

Stage gate models

If the market does not embrace new products launched by a company, more often than not the work of the development department becomes subject of discussion. However, the problem usually lies in the process and not in the content of development. A good stage gate process can ensure the various disciplines to work together in all stages of product development, increasing the chance of market success.

Apply stage gate models in product development, if

1. you want to be able to judge the potential of many product ideas. By defining gates that allow some product ideas to pass and others not, you prevent bad ideas taking up capacity.
2. you want to make sure that commercial potential of an idea as well as its technical feasibility are investigated in parallel.

Here's what a stage gate model could look like:

- Concept phase, up to gate 1
 - Identify the concept that best satisfies the consumer insight
 - Determine how best to realise the concept
 - Determine how to make money with the conceptGate 1: decide to either build a good prototype and test it, or to stop the project.
- Prototype phase, up to gate 2.
 - Determine how much the consumer likes the prototype (which looks and works like real),
 - Establish how well it functions,
 - Determine who can make it,
 - Determine how much money you can make with it.Gate 2: decide to either make and test a trial series, or to stop the project.
- Preproduction phase, up to gate 3.
 - Determine how much the market likes the trial product (which looks, works and is made like real),
 - Establish how well the product functions over lifetime
 - Identify who will sell them, and determine how many will be sold
 - Agree who will produce them for youGate 3: decide to either launch or stop the project.
- Post launch, up to gate 4.
 - Launch the product
 - Establish market success of the product,
 - Transfer the product data,
 - Determine how you can do better next time.Gate 4: Transfer responsibilities and close the project.

Keen 'stage gaters' will think of phases before or in between.

How to check whether your stage gate process is functioning:

1. Are you launching successful products?
2. Are you stopping projects in each of the gates?
3. Are you stopping fewer projects in later gates?

Three times yes: your stage gate process is running well.

This is the third newsletter of innovationtools. This newsletter with hints and tips on product development is sent about once every six weeks to those interested. Earlier issues can be found on www.innovationtools.nl. If you know someone who might like to read this newsletter, please forward it to them. Thanks very much for doing so. Comment, subscribe or unsubscribe via maurits@innovationtools.nl.

Contact me at innovationtools if you are in need of an experienced project manager for product innovations, especially if your project is in its front end or needs a concept breakthrough.

Best regards, Maurits Willemen

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