



Dan Adams
dan.adams@aimtolead.com

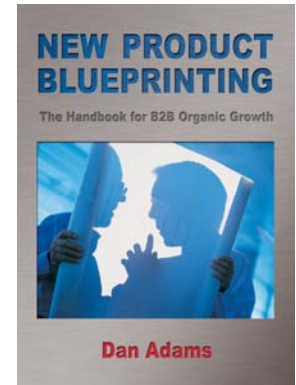
Mobile: 330.715.8459
AIM Office: 330.715.8709
Fax: 216.373.2026

2206 20th St. • Cuyahoga Falls, OH 44223

www.newproductblueprinting.com

For Immediate Release

For a review copy of the book
or an interview with the author,
please contact Dottie DeHart,
DeHart & Company Public Relations,
at (828) 325-4966 or Dottie@dehartandcompany.com.



The New Product Shape-Up: Five Ways to Make the Most of the Recovering Economy at Your Company

*The economy is beginning to improve, but is your company poised to take full advantage?
Dan Adams offers advice on how you can make the most of the economic recovery.*

Cuyahoga Falls, OH—The U.S. economy is finally on an uptick. According to Federal Reserve Chief Ben Bernanke, the economy is set to grow by 3-4 percent in 2011. That's great news for businesses that have been seeing decreasing or stagnant numbers on their revenue reports for the last couple of years. But now that more growth is possible, Dan Adams warns that it's time to make sure your company is poised to get its share of the economic recovery.

“The best way to shape your company's economic recovery into the most profitable form possible is to deliver more than your share of customer value,” says Adams, author of *New Product Blueprinting: The Handbook for B2B Organic Growth* (AIM Press, 2008, ISBN: 978-0-9801123-4-4, \$35.00, www.newproductblueprinting.com). “Specifically, you need to develop differentiated products that provide benefits your customers crave. Products they can't get anywhere else at a comparable cost. Doing so will accelerate your growth in the upturn and insulate you from the worst of the next downturn.”

Adams notes that you must keep in mind that your competition won't be standing idly by while you innovate and grow during the improving economy. To stay ahead of your competition, you should keep a targeted focus on what sets your company apart in your industry.

“There could be any number of marketable differences,” explains Adams. “Are your scientists smarter? Do you spend more on R&D? Do you have a longer time horizon? These things *can* give you an incremental edge, but the *best* way to deliver substantial new customer value is this: Don’t approach the problem the same way your competitors do.”

Adams recommends using a differentiated approach for differentiated products. He says most competitors approach product development with a *supplier-centric* mentality, meaning they develop new products based on what they *think* their customers need. Instead, suppliers should use a *customer-centric* view, focusing on what their customers *know* they need.

To avoid this trap, he suggests following the five tips below:

Implement your customers’ ideas, not yours. Do you have a new product development process, perhaps with stages and gates? Is the first stage labeled “New Idea”? If so, that’s fine, but here’s the question: Whose ideas are listed in this stage—yours or your customers’?

“I’ve trained clients in hundreds of B2B industries and find suppliers nearly always begin product development with *their* ideas rather than their customers’,” says Adams. “The result is that they don’t know if they are truly meeting their customers’ needs until they can watch the sales results of their new product!

“Most companies make the critical mistake of starting with the supplier solution and ending with market needs,” he continues. “But what if they inverted their process by starting with market needs and ending with supplier solutions? Actually, two things would happen. First, because B2B customers are more insightful, rational, and interested than their B2C counterparts, suppliers would learn much more about customer needs than their competitors. Second, they’d prime those B2B customers to buy their new product by engaging them with highly interactive interviews.”

Conduct B2B-optimized interviews. Of all the ways to learn about customer needs—telephone, mail survey, Internet—nothing comes close in effectiveness to face-to-face customer interviews. If the information being sought is new, complex, or ambiguous—as with B2B product design—the advantages of interviews become even greater. So is the customer interview a key fixture in most new product development processes? For many producers, the answer is no.

Perhaps with so many routine customer interactions, it’s assumed much of it *must* be interviewing. But if you examine the call frequency of your sales and technical service staff, you will likely find that over 90 percent of face-to-face customer communication is of the “tell-and-sell” variety. Some might protest, “But we get lots of input from our customers on what they want in new products.” The reality, though, is that most new product discussions are actually customer-reactive meetings, not market-proactive interviews.

“You’ll know a market-proactive interview when you see it,” says Adams. “First, a team targets an attractive market segment. Then it schedules interviews with customers, prospects, and their customers’ customers. Two-or-three-person technical-commercial teams prepare their questions and interviewing roles in advance.

During the interviews, these teams use advanced listening, probing, and interviewing skills to plumb incredible depths...and the customers love it!”

Get *everyone* listening to the voice of the customer. Some large firms keep a small staff of highly trained VOC (voice of the customer) experts poised for action. These folks parachute into a project as dawn streaks the morning sky, interview your customers for you, and hand you a report of “what the customer wants.” This is a flawed model, says Adams. Most businesses chalk up thousands of face-to-face customer meetings during the course of a year, as sales reps, technical service reps, and others go about their normal duties—so why not train *these* people to become VOC experts?

“They’ve already gained the customer’s trust, they know the customer’s language, and there’s no extra travel cost,” he points out. “Best of all, you’ll develop a reputation among customers as ‘that supplier who really listens to us.’ Now that’s how to *protect* today and *position* for tomorrow. So keep that handful of experts...but let them become trainers and coaches for the masses, not primary interviewers.”

Get quantitative. After you perform great qualitative customer interviews, you’ll have dozens and dozens of customer ideas you *could* work on. But which ideas do you target in your new product design? At this point in the process, it’s time to get quantitative.

“You need to understand which customer outcomes are *most important* and *least satisfied* today,” explains Adams. “The metric I’ve developed for this is called the *Market Satisfaction Gap*. It tells you precisely which ideas the customer is eager for you to pursue. The *Market Satisfaction Gap* prevents a fortune from being spent on developing supplier-centric products that will make customers yawn. Skip this step if you’ve got extra R&D resources you’re trying to keep busy. But make this a priority if you want everyone working on projects that will catapult you out of the recession faster than competitors.”

Research your customers’ alternatives. We often talk about competitive products. That’s okay, but it’s actually healthier to think in terms of customers’ alternatives. For example, if your company makes structural adhesives, alternatives for you might be other adhesives, but they could also be welding or mechanical fasteners.

“In my experience, suppliers don’t look at customers’ alternatives rigorously or early enough during product development,” says Adams. “Proper side-by-side testing requires answers to four key questions:

- 1) Which attributes should I test?
- 2) What test procedures should I use?
- 3) What test result is barely acceptable?
- 4) What test result leads to total satisfaction?

“The good news for the B2B supplier is that your customers are smart enough to answer all of these questions. Well-designed, customer-centric side-by-side testing will help you properly price your product and avoid getting blindsided by competitors’ products.”

“Research shows that only one in four new products succeeds once a project enters the costly product development stage,” says Adams. “I doubt there is any other function within your company where this level of failure and waste is tolerated. And supplier-centric product development is at the heart of the problem. The key to taking advantage of the recovering economy is in changing the way your company approaches offering new products. Start now and you’ll be well on your way to shaping a truly great economic recovery at your company.”

###

About the Author:

Dan Adams, president of Advanced Industrial Marketing, Inc., is author of *New Product Blueprinting: The Handbook for B2B Organic Growth* (AIM Press, 2008, ISBN: 978-0-9801123-4-4, \$35.00, www.newproductblueprinting.com). He is passionate about B2B new product development. In over 30 years working within and with major B2B corporations, he has explored every aspect of product development, building New Product Blueprinting from the ground up. He is a chemical engineer and holder of many patents and innovation awards, including a listing in the National Inventors Hall of Fame. Adams was head of strategic planning for a billion-dollar company and has extensive experience in Fortune 500 marketing, business development, and leadership positions. He is an award-winning speaker and conducts workshops in every region of the world. Advanced Industrial Marketing, Inc. (AIM), was built on the belief that understanding your customers’ deepest needs is a competitive advantage you should learn—not outsource. AIM conducts workshops globally to train commercial and technical teams in advanced B2B product development, provides strong post-workshop coaching support...and then gets out of the way.

About the Book:

New Product Blueprinting: The Handbook for B2B Organic Growth (AIM Press, 2008, ISBN: 978-0-9801123-4-4, \$35.00, www.newproductblueprinting.com) is available at bookstores nationwide and from major online booksellers.

For more information, visit www.newproductblueprinting.com.