

Innovative Product and Service Development Based on Customer Needs

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Info Artikel	Abstract
Article History Received : 2022-07-05 Revised: 2022-07-12 Published: 2022-07-30	The development of innovative products and services is an important strategy in facing increasingly fierce market competition. This study aims to analyze the concept of product development, the process of identifying customer needs, and effective product design in creating added value for consumers. The method used is a literature study with a qualitative descriptive approach based on book sources and scientific references related to entrepreneurship. The results show that the success of product development is greatly influenced by the company's ability to understand customer needs through a systematic identification process, such as customer data analysis and the 5W approach. In addition, structured product design, from planning to design details, is a crucial factor in producing competitive products. Product innovation also plays a key role in creating sustainable competitive advantage. Thus, the integration of innovation, customer needs, and appropriate product design can increase customer satisfaction and support business sustainability in the modern era.
Keywords: <i>Product Development; Innovation; Customer Needs; Product Design</i>	

I. INTRODUCTION

Amidst increasingly fierce market competition and evolving customer expectations, product and service innovation is a key factor in maintaining a company's competitiveness. To create added value and meet customer needs, companies must have a deep understanding of their desires and expectations. Identifying customer needs is a crucial first step, which can be achieved through market research, surveys, and observation of consumer behavior. With accurate information, companies can develop products or services that are more relevant and aligned with market demand.

The integration of innovation, understanding customer needs, and appropriate product design will provide a company with a competitive advantage. Products or services that meet customer needs not only increase customer satisfaction and loyalty but also strengthen the company's position in the market. With this strategy, companies can build long-term relationships with customers and ensure business sustainability amidst dynamic market changes.

II. RESEARCH METHODS

This research uses a qualitative approach with a literature review method, aiming to gain a conceptual understanding of customer-needs-driven product development. The data used in this study are sourced from various scientific references, such as books, journals, and entrepreneurship-related literature relevant to the study topic. This approach was chosen because it provides a comprehensive overview of the concepts, theories, and practices of product development and innovation.

The research process involved several stages: data collection from literature sources, review and analysis of theories related to product development, identification of customer needs, and product design. The analyzed data was then systematically compiled to produce a structured and easily understood presentation. With this method, the research is expected to contribute to a richer understanding of effective, customer-oriented product development strategies.

III. RESULTS AND DISCUSSION

A. Research result

This research shows that creating a good product is an organized and interconnected process, involving several stages, including

planning, understanding customer needs, developing ideas, and finally designing the complete product. This process aims not only to create new products but also to improve existing ones to meet changing market needs.

In product development, companies must implement strategies that emphasize quality improvement, new features, and improved product design. These efforts aim to add value that can make the product more attractive to buyers. Furthermore, the product development process also includes several important steps, such as understanding customer needs, testing the product, and introducing it to the market, all of which contribute to its overall success.

Furthermore, the research shows that identifying customer needs is a crucial part of the product development process. This process involves gathering information from customers, understanding their needs, categorizing those needs in order of importance, and analyzing the results. This approach allows companies to understand both clear needs and those not yet directly expressed by customers. This ensures that the resulting product closely aligns with consumer desires and preferences.

The research also shows that designing a product in a structured and planned manner significantly impacts the quality of the final product. The manufacturing process begins with the planning stage, then progresses to the concept stage, overall system design, and finally, detailed design, including technical product specifications. Each step in this research is interconnected and contributes to the creation of a product that not only performs well but is also more efficient to manufacture and commands a higher selling price.

Overall, the results of this study confirm that successful product development is heavily influenced by the synergy between innovation, understanding customer needs, and structured product design. These three aspects are key factors in creating competitive products that can survive in an increasingly complex market.

Product development is a crucial strategy for maintaining a business's existence and competitiveness amidst highly dynamic market movements. In the world of entrepreneurship, product development is not only about creating new products, but also encompasses the process of refining, changing, and innovating existing products to continue to meet consumer needs. Numerous studies have shown that product innovation has a significant impact on company performance, as it can add value and differentiate products from competitors.

Furthermore, product innovation is closely linked to customer satisfaction. Innovative and high-quality products can often enhance the customer experience, ultimately strengthening customer loyalty. This is supported by research showing that product innovation and quality influence customer loyalty through perceived satisfaction. Therefore, companies must make innovation part of their long-term strategy, not simply a reaction to existing competition.

Furthermore, identifying customer needs is a key foundation in the product development process. Without a deep understanding of consumer needs and preferences, innovations are likely to miss the mark. Market research is an effective approach to identifying these needs, as it can provide information on consumer trends, desires, and behaviors. Recent studies have shown that market research findings are a crucial foundation for designing product innovations that meet customer needs.

Within the framework of customer-oriented product development, the process of identifying consumer needs is a fundamental stage that cannot be ignored, where its implementation can be done through various methods such as surveys, in-depth interviews, direct observation, and consumer behavior analysis, which comprehensively allows companies to capture not only explicit needs, but also latent needs that are often not yet articulated by customers, so that through this approach companies can formulate product development strategies that are more targeted,

B. Discussion

innovative, and have significant added value in meeting market expectations.

In line with this, product design becomes a crucial phase that functions as a bridge between conceptual ideas and actual product realization, which in its implementation must be carried out systematically and structured through the stages of planning, concept development, to detailed design, so that the resulting product is not only able to answer customer needs functionally, but also efficient in production and distribution aspects, where the application of design-based innovation and quality improvement are important determinants in increasing the competitiveness and attractiveness of products in the market.

No less important, in facing the increasingly complex and evolving dynamics of business competition, the implementation of continuous innovation is the main key for companies to remain relevant in the market, because companies must be able to adapt to changes in technology, market trends, and consumer behavior, so that through continuous innovation the company can continue to produce competitive products, which when integrated with the right marketing strategy will be able to increase the effectiveness of market penetration and expand consumer reach.

Thus, conceptually it can be understood that the success of product development is the result of synergistic integration between innovation, deep understanding of customer needs, and product design carried out systematically and structured, where these three aspects are interrelated and form an inseparable system in creating superior, competitive products, and oriented towards business sustainability, so that companies are required to manage the entire product development process holistically in order to achieve a balance between customer satisfaction and organizational goals.

IV. CONCLUSION AND SUGGESTIONS

A. Conclusion

Product development is a crucial strategy for enhancing a company's competitiveness in

the marketplace. This process must be supported by a deep understanding of customer needs through systematic identification. Furthermore, structured product design can produce high-quality products that meet market needs.

B. Suggestion

Companies are advised to continue conducting market research to understand changing customer needs. Furthermore, product development should be carried out continuously, utilizing the latest technology and innovation. Further research is expected to examine the implementation of product development empirically to provide more applicable contributions.

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