

Article - Digital Product Development Process: Factors, Benefits and Priorities

Introduction

In this digital era, finding a balance between product quality and customer satisfaction is daunting. Having a great product idea is not enough to satisfy consumer needs. Today, customers seek products that are tech-friendly. Digital products can be a better option than physical products for companies. It can save the organization by fulfilling all the customer's needs.

Digital product development team

Although people in roles as varied as CEO, Marketing Manager, and Customer Success Agent all have an influence and perhaps some involvement in digital product development, the team responsible for delivering the outcomes consists of these roles as a minimum:

- **Product Manager** – whose main responsibility is the smooth running of the project, including reaching business goals, planning, briefing, and coordination.
- **Product Designer** – whose main responsibility is to create visual artifacts, including user experience diagrams, wireframes, high fidelity design, prototypes, and associated documentation.
- **Engineer** – whose main responsibility is to write and test the product code and deploy the product releases for use in the wild.
- **Researcher** – to provide insights into user feedback, user data, and possible design patterns.
- **Writer** – to write the copy for introductions, buttons, and everything else.
- **Information Architect** – to ensure the user journey makes sense and supports user goals.
- **Product Owner** – to liaise with users and the rest of the product team, to manage the product backlog.
- **QA Tester** – to ensure the coded product enables user goals and matches the design.
- **Product Marketer** – to encourage product uptake and feature utilization.

In addition, a whole raft of senior and super-senior roles, such as Chief Product Officer and Creative Director are added to the organization scale. However, these roles rarely operate in a dedicated way to deliver digital products in a single product team.

Factors

Before developing a digital product, you need to focus on some top factors that can affect the whole process. It is the process of developing a product that can be valuable for end users so it is important to develop it correctly.

- **Value Added Product:** You should create something that is going to be valuable for yourself also. Your goal should not be profit-centric. You should focus on customer satisfaction.
- **Digital Product Design:** The design of your digital product should be easy to navigate. You should design it while considering yourself as a customer. You should ask yourself what kind of interface you would be wishing for a digital product.
- **Create A Product That Can Address A Certain Need:** Always create a digital product that can provide a fix for a specific issue. It might persuade more people to try out your stuff. The ideal digital products for your growth would be those that are solution-focused.
- **Spend Money On Reliable Resources:** You must invest in high-quality resources, such as qualified UX designers and app developers, to create a digital product. You would produce higher-quality results if you used more high-quality resources.
- **Customer Working Together:** When testing your product, think about using a group of individuals. They might work for you or be customers. You can receive actual reviews of your digital goods by doing this. If necessary, you can make product improvements before launching.

Benefits

Digital product development is the conception and creation of digital-first market offerings, and refers to the way those offerings are produced or engineered by the businesses behind them. For customer-centric companies, this translates into intentionally building products that serve customers in digital environments, and that can adapt or scale as consumer demands evolve. By going through a digital-first product development cycle, companies can more easily identify vulnerabilities and areas for improvement across existing offerings—helping them stay competitive, lower spend, and quickly get to market with products and services that accurately meet consumers' evolving demands.

Top benefits include:

1. **Quick prototyping and testing for new product ideas and iterations**, speeding up the development process and enabling businesses to respond to market changes more effectively.
2. **Global distribution opportunity without physical limits**, allowing businesses to tap into a broader customer base—without brick-and-mortar expansion or distribution networks.
3. **High scalability**, allowing businesses to meet rising demand without substantial increase in costs.
4. **Data-driven insights that can be used to inform product improvements**, drive strategy, and build predictability around customer behavior and preferences.
5. **Continuous updates that allow businesses to stay competitive** and respond to customer feedback and emerging trends.
6. **Customer-led customization** that allows features and products to meet individual user needs based on real-time feedback, enhancing satisfaction and loyalty.
7. **Lower inventory costs** due to on-demand production and digital distribution opportunities.
8. **Better analytics on product-customer interactions**, shedding light on user personas, market shifts, and and refine their strategies.
9. **Faster time-to-market**, allowing businesses to capitalize on opportunities more quickly.
10. **More accurate risk analysis and mitigation** with the ability to test and refine products rapidly, allowing businesses to pivot or make adjustments as needed.

Note: digital product development sometimes refers to the digitization of processes related to the creation, distribution, and manufacturing of physical goods. For companies that produce those types of products—particularly at scale—digital product development can significantly reduce costs compared to traditional methods, saving them budget on materials, labor, and on-the-ground distribution.

Remember that digital product development is not necessary for new products alone. While this process regularly results in breakthrough products on the market, it also represents an important opportunity to improve existing offerings. Because the digital product development cycle is a continuous one, it leads to both significant and exponential refinements to features, as well as offerings as a whole.

This approach keeps businesses customer-centric by meeting consumers where they are, encouraging innovation in digital distribution channels, mobile apps and sites, and other emerging platforms that can help companies connect with prospects. The ongoing lifecycle of digital product development ensures that businesses stay current with market trends and user demands. It also shapes a cultural shift in organizations that makes both businesses and customers more likely to engage with additional digital products, features, and services.

Priorities

The product development process is the entire series of events necessary to take a product from conception to market, ultimately resulting in the minimum viable product (MVP), which will eventually enable a business to get the full version of the digital product on the market. It can be deeply time-consuming, expensive, or require extensive planning and resources. Different product development processes may have slightly different cycles, but most product development processes generally include:

Idea: Every product starts with an idea. The “fuzzy front end” is the early, usually ambiguous and uncertain phase, of product development during which product managers ideate and conduct market research. Here’s what to ask:

- Who is the end-user of your product?
- What market research needs to be done to articulate user personas and target industries, and ensure that your product effectively serves an unmet need?
- What is the problem your product seeks to solve? What are you trying to accomplish?
- How does your vision inform the digital development path?
- What is your budget, and what resources will you need to confidently bring your product to market?
- How will you build a proof-of-concept, and what resources will be spent creating it?

These questions help define and shape new product ideas before formal development begins. While it’s a challenging task, it’s crucial for exploring innovative concepts, gathering insights, and making informed decisions to guide the product’s final production.

Strategy: A well-constructed product development strategy helps businesses create, maintain, and improve products that resonate with users and contribute to their long-term growth and competitiveness. It provides a structured approach to creating and enhancing digital products, and should outline the vision, goals, and general processes for development, maintaining efficiency, and guiding decision-making. A smart strategy can also bring hidden risks and roadblocks to light, allowing teams to see where skillsets are lacking or resources are limited. By systematically following a repeatable strategy and specific objectives, businesses can more easily and regularly adapt to changing market trends and consumer demands.

Design & Development: With a vision, values, and strategy in place, companies can confidently dive into the hand-on design and development process. The goal of this stage is to imagine what’s possible, test your ideas with real users, gather feedback, invest in research, and make improvements based on the findings. The initial phase of product design and development requires teams to create flowcharts and sample UI/UX designs to map out the customer journey for whatever is being built. This pre-programming stage allows for a clearer understanding of the user experience, and gives businesses the foundation necessary to put together a prototype—ideally focusing on core UX and functionality. The prototype evolves through pilot testing, where feedback from a select group of volunteers helps refine the product. This process leads to alpha and beta testing used to identify flaws, with the alpha test typically involving internal stakeholders, and the beta test open to the public (or a small group of customers). Finally, the digital product progresses to the minimum viable product (MVP) phase: a functional version of the product or feature used to attract potential users before the formal launch.

Launch: Once the minimum viable product (MVP) is ready, the focus will shift to orchestrating a full launch. A well-planned launch strategy is crucial for businesses to handle potential spikes in new users, signups, downloads, or purchases. Depending on your industry and the nature of the product, you may want a longer runway for testing and surfacing issues. Soft launches give space for gradual capability ramp-up and bug identification, and are a common choice for software feature rollouts and low-impact updates. Cross-functional, marketing-fueled launches with dedicated press and promotion offer high

visibility, but come with similarly high risk if the release isn't all that it promises to be. Regardless of the testing conducted, however, errors are inevitable, and every launch should include a process for bug detection and correction. Additionally, marketing strategy must be architected around the product's significance, and should integrate industry intel, resource considerations, and stakeholder input.

Growth: Digital product development doesn't end with launch. Maintaining an open and continuous process takes commitment to following and refining your approach to product execution. that extends beyond the initial launch phase. Finally, monitoring your product and making adjustments for future growth means asking even more questions (likely more than once):

- How are you monitoring the product for bugs and future fixes?
 - Do you have a process allowing you to patch emerging errors?
- If the product is successful, how can you expand upon it?
 - What features can you add later?
 - How can you bring the relevance of your product or service to more customers?
- How are you marketing your continual improvements to the product?
 - Are there ways that you can use these improvements to make additional downloads?
 - As you are adding these new improvements or features, are you adjusting for bugs or fixing the price?
- How often is your team getting together to determine if the product is still meeting the necessary goals and aligning with your company vision?

These questions demand detail, but beyond helping businesses track post-launch success, they play a key role in optimizing the product portfolio as a whole—finding new opportunities to invent, to fine-tune, and even to retire products completely as performance wanes.

Note: *There are a few specific ways in which digital products and the digital product development process fundamentally differ from the software development cycle. While both the digital product development process and the software development cycle involve creating digital solutions, the first has a broader scope. It encompasses the entire journey of conceptualizing, designing, building, and launching a digital product. This process not only focuses on the technical aspects of ideation, creation, and execution, but is centered on the user experience, market research, and product strategy. It prioritizes understanding the customer journey and aligning the product with market demands.*

The software development cycle, on the other hand, is a subset of digital product development, concentrating mainly on coding, testing, and releasing software. It places a heavy emphasis on programming, debugging, and quality assurance (QA), often with a narrower focus on specific features or functionalities.

The software development cycle primarily deals with the technical execution of the product, while the digital product development process encompasses a more comprehensive approach, ensuring that the product works and fulfills user needs and fits within a broader business strategy.

Digital product development is broad and complex. In many ways, it's actually a process made up of other processes – management, design, engineering, marketing – each of which is very complex in itself. Go up a level to see that digital product development actually sits in the context of the entire business process.

Sources

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- 2) Acespitech Solutions Pvt Ltd, (September 2023), *What Is Digital Product Development: Benefits, Process, And Trends.*
- 3) Joe Bland, (March 2023), Digital Product Development: Process & Best Practises, UXtweak