

# Product Development - I

**Dr K. A. Narayan**  
Dept. of Business Administration  
Gaya College, Gaya

## Meaning

In business and engineering, new product development covers the complete process of bringing a new product to the market. It's central aspect product design, along with various business considerations. The product can be tangible (something physical which one can touch) or intangible (like a service, experience, or belief). It requires a deep understanding of customer needs and wants, the competitive environment, and the nature of the market. Product development, also known as new product development or management, is a sequential order of steps which involves the *idea generation, screening, designing, developing* and *marketing* of newly produced or newly rebranded products or services. The necessity of conducting a market research at each and every step of the product development process is undeniable.

## Definitions

Product development is the next step to product planning. It is the process of finding out the possibilities of producing a product. It includes the decisions such as — whether it would be feasible or not to produce the product.

According to **William J. Stanton**, “*Product development encompasses the technical activities of research, engineering and design.*”

As per **Limpson & Darling**, “*Product development involves the adding, dropping and modification of item specifications in the product line for a given period of time, usually one year.*”

Some scholars are of the view that product development includes the changes in the size, design, characteristics, colour and packing, etc., of the product. Thus, product development generally includes the following:

1. Addition of a new product line to the product mix of the enterprise
2. Elimination of a running product line from this product mix
3. Addition of new product items to a product line
4. Elimination of some existing product items from a product line
5. Changes in the size, colour, design, packing, form, quality, characteristics and price of a product
6. Discontinuation of an unprofitable product

In short, devising a product to meet the changing requirements of the markets is known as product development.

### **Aims of Product Development**

The motives behind product development apart from growing, sustaining and enhancing market share of a company by meeting demands of consumers are:

1. To provide the goods the market demands in time
2. To adjust with the variation in quantity required
3. To charge the price which the consumer is willing to pay after ensuring reasonable profits for the organisation