

WHAT IS PRODUCT PLANNING?

Product planning is the procedure of identifying and articulating market requirements that define a product's benefits or features. Product planning works as the basis for decision making about price, distribution, and promotion. It is the process of creating a product idea and following the idea until the product is introduced to the market.

It can further be defined as the evaluation of the range, specification, and pricing of new and existing products according to the present and future market requirements and competition. It usually represents the activity that links the company with its market which is directly concerned with the development of the company. Product planning can be done by top management or by line management, but successful product planning can only occur within a clear framework of goals and objectives laid down by the board of directors.

Objectives of Product Planning

To meet the customer needs: Product planning identifies the customer needs, requirements, aspirations, likes, and preferences then guide the firm's resources and efforts towards the accomplishment.

To spotlight firm's strengths and weaknesses: This helps the firm to work on the weakness and improve the product.

To fortify better resource utilization: Product planning helps to develop new product and modify existing ones in a way that better utilization of resources can be achieved. It reduces the cost of the product.

To guarantee a firm's survival: product planning predicts what is likely to change in products, technologies, product ideas, so that the latest can be given to the consumers

The Process of Product Planning

1. *Define the product concept:* It is the most important step in your planning process as it defines the product you are trying to build. It equips you with unshakeable knowledge of the upcoming problems based on your strong understanding of what can be the solutions.
2. *Market research:* a small company should consider doing marketing research before planning a new product. Market researchers use quantitative and qualitative research