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Mengapa Pelaburan *Emas* Menjadi Pilihan?

Telur Mana Telur?

*you
are
what
matters*

An Affair of Online Learning and Covid-19

Pembasmian Kemiskinan Dalam RMK Ke-12

Bukit Harimau Menangis Tarikan Pendakian di Kemaman



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NPD

Why Is It Failed?

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New Product Development (NPD) is the process of transforming market opportunities into new products that may suit customers' demands and desires. According to Wheelwright and Clark (1992), NPD is defined as effective activity organization and management to bring products to market with low development costs and short development times.

Additionally, Haddara et al. (2020) defined NPD as the process of converting a market opportunity into a real product that can be sold, and it is regarded as a "mixture of arts, science, and management." Thus, the NPD process is defined as a set of processes that outline how a company turns a product concept into a marketable product (Iqbal & Suzianti, 2021). Because of the constant changes in consumer preferences, rising competition, and technological breakthroughs, NPD is unavoidable for all firms.

According to Marzi et al. (2021), over the last 30 years, research on NPD has grown exponentially, making this topic as an autonomous and established field of study ranging from management to engineering. The research focused on the most recent breakthroughs in NPD research in the sphere of business and management from 2008 to 2018.

On top of that, considerations for developing an NPD strategy include opportunity identification. Thus, the existence of a corporate direction and strategy selection, both of which are crucial to producing a continuous and dynamic process but are usually subject to change. However, even after all the development and testing, it is estimated that 40 percent of new products fail at launch; only one out of every seven to ten new-product concepts is a commercial success; and only 13 percent of firms report that their total new product efforts meet their annual profit objectives (Cooper, 2019). Like for example, in 2014, a class-action lawsuit was filed in California after the famous FitBit activity-tracking device caused significant skin irritation and even blisters (Kerr, 2014). Another example of a new product failure occurred in 2014, when Amazon, a well-known online platform, launched their own smartphone brand called "Amazon's Fire Phone." They introduced a new technology where the handphone was equipped with face detection. Eventually, Amazon stopped production 13 months after launch when the company failed in its commercialization strategy (Rubin & Cheng, 2015). In 2016, Samsung recalled all of their Samsung Galaxy Note 7 batches when the product burst, causing the user to catch fire (Brian & Choe, 2016).

The key requirements implicate the managerial functions for survival including management, marketing, production, and finances. With the rapid development of technology, emphasis needs to be focused on the design of products and services to meet the highly competitive global market. First and foremost, the idea of any new product will undergo research and development (R&D) to ensure the potential and benefits to meet market expectations. Without adequate R&D, there will be a risk of the product failure (Ford et al., 2016). One of the reasons why new products fail in the market is the inability to discover the most valuable aspects that are most treasured

by buyers. As a result, producers might overinvest.

Innovative products fail due to several reasons (Hoyer et al., 2010), which can include these following aspects:

1. The first reason is an overestimation of market size, which results in overproduction and loss of earnings.
2. The second reason is that a new product's design is not enticing to potential purchasers. Not unique.
3. The third cause is that it is being created for the wrong market segment, such as marketing a high-end item in a low-income area.
4. The fourth cause is releasing a new product at an inconvenient time, for as producing a high-tech gadget for human use amid an economic slump when people are hesitant to spend money.
5. 'Over-engineered' product is expensive for the company, and technical flaws must be eliminated.

Conclusion

Without a doubt, the world is getting more global, unpredictable, and modern. As a result, NPD is introducing many new approaches to meet these difficulties, such as agile development processes (for physical goods), design thinking for ideas, open innovation, lean product development, lean start-ups, and so on, whose impact is considered as a beneficial overall development. However, there are certain products that appear to be very competitive in their market but lack of persistence owing to a variety of marketing issues, such as a poor product, inefficient promotion, or a poor price strategy. This is supported by Tauber (1975), who said it is true that some trial and early repeat is a necessary condition to achieve some adoption. Therefore, research on the performance of new goods and new NPD processes must be maintained, as product innovation is crucial

to business survival. However, the true key of NPD's success in numerous industries remains unclear and must be discovered.

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