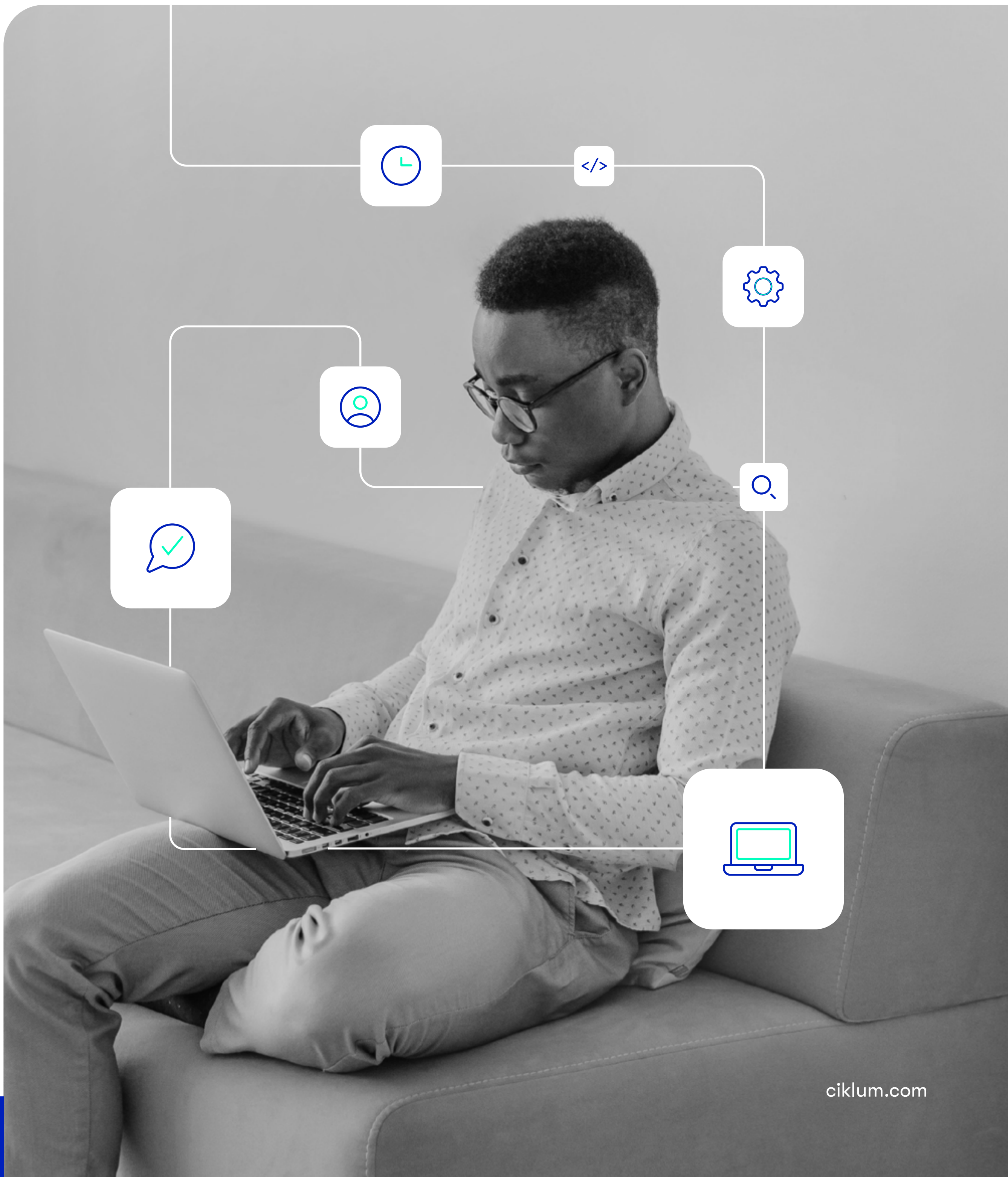


Customer-Centric Product Development

The ultimate guide to building
products your customers want & need



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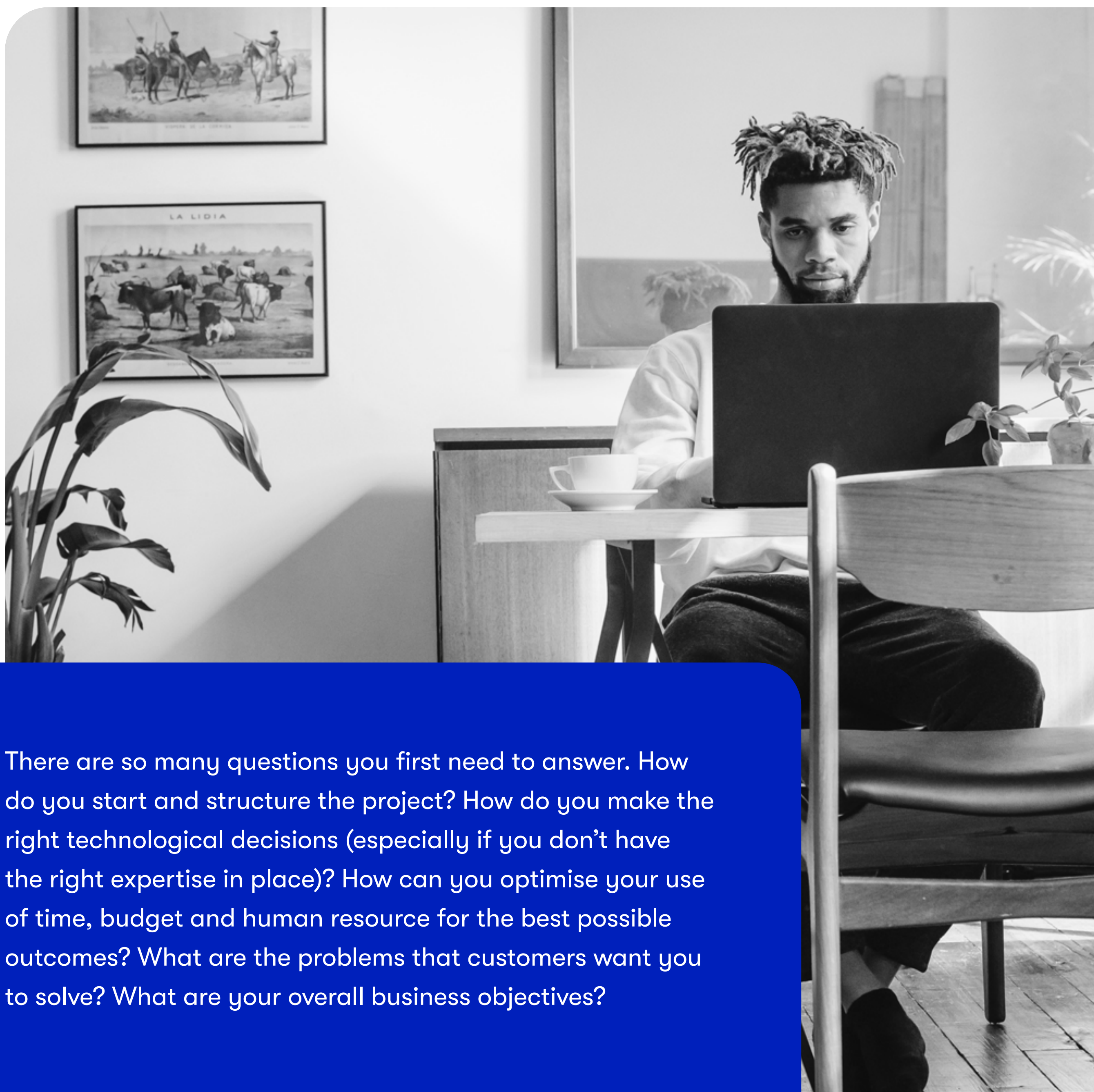
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“Just run with it” your company said

Have you ever been in the position where your senior leaders gave you a new product idea, or development project, and simply told you to ‘*make it happen*’ or ‘*run with it*’?

Whatever the case, how you approach a project like this can be a real challenge - especially when your starting point is effectively a blank sheet of paper and you’re getting nothing but blank stares.



There are so many questions you first need to answer. How do you start and structure the project? How do you make the right technological decisions (especially if you don’t have the right expertise in place)? How can you optimise your use of time, budget and human resource for the best possible outcomes? What are the problems that customers want you to solve? What are your overall business objectives?

Without a detailed brief or clear direction on what to do, even the best teams can struggle to develop new products and get them to market successfully. This can be for a number of reasons:



A shortage of skills

Your team may be smart and well-qualified, but it still needs relevant technical expertise, past experience and suitable frameworks to get the job done. This is easier said than done given the growing skills shortage globally: [as of 2022](#), 70% of organizations worldwide were still suffering from a lack of tech skills in-house.



Rushed timeframes

Given the global tech market is continuing to grow - [by 8.2% in the last year](#) - business leaders may well want a new product in market fast to make the most of a new opportunity. But this can add to the pressure of development and can lead to mistakes and corner-cutting creeping in - and subsequently, a flawed product.



Team burnout

Faced with a huge task, high expectations from senior management and a general lack of focus or direction, your team members can easily become overwhelmed and stressed. This can seriously damage the viability of a project. Furthermore, it does more harm than good to the wider organization in the long run, whether attrition is caused by sick leave or through higher staff turnover.

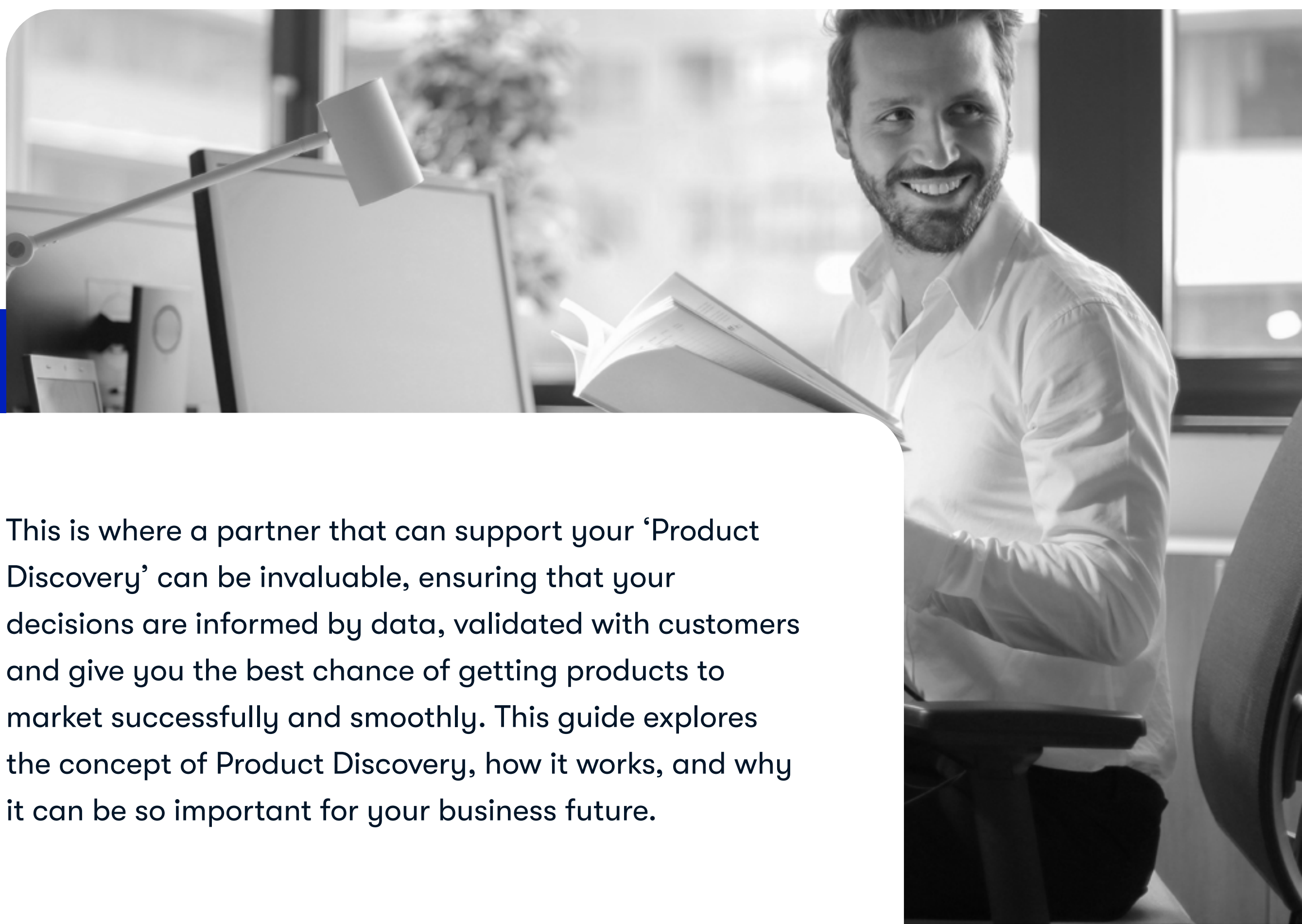


Lack of framework

If development teams aren't able to interact with customers regularly and quickly, in order to get feedback on their ideas, they can't be sure that the project you're pursuing won't end up wasting time, money and resources.

Here's some of the harsh realities of product development. After researching over 2,000 venture-backed startups, Shikhar Ghosh, a senior lecturer at Harvard Business School, concluded that [three-quarters](#) fail to deliver a return to their investors. And less than half (40%) of products that reach the market survive in the long-term, according to the [Market Research Association](#).

This is often down to an over-reliance on unclear processes or incomplete data - in other words, not knowing whether you're building the right product, and not being able to build the product right, due to the factors outlined earlier.



This is where a partner that can support your 'Product Discovery' can be invaluable, ensuring that your decisions are informed by data, validated with customers and give you the best chance of getting products to market successfully and smoothly. This guide explores the concept of Product Discovery, how it works, and why it can be so important for your business future.

What is Product Discovery?

Product Discovery is not an especially well-known concept, but can be a real game-changer in developing successful products, by ensuring that you're on the right track throughout the entire process.

The basic principle of Product Discovery is that the concept of a product is fully validated by consumers and aligned to business goals.



This is all ratified before substantial time, funding and human resource is committed to its development, and your Product Discovery partners are the people who will take those validated ideas and help you get them to market.

Generally speaking, Product Discovery works as a three-step process.



Business objective definition

All good processes start by working out exactly what the overall aim of the project is. Using the example of a customer-facing product or application, this could be to acquire new customers, to drive upselling or cross-selling opportunities, or to increase loyalty among the existing customer base. Working this out can ensure that all subsequent decisions are made in the right context.



Customer understanding

The next step is to establish the pain points that a product can theoretically solve. These should include anything that your customers are struggling with, any ways in which their experience can be improved, and any problems that currently exist within your customer journey.



Solution Discovery

Armed with the information from the first two steps, you can then go on to identify the solution that meets both business objectives and customer needs. This is where a partner, fully conversant in the potential technologies and solutions available, takes that information and uses it to work out which solution ticks all the boxes. Ideally, this solution won't only work on a practical level, but it will also be achievable within the financial, time and resource constraints of the project.

Ultimately, many businesses will come up with ideas without considering what it all means in practice. While project teams can work out the practicalities, it can take a long time and effort to work out which solution to pursue, and whether it's going to be right for the business and its intended customers. A Product Discovery partner expedites this process, using their experience and expertise to add as much certainty and reassurance to the development process as possible - and as early as possible.

Why is Product Discovery important for you?

Product Discovery is an important part of modern product development for several compelling reasons:

01

It enables customer-centric product design

Product Discovery allows you to gain deep insights on the sentiment and preferences of your customers continuously. This means you can validate what you want to build with customers before you start building it, and when you go into the Solution Discovery phase, you can have complete confidence that you're heading in the right direction.

02

It enables data-driven decision-making

[According to S&P Global](#), 90% of businesses say that data is increasingly important to them - but the same study also found that only a quarter say all their decisions are data-driven. The validation processes within Product Discovery generate the much-needed data that enables the right decisions to be made more often, and removes assumptions that can often be wrong - and costly.

03

It speeds up your time to market

Product Discovery gives you a clear framework for development that allows you to get on and build a product, without having to make changes or iterate along the way. The current rush to innovate with AI is a great example of how a first-mover advantage can make a big difference: Google still had its chatbot, Bard, in development, [only to find that ChatGPT had stolen a march](#) - gaining significant market traction in the process.

04 It leverages the Agile development model

Building technology through the short, fast sprints of Agile is the best way to deliver consistently good results, and ensure that development is aligned with customer demands and needs. The framework that Product Discovery provides is ideal for enabling that development model, rather than the Waterfall ‘A-to-Z’ method of running through a to-do list and missing out on vital customer testing.

05 It helps cut out common errors

Product Discovery ensures that all requirements, end-to-end, are established at the start. This means many of the typical missteps in development are avoided, such as underestimating what’s needed to structure data or product design; not recruiting a big enough or skilled enough team; failing to adapt as requirements change; and failing to build in long-term scalability.

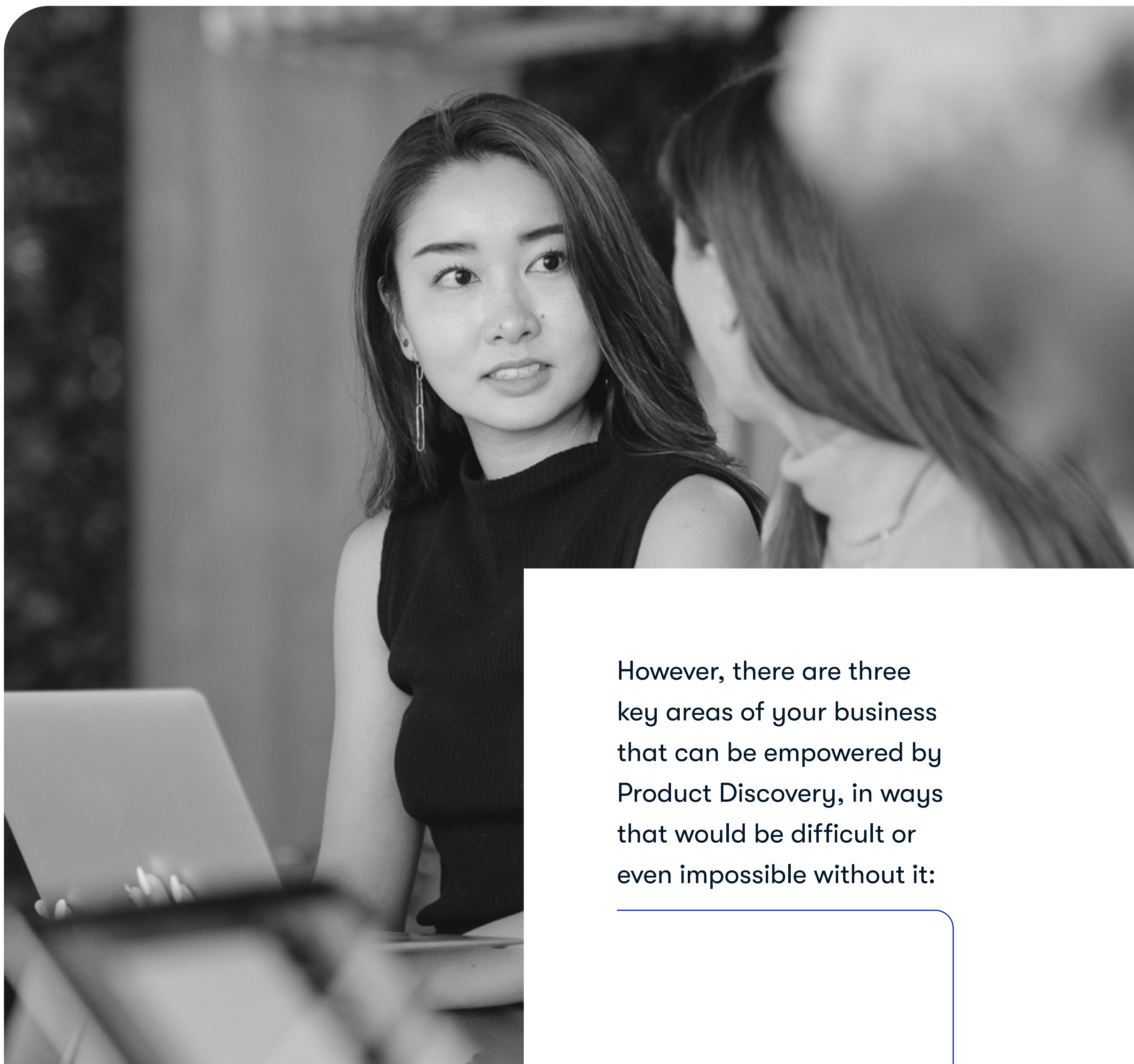
06 It reduces the risks within your project

Developing new products is risky, expensive and can be time-consuming. It can mean your business’s reputation is put on the line, as the ramifications of a poor product can be severe and long-lasting. In the worst case scenario, those responsible for developing and pushing a bad product to market may even find their jobs under threat. Product Discovery keeps these risks low, by giving you guaranteed, customer-backed, product market fit in a fast and cost-effective way.



How Product Discovery can supercharge your business

While the previous section underlines how beneficial Product Discovery can be from a technical and development perspective, it can sometimes be difficult to appreciate how this translates into wider business benefits.



However, there are three key areas of your business that can be empowered by Product Discovery, in ways that would be difficult or even impossible without it:



Product vision

With Product Discovery, you will have a much clearer overall vision and strategy for your product, and by extension for your business as a whole. You'll know what you're doing, what you need to do to get there, and how you'll get there from a practical perspective. Furthermore, your team will have been able to explore new, more efficient ways of doing things through a Product Discovery partner offering new, more dynamic perspectives. Given that 70% of upstart tech companies fail, [according to CB Insights](#), the importance of having this clear vision and plan can't be overstated.



Scalability

With the well-thought-out delivery structure that Product Discovery provides, it becomes much easier to scale development teams in the right ways and at the right time. Many businesses still throw 'bodies' at problems (with all the expense and operational friction that can entail) in the hope of solving the problem. A clear, iterative development plan makes it much more obvious when and where certain skills and people will be required, including when external expertise needs to be brought in. This not only ensures that development runs much more smoothly, but also enables the balance of budget and human resource provisioning to be perfected.



Solid business case

At a time when businesses are more cautious, it can be difficult to convince boards and senior management to approve funding for projects. The information and insight that Product Discovery provides brings more certainty, and can therefore also form part of a compelling business case. You can demonstrate that your idea is customer-validated, and how it will meet both stakeholder expectations and the goals of the business. If your CEO isn't as in touch with customer sentiment or market activity, putting hard facts in front of them - along with a fully validated product idea - can be extremely persuasive.

The Checklist – is Product Discovery right for you?

There are many reasons why you should pursue Product Discovery. To help you determine whether Product Discovery is right for your next project, we’ve developed this quick checklist. Ask yourself the following ten yes-or-no questions:

Are you time-limited in getting a product to market?	☐ YES	☐ NO
Are you restricted in the funding available to you?	☐ YES	☐ NO
Do you have a limited amount of resources available?	☐ YES	☐ NO
Do you have any gaps in your customer understanding?	☐ YES	☐ NO
Have you been given a target or business objective, but don’t have complete clarity on how to achieve it?	☐ YES	☐ NO
Do you need to pivot your business to be digital first?	☐ YES	☐ NO
Do you need to move away from a service offering and towards a product offering?	☐ YES	☐ NO
Do you aspire to disrupt or transform your industry?	☐ YES	☐ NO
Do you want a product that differentiates your business, and/or drives competitive advantage?	☐ YES	☐ NO
Are you exploring opportunities in new markets, especially those where you are tapping into an entirely new customer base?	☐ YES	☐ NO

If you have answered ‘yes’ to at least half of these, then Product Discovery is a must-have for your projects from now on. If you have answered ‘yes’ to only a few of them, then it may still be the case that Product Discovery could be beneficial to your organization - seeking advice from a prospective Product Discovery partner may help you understand whether it’s right for you or not.

How you can get started with Product Discovery

At [Ciklum](#), we have years of experience helping organizations like yours go from a loosely-defined product idea (or sometimes even nothing at all) to a fully validated, consumer-backed and scalable product.



And we can do so in a very short space of time - often between eight and ten weeks - and across a wide range of budgets. We do this through a tried-and-tested, three-phased process, which is built on a strong partnership and collaborative journey. The three phases are as follows:



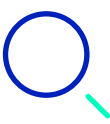
Where are you now?

We work to understand your business objectives, the problems you’re trying to solve, and any customer pain points you want to address. We also take into account the current make-up of your team - both in headcount and skill sets.



Where do you want to be?

We assess what the most positive outcome is and what it will mean for your business, and start work-shopping to establish the roadmap for smooth, cost-effective progress.



How can you get there?

We help you determine the details of the product that you want to develop, and the workstreams and skills required for its development, taking time, budget and resource constraints into account. We also establish the Agile-based delivery process that will allow you to rapidly innovate, iterate and validate with your customers.

We know that trusting a third party to get heavily involved with product development can be difficult, as it involves working closely with many stakeholders and dealing with intellectual property. This is why we often start off with a short discovery sprint, where we learn processes, architectures and technical capabilities, typically over four weeks. This allows us to demonstrate our end-to-end experience and expertise, and how we can help you reduce costs, get to market faster, and give you certainty your products will land as intended.

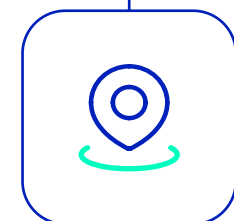
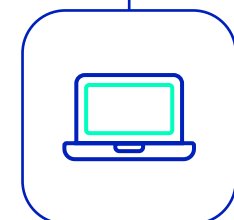
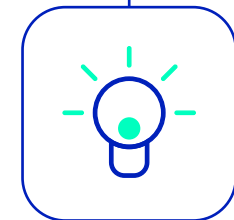
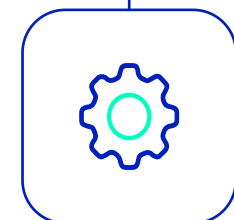
Would you like to know more?

With our **Product Discovery** approach, we can help you disrupt and transform your industry with innovative products, developed quickly, cost-effectively and with maximum resource efficiency.

We're a **leading custom product engineering company** that partners with both multinational organizations and scaling startups to solve complex business challenges like turning product development ideas into a lucrative reality.

We provide **product engineering, automation, and data & analytics** solutions for clients in the **financial services, payments, retail, consumer products, and iGaming** industries - amongst many others.

Based in the **UK, Western Europe, the US and Israel**, our global account teams complement our technical talent and bring extensive sector expertise into focus for our clients.



With a global team of over 4,000 highly skilled developers, consultants, analysts and product owners, we engineer technology that redefines industries and shapes the way people live.

Find out more about how Ciklum can support your product development from idea stage to reality.

GET STARTED