

# B2B Organic Growth Newsletter



New Product Blueprinting by Dan Adams

Growth strategies for companies that supply businesses - not consumers

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## The "Surprise Paradox"

Over the years, I've seen some great products developed slowly, and I've seen some mediocre products developed fairly quickly... but I've seldom seen the Venn diagram circles of "Great" and "Fast" overlapping. I

**Great new products require a surprise...but we don't plan to be surprised.**

wondered why many companies could pick one, but not both. Then it occurred to me: In the world of innovation, we face the *Surprise Paradox*: Great new

products require a surprise... but we don't *plan* to be surprised.

Let's look at the first part of the paradox. Have you ever seen an exciting, industry-changing product that did *not* incorporate at least one surprise? I haven't. The surprise may have been a new solution applied to the market. Or it might have been a market need that had not been addressed before.

In order for an invention to be patented, there must be an element of surprise. The invention must be useful, novel, and *non-obvious*. Someone trained in the art should look at the invention and say, "Wow... wish I had thought of that!" This is a "solution surprise." Think Teflon® or Post-it® Notes.

What about a "need surprise"... a customer outcome not previously understood and addressed? When a supplier understands customer needs better than competitors, it can find new ways to meet those needs. Think of Ecolab selling janitorial services instead of just cleaning chemicals... or GE selling aircraft engine *uptime* instead of engines.

What about the second part of the Surprise Paradox? *We don't plan to be surprised*. Product development is the only area of business

**Product development is the only area of business where a surprise should be welcome.**

where a surprise should be welcome. In every other case, a surprise is a curse to be avoided. Is it generally good news when your manufacturing department is surprised by defect rates? Or Accounts Receivable surprised by customer payments? How

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## New Product Blueprinting at DuPont



Important Study Results Announced:  
Tells and Sord reveal new framework for technology selection

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

## E-Book on B2B Product Launch

does engineering feel about cost or scheduling surprises when building a new facility?

So it's understandable when suppliers avoid surprises in product development as they would elsewhere. But when they do this, they either a) get surprised much later than they should, causing rework and delays, or b) miss the surprise (aka opportunity) entirely, leading to mediocre product development. Other "bad stuff" happens as well... they bore customers instead of engaging them, expose their companies to undue risk, and waste vast amounts of internal resources. Let's take a look at seven ways to embrace—not avoid—surprise when it comes to product development.

## Seven Ways to "Embrace Surprise" and Speed Product Development

**1. Uncover all customer outcomes:** According to research by Tony Ulwick ([What Customers Want](#), p. xvii), customers consider 50 to 150 outcomes (or end results) for every job they might hire your product to do. In New Product Blueprinting, we recommend interviewing with digital projectors, in-depth probing, specialized trigger methods, and advanced customer tours to uncover these outcomes, many of which are surprising to suppliers. Uncover them early and your new product will delight customers in a single new product. Ask customers to "validate" *your* concepts, and you'll need several generations of products to please them... if you're lucky.

**2. Test internal assumptions:** Many suppliers have hidden assumptions about their target market that are never surfaced and tested. This can be especially disastrous when entering a new market segment... and can dramatically slow or kill a new product introduction. To avoid this pitfall, employ Discovery-Driven Planning. If you're not familiar with this, I highly recommend this [Harvard Business Review](#) article.

**3. Quantify customer priorities:** In an age when "Voice of the Customer" is highly regarded, I hear far too little about *quantitative* VOC. If you just do *qualitative* VOC, you'll probably hear what you want to hear. At AIM, we follow the progress of hundreds of new product development teams, and most of them are surprised when they get quantitative, unbiased, unfiltered customer data. [The Market Satisfaction Gap](#), available after Blueprinting Step 3: Preference Interviews, is one way to understand which outcomes are both important and unsatisfied—the only ones customers will pay more for. In addition to creating *better* new products, you'll create *faster* ones: All team members will have confidence in the new product design and won't waste time chasing red herrings.

**4. Resource teams for the unexpected:** When you have a fairly predictable project—say installing another production line—it's okay to assign busy people to the project. But for new product



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### Today's Quote

"Six months in the lab can save an afternoon in the library."  
—Anonymous

to assign key people to the project. But for new product development, you need to plan for surprises, making sure teams have plenty of "margin" in their schedules. According to Michael George ([Fast Innovation](#), p. 55), here's what happens when team members' capacity utilization goes from 65% to 95%: On average *each task takes four times as long to complete!* So if you want *faster* projects, you probably need *fewer* projects. But resource them properly and make sure they address real customer needs (see points 1-3 above).

**5. Understand management expectations:** If you're going to be surprised by what management wants, it will be greatly to your credit to be surprised *before* you review your project with them. Understand their expectations early or you'll destroy your project timeline with needless "do-over" loops. Our suggestion: Forget the free-flowing PowerPoint presentations where each team tells its own story in its own way. We've identified 12 key elements that should be in every new product business case ([New Product Blueprinting: The Handbook for B2B Organic Growth](#), p. 185). If your new product doesn't satisfy these elements, your team should kill the project before management sees it.

**6. Employ open innovation:** Closed innovation is when you rely solely on your *internal* R&D for solutions. Open innovation, a term coined by Henry Chesbrough ([Open Innovation](#)), recognizes that "all the smart people don't work for us." If you want your product to move rapidly through the development stage, don't wait until all internal avenues have been exhausted: Begin your outside research as soon as top customer outcomes are known. Spend lots of time in the library and on the internet... not just in the lab.

**7. Continuously engage customers:** When you introduce a new product to prospects, do they instantly get excited and begin buying? Or does it take them months and months of thoughtful deliberation? Start them deliberating well before your new product is ready to launch. Interview them early to understand their needs, and keep engaging them throughout your new product development cycle. They'll help you make course corrections so you'll have a better new product... and when you're ready to sell, they'll be ready to buy.

I'm fascinated by something I've observed coaching new product teams: Some are "comfortable with ambiguity." As they interview customers, their minds are open and they are at ease not knowing yet what their new product will be. These teams are usually more successful than those who already have a new product concept in mind.

In the old days of Chicago politics, there was a saying, "Vote early and often." If you make it your goal to "be surprised early and often," I think you'll be pleased at the way customers vote for your new product.

**Learning More...**

When you "embrace surprise" with these seven tips, you'll accelerate product development... *and* create a better new product. A win-win. None of this is easy, so if someone at your company wants to study this further, I've included links above to the best resources I know. Here's another approach: If you'd like a free, no-obligation, one-hour consultation with an AIM expert regarding *your* company's situation, email us at [information@newproductblueprinting.com](mailto:information@newproductblueprinting.com). Or just visit [www.newproductblueprinting.com](http://www.newproductblueprinting.com). You might be surprised by the changes you can make.