

The Best Way To Develop A New Product

My good friend Jeff Simmons, the owner of a 30-person accounting firm, had a problem. His accountants were choosing to spend more time in their offices than at the client site. His first reaction was that he hired shy accountants. He soon learned that their issue was not a personality trait but a desire to maximize their productivity.

When they were in their offices, the accountants had access to dual computer monitors which allowed them to complete their work faster and more accurately. At the client site, the accountants only had a single standard monitor. Carrying around a second monitor was not practical.

When Jeff searched in vain to buy an easily transportable computer monitor, he realized that he had uncovered an important unmet need in the accounting industry. Jeff worked with a team of engineers to develop the world's first full size portable computer monitor. His new company, Mobile Monitor Technologies, was launched shortly thereafter.

Since he was the first customer, Jeff knew that the value proposition of increased productivity, accuracy and client satisfaction would resonate with his target market. The problem that Field Monitor Pro, Mobile Monitor Technologies' flagship product, solves is clear. Now Jeff has sold thousands of Field Monitor Pros. Many of the world's largest accounting firms are customers. The Field Monitor Pro story differs from most technologies I am asked to help commercialize in one important way.

Jeff started out trying to solve a problem. The technology was secondary. Most organizations develop a product and then ask marketing to figure out who may want it. There is no guarantee that anyone will.

How can you duplicate Jeff's success even if you are not the first customer for your product?

You start by learning what problems your potential customers need to solve.

The two best ways to get this information are:

- Conduct in depth interviews with potential customers about their challenges. Open ended questions work best. However, a high level of interviewer skill and training is required to maximize the value of these discussions. The difficult part is asking the appropriate, unscripted follow-up questions. This is a skill that can be mastered with training and practice.

- Observe potential customers as they go about their daily work activities. Keep an eye out for their challenges and difficulties. What is not working well for them could be a great opportunity for you.

Most technology companies develop new products because they like the technical challenge. There is no guarantee that the demand will be there.

Because he thought like a customer, Jeff knew that there would be buyers for his product before he developed and built it. Jeff is now dealing with the challenges of managing his growing business. What a nice problem to have.

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