

NEW PRODUCT DEVELOPMENT PROCESS

New Product Development Process:-

1. Idea Generation
2. Idea Screening
3. Concept Development and Testing
4. Development of Marketing Strategy
5. Business Analysis
6. Product Development
7. Test Marketing
8. Commercialization

1. Idea Generation:-

In this stage, company comes up with many different and unique ideas based on both internal and external sources.

2. Idea Screening:-

The objective of this stage is to focus on ideas that are in line with Company's customer value and financial goals.

3. Concept Development and Testing:-

The good product ideas are developed into detailed product concepts. This Concept than tested by presenting it to the target customers and their response must be taken into account.

4. Development of Marketing Strategy:-

The Company therefore come up with the price , potential revenue figures as well as advertising and distribution channel in this step.

5. Business Analysis:-

Test in order to ascertain projected sales and revenue and also assess risk and wheather the production of the product is financial feasible. The Companys objectives are considered and if these are satisfied.

6. Product Development:-

The Management of a Company declares a product concept to be in line with the goals of the company and issues green light for Development. Then the production starts on micro level.

7. Test Marketing:-

This stage involves the testing of the product by providing goods in micro level. This stage provides how the product will be introduced, advertised, produced, packaged, distributed and any optimization if required can be made by the company.

8. Commercialization:-

After gathering information the management may either decide to go ahead with the launch of product or put the backburner. In the case of go-ahead is given, the product is finally introduced in the market.