

THE NEW PRODUCT DEVELOPMENT PROCESS

You don't have to be Einstein to come up with a great idea for a product. A new product or service idea can be as simple as taking an existing product or service and improving it.

Definition

New Product Development (NPD) is the process of bringing a new or improved product or service to the market. There are core areas in this:

- 1) The idea generation (coming up with the idea), product design, and refining the idea
- 2) The market research and marketing analysis (What people will be your target? How and where will you reach them?). See document C for more.



Steps taken to create a product or service:

1. **Idea generation:** Brainstorming to help you find the ideas you're looking for. An idea is not always something brand new and never seen before, but often an improvement to a product or service that is already out there. This might be the addition of a new flavor; an alternate packaging; or sourcing of better raw materials to put you ahead of rivaling products/services.
2. **Analysing:** Analyse the potential success by asking some of your customers what they think. This is easy to do. Put together a survey and ask your friends and family. Give them a couple of different ideas for a product or service and ask them which one they'd buy and why.

3. **Development:** Develop the marketing and product/service details.
 - Who is the target market (potential customers) and who is the decision maker in the purchasing process e.g. is it a parent who buys a product for a child?
 - What product features must the product/service have?
 - What benefits will the product/service provide?
 - How will consumers react to the product/service?
 - How will the product/service be produced?
 - What will it cost to produce it?
4. **Testing:** You may have taken a survey as outlined above, but they're not always accurate. After all, you're only asking people for their views, they haven't actually spent any money on to purchase your concept! This is where you need to find out if people are actually willing to buy your new and improved product/service. Be ready to make instant changes, if necessary, including raising or lowering the proposed price or offering other incentives to make the product more attractive.
5. **Marketing:** Once you've researched and decided on the final product, you now need to develop a business and marketing plan. This will prove that you can promote your product to the level that it will be bought by your potential customers and money can be made.

Helpful websites

www.bordbia.ie

www.beefinnovationsgroup.com

www.foodinnovation.org.uk

www.fdin.org.uk

www.farmersjournal.ie

www.epa.ie