Six Elements of a Successful Product Development and Launch

By Doug Ringer

Six elements critical to successful product development and introduction to the market. These concepts are from experiences developing and managing more than 45 product lines that provided new revenue to and increased the long-term value of GE, Honeywell, Ericsson, Meritor, and Schneider Electric. These concepts cover the gamut from knowing your customers' needs and wants to rapid prototyping (which was in vogue long before 3D printing) and marketing internally first.

The concepts are:

1. Know your customers' needs - not just their wants
2. Develop multiple product ideas and review with key customers
3. Get to a working prototype quickly
4. Involve the supply chain early in the process
5. Sell the product to your sales force, first
6. Launch the product to key customers early to drive others' demand

Know your customer's needs - not just their wants

Most customers think they know their needs extremely well. In reality, they know a combination of their wants and needs, and then assume all are needs. To maximize the value you provide to your customers, provide them with information about their market's needs and wants, and clearly differentiate the two.

The chart below shows the value you can provide to your customers. The more new and useful information you can give them, the more you are worth to them. The most important value you can provide is when you reveal market needs to them of which they are unaware.

	NEEDS	WANTS
UNKNOWN	• Critical to their success • "Don't Know What They Don't Know" • HIGHEST VALUE	• Customer is missing important information • HIGH VALUE
KNOWN	• Common Solution Providers Here • Little New Information • LOW VALUE	• Commodity Suppliers • LOWEST VALUE

Develop multiple product ideas and review with key customers

Great customers love to collaborate with their supplier partners. They know that by working directly with industry's leading suppliers, they can be perceived as an industry leader.

If you are good at Step 1, knowing their needs and wants, then developing solutions and options is an obvious Step 2. Taking these early concepts and ideas to your customers is a great way to get fast feedback from them that will increase effectiveness and decrease time to market.

There are some risks to be aware of in doing this. If they do not like your concept, it is better to know it earlier rather than later. The second is that they may not keep your concept in confidence. This is a sticky situation. You want to trust them, but you must be cautious. NDA's are the safest route; if it is a good relationship, signing one should not be a problem.

This activity creates early adopters.

Get to a working prototype quickly

This step is the key to keeping the momentum and capitalizing on the good will created during the collaboration with key customers and partners.

This is one of the cornerstones of the AGILE product development methodology. Geared mainly at software development, it can work well in the development of physical products too. The use of rapid prototyping and 3D printing can provide a physical model within a few days that can

then be reviewed by the early adopters. With feedback received, changes can be made and reviewed within days instead of months.

Sell the product to your sales force, first

Once you have received and incorporated the appropriate feedback from your customers, it is time to begin your internal sales mission. Your internal teams, particularly the sales force, will be your toughest customers. They know the customers better than anyone in the company, and their reputation is on the line every day they meet with them. These teams are the ones who present your new product to the customers and persuade them to buy or try the product. If the sales personnel do not believe in the product, they will not put forth the effort necessary for success.

You must convince the sales managers of the value of this product. The data, feedback, and endorsements from the key customers is a great way to do this. If they know the product owner has researched the market, discussed it with their customers, and incorporated at least some of the data, then they will be confident the customer will be interested. This confidence will increase their enthusiasm when presenting the product, which will positively impact sales.

Launch the product to key customers early to drive others' demand

This is another tool for getting traction in the market quickly and then gaining sales momentum. These early wins can occur before the product is available to all customers. Pre-selling products shows the sales force the potential of the product line. It also drives demand by showing your other customers that this product is popular and they should be selling it to their customers too.

Most of the success of a new product launch happens because of great communication. Communicating with customers, end-users, and salesmen provides the data input for the new product development cycle. Working with these same groups during development keeps the project on course and them interested. When you launch it, tell these groups first and let them reap the early rewards in exchange for their support. These early rewards will drive your other customers to win too.