The design and development process for the responsive, mobile-friendly website for the fictional small business involved the following steps:

1. Research: The first step was to research similar websites in the same industry to gather ideas and inspiration for the design and layout of the website.
2. Wireframing: Next, wireframes were created to plan out the overall structure and layout of each page. This helped to ensure that all the necessary elements were included and that the website was easy to navigate.
3. Design: The website was designed using HTML, CSS and JavaScript. The design was made responsive so that it could adapt to different screen sizes and devices. This included using media queries to adjust the layout and font sizes based on the screen size.
4. Development: With the design complete, the website was then developed using HTML, CSS, and JavaScript. The contact page was developed with a form to allow visitors to send inquiries or requests for more information.
5. Testing: The website was tested on a variety of devices and browsers to ensure that it looked and functioned correctly. Any issues were addressed and fixed as needed.

Challenges faced during the development process include ensuring that the website was responsive and looked good on different devices and ensuring that the contact form was functional. These challenges were addressed by using media queries and testing the website on different devices and browsers.

Overall, the design and development process for this responsive, mobile-friendly website involved research, wireframing, design, development, and testing to ensure that the website was functional and visually appealing on a variety of devices.