

# B2B Organic Growth Newsletter



New Product Blueprinting by Dan Adams

Growth strategies for companies that supply businesses - not consumers

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## Should you develop new products like Steve Jobs?

Our Blueprinting workshop clients hear me extol the virtues of *first* understanding market needs, and *then* developing supplier solutions to meet them. I remind them that the average new product success rate—once the costly development stage begins—is only 25 percent. I caution that many suppliers understand market needs only by developing new products and waiting to see if customers buy them... a terribly inefficient use of resources.

This week, I received a question from one of our European clients: “Can’t you develop breakthrough products without talking to customers... like Steve Jobs does?” It was a wonderful question, because Steve Jobs definitely does not rely on direct input from customers:

“So you can’t go out and ask people, you know, what’s the next big [thing]. There’s a great quote by Henry Ford, right? He said, ‘If I’d have asked my customers what they wanted, they would have told me “a faster horse.”’” – Steve Jobs

## Yes, if you are Steve Jobs. Otherwise...

I suppose the short answer to my client’s question is, “Yes, this will work if you are Steve Jobs... or are at least in a similar situation.” But before you start wearing black turtlenecks, ask yourself three questions:

**1. Do I know my customers’ needs like Steve?** Steve Jobs (and Henry Ford, for that matter) was working on consumer goods, not B2B products. In

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## New Product Blueprinting at DuPont



Read how DuPont implemented New Product Blueprinting through TEAM e-MMERSSION™ ([PDMA Visions, Oct. 2010](#)).

**“I mean, the first few hundred customers were us.”**

describing his iTunes development team, Jobs said, “The reason that we worked so hard is because we all wanted

one. You know? I mean, the first few hundred customers were us.” In contrast, when DuPont developed Kevlar®, they experimented in applications like tire cords, and spent ten years before the first field trial in protective body armor (ultimately, their main market). If you’re selling to other *businesses*, it’s unlikely you know enough about their world without deliberately exploring it.

**2. Am I as smart as Steve?** In fact, you and your development team *may* be as smart as Jobs and his team. But it’s unlikely you’ve worked as hard for as

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long at mastering the skills needed to develop blockbuster products. Just because Reinhold Messner makes a solo climb without oxygen, doesn’t mean

you can. But with training, oxygen, a team and an easier route, you might still enjoy the same view. My point is, if you want to win in the marketplace, let’s tip the scales in your favor—not take unnecessary risks. We’ll see how in a moment.

**3. Am I as patient—and wealthy—as Steve?** It’s easy to forget that Apple has its share of new product flops. You probably remember the Newton MessagePad. How about Pippin (gaming console) and Cyberdog (internet browser)? Sure, it would be great if your next three products were MacBook, iPod and iPad. But if they are Newton, Pippin and Cyberdog, will you still even be working at the same company?

## A Better Approach For The Rest Of Us

There’s a simple approach to separating the iPads from the Cyberdogs. Good news: You can do this *before* spending a bundle on development and launch. More good news: This approach does *not* prevent you from developing exciting, breakthrough products. Even more good news: It’s unlikely your competitors are using this approach today... so your competitive advantage can be enormous. Here are the key steps:

**1. Attack the right market:** The last thing you want to do is develop a beautiful product for an ugly market segment. If you make adhesives, they could be used in window construction, aircraft interiors, solar panels and so on. These market segments (a.k.a. “clusters of customers with similar

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## Today's Quote

*“If a repairman fixed your washing machine when your clothes dryer was broken, would you pay him? Neither will your customers.”*

– Dan Adams –

needs”) each have different needs, so you need to focus on one segment at a time. Make sure it’s one with good growth, size, competitive landscape, etc.

**2. Uncover customer outcomes:** Steve Jobs makes a good point when he

**The customers' area of expertise is the “outcome”—*what they want to have happen... not how it should happen.***

says you can’t just ask customers for “the next big thing.” But the next big thing is the “solution”—*your* area of expertise. The customers' area of expertise is the “outcome”—*what they want to*

have happen... not *how* it should happen. What if you interviewed customers and uncovered these outcomes?

1. Search a broad range of music
2. Instantly purchase music
3. Purchase one song at a time
4. Transport music wherever I go
5. Store my music on multiple devices
6. Organize my music so it is easily searchable

Research shows there are 50 to 150 customer outcomes for every job your product is hired to do. Talking to customers and uncovering these outcomes actually helps your team be *more* creative... opening up areas they would not have thought of by themselves.

**3. Don’t “just ask” customers:** When you ask customers for their outcomes, get creative. At AIM, we’ve developed a) interview methods to engage customers at a much deeper level, b) special “trigger methods” to get them out of mental ruts, c) fresh ways for probing their responses, and d) unique observation / customer tour tools to let you see exciting new opportunities.

**4. Prioritize customer outcomes:** What will customers richly pay you for? Only for delivering outcomes that are *important* and currently *unsatisfied*. So get quantitative: Ask them how *important* it is to “search for a broad range of music” on a scale of 1-10. Then ask them how *satisfied* they are today with their ability to “search for a broad range of music” on a scale of 1-10. Most suppliers fail to do this. They miss two critical points: 1) It’s a mistake to let your engineers and scientists work on answers to questions customers don’t care about, and 2) we all “hear what we want to hear” in customer interviews... so *quantitative* data is needed to drive out internal bias and wishful thinking.

**5. Get creative with the solutions:** In the “Steve Jobs”

email, my client wrote, “You need creative minds.” He’s right: Truly hearing the voice of the customer is necessary, but not sufficient. Once your team knows the outcomes customers care about, they need to focus all their creative energy here! This is best done by engaging as many of the right minds as possible... including those who work outside your company.

The above process looks neat and orderly, but in fact, product development is often like a messy kitchen as the meal is being prepared. What if your scientists have invented great new technology before finding a home for it? (Think Post-It® Notes or Scotchgard™.) Do you just leave it quivering on the lab bench since customers didn’t ask for it? Hardly. Conduct interviews in promising market segments... *without mentioning your technology*. If customers give you outcomes that are a good match with your technology... wonderful! Otherwise, look for different technology (for this market), or look for another market (for this technology).

I hope this doesn’t sound too theoretical. In fact, what I’ve just described is a process called New Product Blueprinting. And it’s packed full of very practical methods, skills and tools that have been finely tuned on six continents and in hundreds of industries. For a quick overview, check out these four-minute video excerpts at [www.newproductblueprinting.com/elearning](http://www.newproductblueprinting.com/elearning).

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