

Doug Ringer's Product Development Accelerator

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A free, bi-monthly newsletter on product management, new product development, and team management. Past issues are archived for free downloading on our website: <http://www.dougringer.com/resources/newsletter>

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6 Keys to Successful Product Development and Management

From my experience developing and managing over 40 product lines that both provide new revenue and increase the long term value for GE, Honeywell, Ericsson, Meritor, and others, I have identified six elements that I believe are key to being successful in product development and product management. They 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 fast
4. Involve the supply chain early in the process
5. "Sell" the product to your sales force
6. Launch the product to key customers early to drive others' demand

Know your customer's needs - not just their wants. Most of your customers think they know their market's needs extremely well when they only know their market's wants. To maximize the value you provide to your customers you must provide them with information and products about what they need and not just what they want.

	NEEDS	WANTS
UNKNOWN	<ul style="list-style-type: none"> • Critical to Their Success • “Don’t Know What They Don’t Know” • HIGHEST VALUE 	<ul style="list-style-type: none"> • Customer can’t have Unknown Wants
KNOWN	<ul style="list-style-type: none"> • Common solution providers are here • Many Needs are known but not all • Medium Value Added 	<ul style="list-style-type: none"> • Common solution providers are here • Many Wants are known but not all • Low Value Added

This matrix shows the value you can provide to your customers. The more new and useful information you can reveal, the more value you provide to them. The most value happens when you reveal market needs to them that were previously unknown.

Develop multiple product ideas and review with key customers. This activity creates early adopters.

Great customers love to collaborate with their supplier partners. They know that by working directly with industry’s leading suppliers, they can be on the cutting edge and perceived as an industry leader too.

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 and direction from them. This input will increase your effectiveness and decrease your time to market.

There are some risks to be aware of in doing this. The first is that they hate your concept, but it is better to know it earlier rather than later. The second is that they do 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 and a good relationship should survive a legal document.

Get to a working prototype fast. This step is the key to keeping the momentum and capitalizing on the good will created during the collaboration with key customers.

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 now 3D printing can provide a physical model with in hours. This can be reviewed by the early adopters within a few days. With feedback received, changes can be made and reviewed within days instead of months.

“Sell” the product to your sales force. Once you have received and incorporated the appropriate feedback from your customers, it is time to begin the internal sales mission. Your internal teams, primarily the sales force, will be your toughest customers. They know, or think they know, their customers better than anyone in the company. Their reputation is on the line every day when they meet with the customers. These teams are the

ones that have to present the 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. Their early rewards will drive your other customers to win too.

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[Know Your Customers' Needs – Not Just Their Wants.](#)

[5 Things to Look for When Evaluating an Engineering Design Firm](#)

[Doug Ringer](#) is the Director of Product Development in the healthcare and emergency response industry where creates the products, innovations, and clear, actionable tactics that support the firm's long-term strategy for growth. Doug has held global roles in marketing, manufacturing, and R&D at General Electric, Ericsson, Honeywell, Meritor (a former division of Rockwell), and in a small private firm. He also served on the board of directors and president of the board of a civil rights organization based in Kentucky. Doug lives with his family near Louisville, Kentucky. Follow him at <http://www.dougringer.com>.

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