

11 The Product/Service Development and Commercialization Process

Product/service development and commercialization process provides the structure for developing and bringing to market new products/services jointly with customers and suppliers.

Overview

The product/service development and commercialization process provides the structure for developing and bringing to market new products/services jointly with customers and suppliers. Implementation of the process enables management to coordinate the efficient flow of new products/services across the supply chain and assist customers and suppliers with the ramp-up of activities to support the commercialization. In this chapter, the product/service development and commercialization process is described as well as how it can be implemented.

After reading this chapter you should be able to:

- Explain how the product/service development and commercialization process is different from traditional research and development.
- Describe the strategic product/service development and commercialization process.
- Determine the influence of customer segmentation on the product/service development and commercialization process.
- List different sources of new product/service ideas and understand the importance of developing a strategy for obtaining and screening these ideas.
- Identify the importance of potential product/service rollout issues and constraints.
- Examine how the product/service development and commercialization process can affect Economic Value Added (EVA®).
- Describe the operational product/service development and commercialization process.
- Compare the fit of new products/services into a firm's existing portfolio.
- Understand the role of prototypes in the product/service development and commercialization operational process.
- Assess the importance of appropriate channels for new product/service rollouts.
- Understand why it is important for the product/service development and commercialization process to be cross-functional.
- Explain how customers and suppliers can be integrated into the product/service development and commercialization process.