

Excerpt from:

The Domino Effect: Dominate the Marketplace! New Product and Business Development

by Stephen Rosen

For businesses to maintain market share and sales volume, let alone grow, they have limited options. These include finding new customers for existing products, selling more of the same product to existing customers, or creating new products for both existing and new customers. The latter of which is mistakenly perceived as a huge business risk and gamble. If done correctly, new product development (NPD) and new business development (NBD) can yield phenomenal financial, professional, and personal rewards.

Many old school companies believe that if they watch their expenses and keep doing what they're doing they can eventually ride any wave back to normalcy. That may have been the correct approach dozens of years ago; it's not right in today's world. There are way too many ways to gain a competitive advantage.

And while many companies believe that their NPD or NBD processes are the best in the industry, these companies tend to look beyond, over, around or under the truth. The fact is that many businesses, primarily new or small businesses, fail to succeed at NPD/NBD for several simple reasons.

Companies tend to take their NPD/NBD with an overly excited impatience, a limited perception of scope, or with less planning and detail than is required to succeed in launching new products into the marketplace. There are several reasons as to why this occurs. The most often reason is a false sense of security. Often heard in a conference room gathering, "We know this market better than anyone else, we've been in it for years", "We have the best engineering team in the industry...they'll come up with something new and exciting, oh and tell them to make it a different color for the consumer market", or, "Our sales and marketing team can sell anything, give them something new to sell or let's send them to a different target audience". Business people, most of whom rely solely on their egos, sometimes have a false sense of security; make these statements, and thus, often make mistakes.

On the other hand, many companies believe that they can only utilize the limited resources and know-how that's currently available to them. This is where a company's management team decides to do the best they can with who they have on staff and what they have in the bank, no matter what the outcome. "We can't afford a new marketing manager right now", "It's not our engineer's specialty, but he'll figure it out", or, "We can't subcontract this out, the budget for something like that will kill us" are statements reflective of the mindset often associated with NPD/NBD. In reality, borrowing, investing, or generating the money for these investments up front will reduce the time needed to break even, and thus turn a profit. Companies often look at it like this because of a bad experience.

This book ties the trials and tribulations on NPD/NBD with the theory of the Domino Effect. As presented in my first book, "The Domino Effect, Quotes, Quips, and Common Sense for Business and Life", the Domino Effect suggests that one can achieve success and dominate if one plans and organizes action items, or sets up dominoes, accordingly. This publication offers step by step examples, theories, and instruction of how to set up the NPD and NBD dominoes successfully.

You'll find that the majority of this book is based on new product development, however many of the strategies, and explanations associated with NPD can be applied to NBD.