TOOL: PRODUCT DEVELOPMENT - PRODUCT CHECKLIST

Abstract

The guideline Innovative product development and its corresponding checklist tools Product development – customer checklist, Product development – cooperation checklist, Product development – marketing strategy checklist, and Product development – product checklist support internal processes within utilities when developing well-aligned smart energy product and service innovations. The guideline will focus more on the process and what steps to take, while the information and questions within the checklists will help you to set up a process for information and support gathering within several departments of your utility.

Target Group:

- Product developer
- Governance
- Corporate Development
- Strategy.

Recommendation for Usage

The product checklist is part of the larger guideline on product development. The guideline and its corresponding checklist tools support utilities to facilitate internal processes for developing well aligned smart energy product innovations. The checklists for the topics product, customer, cooperation and marketing strategy are useful tools for structuring a (series of) workshop(s). Additionally, the checklists can support the work of an individual or a team in a utility in the internal process of developing a new product in dealing with different departments within the company. The checklists contain useful tips on how those different departments can work together and identify topics which so far have not played an important role for product development and product launches.

Have a look at the checklist, decide whether they have to be adapted for your specific purpose and try to fill them together with your colleagues based on the processes delineated in the guideline. The filled out checklists will help you formulate your concrete product or service and to anticipate challenges and chances. You need the answers to "make your case" for the new product and service you would like to offer in front of your CEO etc. and to get to a successful launch of the product. The exact way how to arrive here is up to you.

What is it?

The product checklist is part of the larger guideline on product development. The guideline and its corresponding checklists such as this one were developed for utilities to facilitate well aligned smart energy product innovations. The guideline explains the major differences between traditional energy product development and the development of smart energy products and services.

The checklists for the topics product, customer, cooperation, and marketing strategy are useful tools for structuring (a series of) workshop(s). Additionally, the checklists can support the work of an individual or a team in a utility in the process of developing a new product in dealing with different departments connected to the process, particularly product development and innovation, marketing and sales, after sales and customer care. The interlinkages between those departments have to be established in order for a good product to be developed.

The product checklist provides product developers with a set of questions to consider possible interlinkages with the other areas and steps of the product development process that should be taken into account. The list of control question in the checklist below is not exhaustive and can be adapted to the individual needs of the product development process. Some of the questions are trivial at first glance. However, in light of the previously practiced processes for product development of energy supplies and the changes in the market, they get a different meaning.

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Area	Question	Yes / No	Affected corporate processes	Advice and practical tips	My remarks
Product/ Sales	Did I describe benefit dimensions? Which benefit dimensions does the product offer the customer?		Product development, Sales & Marketing	Classic benefit dimension are e.g.: information, financial, prestige, comfort, security, time…	
Product/ Sales	Can the benefits of the product be communicated easily? (In general always to be answered with 'yes') Have the benefit aspects been clustered and prioritized?		Sales & Marketing Service		
Product	Did I consider and evaluate the potential for customer retention using the product?		Sales & Marketing Service		
Product	Did I take into account the effects of the new product on existing products? (e.g. energy efficiency products reducing existing energy sales and gross profits with the same customer)		Product development, Sales & Marketing Service		
Product/ Sales	Monitoring / Reporting – did I decide on indicators for the product to measure target achievement?			Try to take a medium-term perspective: a differentiation between conventional sales targets and performance targets specifically for the product (e.g. via customer surveys); list all possible measurable effect of the product und its customer interaction	
Product	Have exit-strategies been considered?			Although it seems contra-productive to consider exit-strategies at the start of product development process, an emergency plan in case the product performance fails to meet the expectations should be in place before the launch of the product.	

Area	Question	Yes / No	Affected corporate processes	Advice and practical tips	My remarks
Product	Do the subsequent processes (e.g. aftersales, services) fit the product message?			To answer this question, it should be assess if the product is "round", e.g. original message of the product includes self-sufficiency, but information (e.g. evaluation of the service processes) cannot be accessed directly by the customer	
Product/ Customer	Can the product be further adapted to the needs of the customer? Price differentiation, upgrades, full-service version, etc. (Caution: subsequent processes and complexity)		Sales & Marketing Service	Through pre-testing, first experiences and customer wishes should be gathered. For the sales department it is important to either define opportunities or offer a generic solution (e.g. at the product launch as many customer wishes as possible are implemented – or exactly the opposite – depending on the pricing strategy..)	
Product/ Customer	Am I in a position to offer an "appetizer"? – e.g. free entry/access, etc.		Sales & Marketing Service		

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