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## Fuzzy Thought, Fuzzy Development, Fuzzy Products



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The incontrovertible evidence demonstrates that the logical focus and starting point must be the customer. Yet, as shown, half of the responding companies did not thoroughly understand the customer's needs before starting full-scale product development, and companies spent an average of only seven days on visits to customers' sites. Combined with the knowledge that the products producing the highest profits were new products, these facts offer a compelling argument for changing the product development process. But how?

The process of identifying customer value attributes for any product must be a disciplined one. This is often where the process starts to go wrong. Companies embark on the development process with few tools, no metrics, and only a seat-of-the-pants plan for gathering, analyzing and applying knowledge about what customers value.

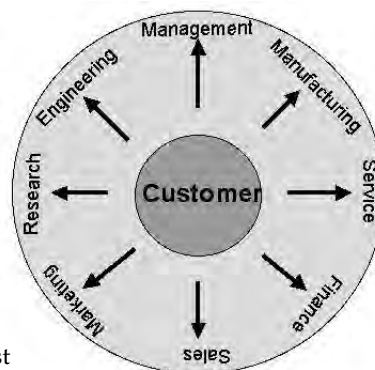
The lack of consensus among functional groups (sometimes referred to as silos) within an organization is often the misdirected starting point for what has been described as the fuzzy front end of product development. This fuzziness results from the lack of a cohesive definition of the customer value attributes in the product definition. The

accompanying graphic illustrates this dichotomy. Often, the company's understanding of the market is emotional or anecdotal rather than systematic, repeatable, in-depth and analytical.



A review of past product development projects can provide a useful benchmark to understand a company's current product development process. The process usually goes something like this: Someone or some group in the organization gets an idea for a product and suggests that it might be something customers would want. The idea may have been generated from valid customer comments at a trade show, directly from customer sales visits by a company executive, or from reactions to a competitor's initiative, or it may emerge from the company's own R&D efforts.

Once the company identifies the perceived opportunity,



problem and technological innovation, it begins the development process. It forms a team, creates schedules, assesses business risk and opportunity, allocates money and resources, and begins development—often without taking the time to poll the market in a systematic way in order to thoroughly understand the needs of the market and define the product attributes required to satisfy those needs. This is one reason why product development projects are delayed, over budget, misdirected and, all too often, unsuccessful.

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