

Essay on product development

Business



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Product Development is vital for a business's survival. Yet it must also be balanced with product selling. Finding the right balance is the prime goal in looking for maximum profit. According to Smith and Reinertsen (1998), time is worth money. Products that are sold earlier would ensure that a business has earlier profits. This means that certain levels of product development could be sacrificed in order to ensure that a product is released fast in order to maximize profit due to longer sales as compared to products that are released later.

A product that is released early, however, could suffer from low quality or marketing and thus have a small customer base. Thus it is also vital that product development could also be prioritized rather than early product selling. A product that is developed more, and thus released later, could spell higher profit due to customer demand for higher quality and a larger customer base.

In the long run, this could spell a larger profit from products which are released earlier but still lack development. A next concept in the maximizing of profit related to product development is the speed of product development. A product that undergoes quick development would take competitors by surprise by dominating the market even before the competitor's products are released. It could also mean that customers would develop brand loyalty to the product.

Furthermore, a switch-over could cost to a competitor's product, which underwent slower but higher development, could become expensive and thus they remain loyal to the original product. Nevertheless, a product that is released later could have more profits due to commanding a higher price

than the original product. Whatever strategy a company makes, product development and product market release go hand in hand in the search for profit.