

Tools & Resources

1) Everyday AI tool usage patterns (PM workflow signal)

One PM described their current tool mix: - **Loveable** for prototyping and communicating ideas [62] - **ChatGPT** as a sounding board and for copy (with a note it "feels like it's going downhill" and considering switching to Claude) [63] - **Zoom AI companion** occasionally [64] - Avoiding **Gemini**, preferring manual work for accuracy/speed [65]

Why it matters: These choices reflect a practical split: tools for rapid expression/communication (prototype + copy) vs. skepticism where a tool doesn't outperform manual work [66][67].

2) Early-stage tool strategy (and compliance timing)

Paul Graham's advice for early-stage startups: don't avoid a tool (example: Anthropic models) solely because you *might* want to sell to the DoD later; early focus should be making the product the best [68]. If later you pursue DoD and a ban still applies, he suggests making a separate compliant version—but only after you've built something strong enough to have a "later on" [69]. He also argued the ban could be an advantage if competitors stop using the best-performing models out of fear [70].

Why it matters: For PMs, this frames a concrete sequencing principle: optimize for product quality early, and plan compliance variants as a later branch if needed [71][72].

---

[59] r/ProductManagement post by u/justanothermedia
[60] r/ProductManagement comment by u/DCsynchronicity
[61] r/ProductManagement comment by u/Habitualcaveman
[62] r/ProductManagement post by u/cara184
[63] r/ProductManagement post by u/cara184
[64] r/ProductManagement post by u/cara184
[65] r/ProductManagement post by u/cara184
[66] r/ProductManagement post by u/cara184
[67] r/ProductManagement post by u/cara184
[68] post by @paulg
[69] post by @paulg
[70] post by @paulg
[71] post by @paulg
[72] post by @paulg

Source to watch: *Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra* (YouTube) https://www.youtube.com/watch?v=-iXxoxc-o6o [73]

Sources

1. Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.
2. r/prodmgmt post by u/green-beaver-01
3. r/ProductManagement post by u/No_Twist6469
4. r/ProductManagement post by u/justanothermedia
5. r/ProductManagement comment by u/DCsynchronicity
6. r/ProductManagement comment by u/Habitualcaveman
7. r/ProductManagement comment by u/FinishMysterious4083
8. r/ProductManagement post by u/cara184
9. post by @paulg
10. post by @paulg
11. post by @paulg

[73] Growth and Retention in an AI-first world — Aaron Cort, Brian Balfour, Bryce Hunt, and Gaurav Vohra.