

|  | <p align="center"><b>Developing and Marketing High-Tech Products</b></p>  |
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| <p>Kelly Gates<br/>Gates and Company</p> | <p>High tech markets -- whether chemical, information technology, biotechnology/life sciences, medical devices, electronics, software, etc. -- are typically complex, driven by technology and innovation, and marketing dependent. High tech markets also exist under rapidly changing advancements in technology that lead to shorter and shorter life cycles and, as such, a need for rapid decisions in product development.</p> <p>As a result, high tech companies often rely on a product-focus driven by innovations in technology rather than by the needs of the customer. Often, this product focus results in a product or solution offering that may not live up to its promise.</p> <p>Here are some recommendations for product development managers and technical development teams to consider before embarking on the next "new product" that will help ensure the right blend of both customer and technology focus.</p> <ol style="list-style-type: none"> <li>1. First ask yourself: Is it really imperative to be first to market? If not, attention should be placed on perfecting the value proposition and developing a "complete solution" for the customer. While some companies may rush their new product(s) to market, your company can be improving the performance of the offering and the marketing mix.</li> <li>2. Carefully target the market by defining an accurate profile of customers most likely to purchase your product. Knowledge of adopter categories can be useful in determining the most viable market segment(s).</li> <li>3. Don't ignore the customer perspective in your product development process, nor skip market and "voice of the customer" research. Developing successful high tech products requires working closely with customers to identify their needs so technologies can be identified that provide appropriate solutions.</li> <li>4. Take advantage of the role that innovators and early adopters play in overall market acceptance of the product. Satisfying these two groups can greatly affect whether a product receives positive or negative word of mouth.</li> </ol> <p><i>- continued on back -</i></p> |

5. Reconfirm and adjust your target market(s) -- as necessary -- as the product progresses through adoption. Just as the product changes over the course of its life, so too will the target markets. Remember that innovators and early adopters may be excited about a new product, but early and late majority will want reassurance that risk is minimized and the product will perform as promised.

Some examples of how a change in mindset from product/technology focus to customer focus include:

### **Customer Focus v. Technology Focus**

Features and benefits v. Product design  
Value proposition v. Cost  
Ease of operation and use v. Ease of production  
Unique qualities v. Unique technologies  
Consumption v. Production

For more information, please  
contact the author at  
[kgates@gatesandcompany.com](mailto:kgates@gatesandcompany.com)