



Critical Evaluation of Factors Contributing to Product Failure in the Market

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Abstract

This dissertation explores the reasons why many new products fail to succeed in the market. It focuses on the challenges businesses face when bringing a product from development to launch. The research looks closely at how poor planning and weak market understanding can lead to product failure. It also considers the impact of changing consumer behaviour economic conditions and industry trends.

The study uses a combination of theory case studies and direct insights from professionals to understand the root causes of failure. It finds that products often fall short not because of a lack of innovation but because companies fail to connect with real consumer needs. The importance of a structured development process and early feedback from users is highlighted throughout the research.

By studying well-known product failures the dissertation shows how misjudging the market or moving forward without clear direction can lead to wasted resources and lost opportunities. The findings suggest that successful product development depends on careful planning and a clear focus on the people the product is meant to serve. This research offers guidance for businesses looking to reduce risk and improve outcomes in future product launches.

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1. Introduction

1.1 Introduction

In today's dynamic and highly competitive business environment the success or failure of a product can significantly impact a company's ability to survive. Despite substantial investments in research and development a considerable number of new products fail to achieve their intended market success. Multiple studies have presented a failure rate range of 45-95%, a high rate of failure raises critical questions about the factors that contribute to unsuccessful product launches and the challenges businesses face. The ability to understand and address these factors is essential for companies looking to reduce financial losses and improve their product development strategies.

Product failure is a critical issue that affects businesses across various industries. Research suggests that a substantial percentage of new products fail within their first few years of launch. According to Harvard Business School Professor Clayton Christensen, around 95% of new products fail depending on the industry and market conditions (Nobel, 2011). Another study shows that when new consumer products are developed and later launched, 50 to 75% of them are removed from the market far short of meeting their projected financial targets resulting in failure. They conclude that 76% did not last one year of sales, and within this amount around 45% did not last 26 weeks (Dijksterhuis, 2016). In an older study, it has shown that in the USA only about 53% of new products are reported to achieve their financial objectives. The exact numbers are a matter of debate and will depend on the definition of failure and on the specific area of consumer goods (APCQ, 2003). These numbers are a painful reminder of the fact that most new product designers and engineers are devoting considerable time and money to products that should have revealed their flaws at the moment of inception or early stages of development (Dijksterhuis, 2016). Failure is deemed to be common with product and service failure rates at around 40% since the 1960s (Markham & Lee, 2013).

Given the high stakes involved in product development and commercialisation, understanding the factors that contribute to product failure is essential for businesses to minimise risks and improve their chances of success.

This dissertation critically examines the key factors that contribute to product failure in the market. Product failure can be attributed to a wide range of internal and external factors, including poor market research, inadequate marketing strategies, pricing issues, product quality concerns, and misalignment with consumer needs. Internally, companies may struggle with flawed product design and lack of innovation ability, which can hinder a product's ability to compete successfully. Externally, macroeconomic factors, evolving consumer preferences, and intense competition can also play a significant role in determining whether a product succeeds or fails. Understanding these factors is crucial for businesses and product managers seeking to minimise risks and enhance their decision-making processes.

A major cause of product failure is insufficient market research. Many companies fail to conduct thorough market analysis before launching a product or even before they start designing, leading to poor product-market fit. When businesses do not fully understand consumer needs, preferences, or pain points, they risk developing products that do not resonate with the target audience. For instance, numerous case studies have shown that products designed without adequate consumer insights often fail to gain market traction. Additionally, ineffective marketing strategies, such as poor promotional campaigns or failure

to differentiate from competitors, can result in weak consumer awareness and low sales performance.

Another critical factor is pricing strategy. A product that is priced too high may discourage potential buyers, while an underpriced product may be perceived as low quality or fail to generate sufficient revenue to sustain the business. Many companies fail to carefully consider market demand, production costs, competitor pricing, and perceived value when setting prices leading to product failure. On top of that, poor product quality or functionality issues can severely damage consumer trust and lead to negative reviews, or worst-case scenario can lead to legal implications. A well-designed product that fails to perform as expected often struggles to recover from initial setbacks.

Beyond internal challenges, external factors such as not being able to keep up with technological advancements and the changing industry regulations can also contribute to product failure. Rapid technological changes can render a product obsolete before it gains market traction, while economic conditions may impact consumer purchasing power. Additionally, failure to adapt to evolving regulatory requirements can result in legal challenges or product bans which all leads to the company's reputation to be damaged.

This dissertation aims to provide a comprehensive evaluation of these factors by analysing real-world case studies, theoretical frameworks, and industry insights. By identifying the common causes of product failure and offering strategic recommendations, this research seeks to help businesses develop more effective product launch strategies and improve long-term market performance. The findings will be valuable to entrepreneurs, product managers, marketers and business strategists aiming to enhance product success rates and mitigate the risks associated with market failures.

1.2 Aims

The primary aim of this dissertation is to critically evaluate the factors that contribute to product failure in the market. Despite advancements in innovation, a significant percentage of new products fail to achieve commercial success. Understanding the underlying reasons behind these failures is essential for businesses to enhance their decision-making processes to minimise financial risks. This study seeks to analyse both internal and external factors that contribute to product failure and explore effective mitigation strategies.

To achieve this overall objective, the dissertation focuses on the following specific aims:

- To examine the key factors leading to product failure. This includes analysing market-related issues, product design flaws, pricing and positioning failures, ineffective marketing and distribution strategies, organisational misalignment, and broader economic and social influences.
- To assess the role of innovation and new product development in determining product success or failure. The study will evaluate the challenges businesses face when developing new products, particularly the importance of a user-centred approach and structured development processes.
- To analyse real-world case studies of product failures by examining notable product failures, this research will identify recurring patterns and common mistakes, providing valuable insights into why some products do not succeed in the market.
- To explore strategies for mitigating product failure risks. This includes evaluating best practices such as iterative development, customer feedback integration, rigorous

product testing, and internal organisational alignment to improve product success rates.

The primary aim of this research is to critically evaluate the factors contributing to product failure in the market. By analysing the various dimensions of product failure, this study seeks to identify key challenges businesses face when launching new products and understand why certain products fail despite significant investments in research, development, and marketing. This research aims to provide insights that can help businesses improve their product development strategies and enhance their chances of success in competitive markets. Additionally, the study intends to explore existing frameworks for analysing product failure and propose effective strategies for minimising the likelihood of failure in future product launches.

By addressing these aims, this dissertation will contribute to the existing body of knowledge on product development and market strategy, offering practical recommendations to help businesses reduce the likelihood of product failure and enhance long-term market performance.

1.3 Objectives

To achieve the overarching aim of the study, the following specific objectives have been established:

- To define product failure and establish key indicators that determine a product's success or failure. This objective involves examining different definitions of product failure and identifying measurable criteria such as financial performance, customer adoption rates, and market reception.
- To identify and critically evaluate the key factors contributing to product failure. This includes analysing various dimensions such as market-related factors, product design and development failures, pricing and positioning issues, marketing and distribution inefficiencies, organisational and strategic misalignments, cultural and social influences, and economic and environmental constraints.
- To assess the relevance of product failure to businesses and consumers. This objective aims to explore the implications of product failure from both a business and consumer perspective, examining how unsuccessful product launches impact financial performance, brand reputation, consumer trust, and overall industry dynamics.
- To examine existing frameworks and methodologies used to analyse product failure. The study will evaluate theoretical and practical frameworks that businesses and researchers use to assess product performance, failure patterns, and risk mitigation strategies.
- To explore the role of innovation and NPD in mitigating product failure. This objective seeks to investigate how innovation-driven product development strategies can reduce the risk of failure and enhance product success in competitive markets.
- To conduct case studies of notable product failures to identify recurring patterns and lessons learned. This involves analysing real-world examples of product failures across different industries, drawing insights from past experiences to inform better decision-making in future product launches.
- To propose recommendations for businesses to improve their product development processes and minimize failure risks. Based on the findings of this research, this objective aims to provide strategic recommendations that can help organisations refine

their NPD processes, enhance market research, and adopt more effective risk management strategies.

By addressing these objectives, this study will contribute to a deeper understanding of the factors influencing product failure and offer practical insights for businesses aiming to optimise their product development efforts. The research will also provide a foundation for further academic inquiry into product lifecycle management, innovation strategies, and market dynamics.

1.4 Methodology

This dissertation adopts a mixed-methods research approach to critically evaluate the factors contributing to product failure in the market. A combination of qualitative and quantitative research methods has been undertaken to provide a comprehensive analysis of the internal and external factors influencing product failure.

- Qualitative Analysis will be used to identify common patterns and trends from case studies, expert interviews, and literature review findings.
- Quantitative Analysis methods may be applied to interpret survey responses, identifying correlations between factors contributing to product failure.

The methodology is structured to ensure the reliability and relevance of the findings, supporting the overall research aims and objectives.

The study follows an exploratory and analytical research design. An exploratory approach is used to gain a deeper understanding of the causes of product failure, while an analytical approach helps in identifying patterns and trends through case study evaluation and literature review. This combination enables a thorough examination of theoretical frameworks and real-world examples.

Limitations of the Study

Potential limitations include reliance on secondary data, which may not always reflect the latest industry trends. Additionally, primary data collection is conducted, sample size and response bias could impact the generalisability of findings. The response time will also be critical to ensure data is collected on time.

1.5 Research Ethics

This research adheres to ethical standards by ensuring that all primary data collection follows informed consent procedures, with participant anonymity and confidentiality maintained. The study also ensures that secondary data sources are properly cited and acknowledged to avoid plagiarism.

2. Defining Product Failure

2.1 What is a Product Failure?

Product failure is the ultimate defining line in poor quality (Kent, 2017). This refers to the inability of a product to achieve its intended commercial success in the market. This can be defined in terms of poor sales performance, lack of consumer acceptance, early discontinuation, or financial losses incurred by the company. A product is generally considered a failure when it does not meet its projected sales targets or fails to generate sufficient revenue to recover its development and marketing costs, or is withdrawn from the market due to low demand or operational challenges (Lord, 2007).

Product failures can be categorised into different types based on their causes and impact. Absolute failure occurs when a product fails to generate sufficient revenue to cover its production, marketing, and distribution costs, leading to direct financial losses. Relative failure, on the other hand, refers to cases where a product may achieve moderate sales but fails to meet business expectations or market potential. Some products may also be deemed failures despite initial success if they fail to sustain long-term growth or market relevance (NewAgri, n.d.).

2.2 Factors Contributing to Product Failure

Product failure is a multifaceted issue that can arise from a combination of internal and external factors. Expanding on this, several factors contribute to product failure ranging from internal business decisions to external market dynamics. Internally, poor market research before diving into development, inadequate product design, incorrect pricing strategies, and ineffective marketing campaigns can all play a role in a product's inability to succeed. Externally, factors such as changing consumer preferences, technological advancements, economic downturns and intense competition can also negatively impact a product's performance. In some cases, regulatory or legal challenges may force a product off the market, further contributing to its failure (Kessler & Bierly, 2000).

These factors can be broadly categorised into market-related issues, product design and development failures, pricing and positioning errors, ineffective marketing strategies, organisational and strategic misalignments, and broader economic or environmental conditions.

Product failures can simply be due to material selection, product design, processing and environment. Oftentimes, product failure occurs due to a combination of factors that may fall under two or more of these categories (M. Hayes, et al. 2015).

2.2.1 Market-Related Factors

One of the primary reasons for product failure lies in market-related factors, such as an inadequate understanding of consumer needs which can be caused due to lack or poor market research.. A product that does not align with the customer expectations of the intended market is less likely to gain traction. For instance, companies may overestimate demand for a product or fail to recognise a shift in consumer preferences. Moreover, intense competition can also contribute to product failure, particularly if the product does not offer a unique selling proposition or fails to differentiate itself in a crowded market. Failure to anticipate or respond

to competitive pressures can result in products being overshadowed by more successful alternatives.

Asymmetric information occurs when one party in a transaction has more or better information than the other, leading to market inefficiencies. This often results in consumers being unable to accurately assess product quality, which can lead to poor purchasing decisions and ultimately product failure (Izquierdo, et al. 2006).

Many companies fail to align their product offerings with consumer expectations and behaviours. A significant number of new products do not meet projected financial targets due to a lack of understanding of consumer needs (Dijksterhuis, 2016).

2.2.2 Product Design and Development Failures

The design and development phase is crucial to the success of a product. Recent studies have shown that innovation success increasingly depends on the development and integration of knowledge in the innovation process (Zamora, et al. (2022). Products that are poorly designed which makes it difficult to use or do not deliver on their promised functionality are more likely to fail in the market. Inadequate attention to product features, quality, aesthetics and overall user experience can result in consumer dissatisfaction (Simester, 2018).

The consequences of product development have a direct impact on competitiveness. They mean the difference between falling behind a leading competitor in the marketplace and being the competitor who provides leadership, compelling others to meet similar standards (Wheelwright and Clark, 1995). A poor product concept lacks a compelling consumer benefit, is a simple me-too item with no real and relevant difference from products already available, does not have a defined market target with adequate sales potential, or is introduced at the wrong time. Products lacking a significant consumer benefit do not provide consumers a reason to buy (Lord, 2007).

A failure to meet industry standards or provide a product that is reliable and durable also contributes to product failure. Additionally, if a product is not designed with scalability or ease of manufacturing in mind, it may encounter issues during production which can result in delays and quality issue.

2.2.3 Pricing and Positioning Failures

Pricing a new product or service is one of the most important and puzzling of marketing problems. The high proportion of new products which fail in the marketplace is partly due to the difficult of pricing them correctly (Cooper, 1975). Pricing and positioning are key elements of product success. It has been said that one of the secrets to business success is pricing your products properly. A poorly priced product, whether too expensive or too cheap for its value proposition, can lead to its failure in the market. If the price of products is done correctly, that can enhance how much a company can sell their products and contribute in creating the foundation for a business that will prosper. However, should a company get their pricing strategy wrong, they may then create problems that their business may never be able to overcome. Put differently, inappropriate product pricing is an invitation to business failure, which refers to a company ceasing its operations following its inability to make a profit or to bring in enough revenue to cover its expenses (Irefin, et al. 2013). This study has shown that

management inexperience in product pricing, increasing cost of factor inputs where price is constant, intermittent price war and consumers' resistance to price increases all have significant relationship with business failure. Therefore, appropriate product pricing is a key management function which if inappropriately handled could result in business failure.

Poor concepts also are those that are positioned incorrectly. A product's position is the place it holds in the consumer's mind, relative to the positions of other brands in the category and based on the characteristics and benefits which consumers associate with the brand. What the marketer says about the product, how it is priced, packaged, merchandised, and how it performs create a product's position. A poor position is one which associates benefits with a product that are irrelevant to the consumer, or instead, one by which the consumer is unable to perceive a meaningful difference between brands. In either case, the consumer sees no reason to buy the product. If a product is priced too high it may be perceived as unaffordable or of poor value, driving potential customers away. On the other hand, if a product is underpriced, it may be perceived as low-quality or fail to generate enough revenue to cover costs, leading to financial difficulties for the company. Products that are mispriced or have a poor price-value relationship, as perceived by the target customer, will likely fail (Lord, 2007).

2.2.4 Marketing and Distribution Failures

One key factor which contributed most often in a major way to product failure was a lack of marketing research skills or people (Cooper, 1975). Even if a product is well-designed and priced appropriately, it may fail if it is not marketed or distributed effectively. Ineffective marketing strategies such as poor advertising and inappropriate messaging, can prevent a product from reaching its target audience. Poor execution extends to all areas of the marketing program. Failure to properly execute the sales plan and achieve targeted levels of distribution, as well as failure to achieve appropriate display and retailer support, all contribute to new product failure (Lord, 2007). Similarly, failure to establish efficient distribution channels can hinder a product's availability, making it difficult for consumers to access it. Poor promotion combined with inadequate public relations efforts, and failure to capitalise on digital marketing platforms are all examples of marketing and distribution failures that can result in a product's inability to succeed in the market.

2.2.5 Organisational and Strategic Failures

Products that are introduced too late, either because they have been pre-empted by competitors or because the market has moved on to something else, are poorly executed (Lord, 2007). Internal organisational issues can also play a significant role in product failure. The development of a new product is the development of every aspect of the business that the product needs to be successful. And consistently successful new products need every aspect of the business working in harmony (Lord, 2007). Lack of alignment between different departments from product development, marketing, all the way to sales can lead to miscommunication and inefficient execution of the product launch.

Furthermore, poor planning incorporates issues such as developing a product that doesn't fit a company's strategy, competencies and/or distribution strength can contribute to a product's downfall. Companies that do not have clear strategic objectives or effective risk management plans in place may struggle to navigate challenges and uncertainties in the market, leading to

product failure. Results from a conducted survey by Hoban (1998) indicated that lack of strategic focus, limited understanding of the market, priorities not set or communicated, lack of financial resources, and focus on short-term profitability were rated as having the highest negative impact.

2.2.6 Cultural and Social Factors

Cultural and social factors can also contribute to product failure, particularly for products that are introduced into international markets. A product may fail to resonate consumer behaviours and values, resulting in poor adoption. Products that do not align with social trends or fail to address the right needs may also face challenges. Additionally, marketing messages that are not culturally sensitive or that offend local customs can significantly harm a product's success in specific regions or demographic groups. Poor management is all about the organisational culture and resources for new product process, management's expectations and focus, the process used to develop products, and the process of deciding upon which projects are funded and which are not. New product development inherently involves investment, risk, and rewards that may not be immediately evident. Firms that don't encourage entrepreneurial behaviour will not observe any. Firms that discourage or penalise taking risks will find that no one in the firm is willing to take risks. Firms that don't provide adequate investment capital can never achieve big winners. Firms that don't put the best people in effective cross-functional teams, on new products, will succeed only rarely (Lord, 2017).

2.2.7 Economic and Environmental Factors

The consideration of sustainability has been slowly diffusing into industrial practice in the last few decades. Due to increasing legislative efforts and customer awareness, producing companies are facing growing pressure to foster sustainability performance of their products. Sustainable development has been identified as a focus for current and future generations; considering economic development, social impact and environmental sustainability (Sonego, et al. 2018). Material selection, carbon footprint, resource utilisation, durability and/or longevity, process selection, packaging, waste management are also very important (Delaney, et al. 2022). The increased interest in sustainability over the past decades has led to higher customer awareness of sustainability issues as well as changes in purchasing behaviour, resulting in increased pressure on firms and designers to implement sustainable factors during NPD (Buchert, et al. 2017). Increasing consumer awareness of environmental issues means that products that are perceived as environmentally harmful or unsustainable may fail to attract customers. It is therefore crucial that product design actively incorporates sustainability into NPD, achieving optimal function with minimal sustainable impact on products.

Broader economic conditions such as recessions or inflation can also affect the success of a product. For instance, during economic downturns, consumers may prioritise essential goods over luxury items, leading to lower demand for non-essential products (Maverick, 2024).

2.1 Relevance of Product Failure to Businesses

Product failure has significant implications for businesses, impacting not only their financial performance but also their long-term goals and positioning which all leads to affecting their customer behaviour. Understanding the relevance of product failure to businesses is critical, as it allows organisations to mitigate risks and make informed decisions. This will encourage businesses to refine their product development strategies. The consequences of product failure can be far-reaching, affecting various aspects of a company's operations and strategic goals.

- Financial Impact

One of the most immediate and visible consequences of product failure is the financial loss that a company may incur. The development all the way through production and marketing of a product typically require significant investment, and when a product fails, these costs may not be recouped. This can result in direct financial losses from unsold inventory, wasted resources and sunk costs in research and development. Additionally, the negative financial repercussions of product failure may extend to the company's overall profitability which can potentially lead to budget cuts, layoffs, or downsizing in other areas of the business. In severe cases, repeated product failures can jeopardize a company's financial stability or even lead to its closure (Cooper, 1975).

- Damage to Brand Reputation

Product failure can also severely damage a company's brand reputation, particularly if the product was highly anticipated or represents a significant strategic initiative. Consumers may develop negative perceptions of the company, associating it with low-quality or unreliable products. This can erode customer loyalty as consumers may become hesitant to purchase future products or switch to competing brands. In industries where brand trust and reputation are crucial for success, such as technology or consumer goods, product failure can have lasting effects on the company's market position and ability to attract new customers (Munteanu, et al. 2014).

- Loss of Competitive Advantage

In highly competitive markets, product failure can result in the loss of a competitive advantage (Kroll, 1999). Companies often invest considerable time and resources to differentiate their products from competitors and establish a unique position in the market. When a product fails, this investment is lost, and the company may fall behind its competitors, particularly if rivals successfully launch superior products or capture the market share the failed product was intended to target. Additionally, product failure can hinder a company's ability to innovate, as it may become more risk-averse and reluctant to pursue new product ideas in the future.

- Impact on Strategic Direction

The failure of a product can also influence a company's broader strategic direction. For example, if a new product fails to meet market expectations, businesses may need to reassess their overall product portfolio (Zhu, 2020), reposition existing products or even pivot their business model. In some cases, product failure may force a company to rethink its approach to research and development, marketing or customer engagement. A failure in one product line may prompt a shift in organisational priorities, impacting long-term planning and resource allocation.

- Operational Implications

Operationally, product failure can result in disruptions to the business's supply chain and production processes. Production overruns or excess inventory associated with a failed

product can tie up valuable resources, from raw materials to manufacturing capacity. Additionally, the need to manage returns, refunds, or recalls can strain a company's logistics and customer service team. These operational challenges can not only incur additional costs but also divert attention and resources from other important business activities (Lewis, 2003).

- Lessons Learned and Risk Management

Learning from failure could be the starting point for the process of developing new products and services (Ahn, et al. 2005). Despite its negative consequences, product failure can provide valuable learning opportunities for businesses. By critically analysing the causes of failure, companies can gain insights into their weaknesses and make improvements in future product development cycles. Effective post-mortem analysis of failed products helps businesses identify gaps in market research, design flaws or misaligned pricing and positioning strategies. This process of reflection enables companies to better anticipate potential risks, refine their product development processes and build more robust risk management frameworks, ultimately enhancing their future prospects (Charles, 2021).

2.2 Relevance of Product Failure to Consumers

Product failure holds significant relevance not only for businesses but also for consumers, as it directly affects their purchasing decisions and satisfaction in the marketplace. The consequences of product failure for consumers can range from financial loss to dissatisfaction and frustration. Understanding how and why products fail can help consumers make more informed decisions and hold businesses accountable for the products they bring to market. Moreover, the implications of product failure on consumers can have broader social and economic effects that extend beyond individual purchases.

- Financial Impact on Consumers

For consumers, the financial impact of a product failure is one of the most immediate concerns. When a product fails to live up to its promises or is discontinued shortly after purchase, consumers may be left with an unsatisfactory product, leading to financial loss. In the case of high-cost items, such as electronics or appliances, the financial burden is even more significant. In some instances, consumers may incur additional costs for product returns, repairs, or replacements, which can further exacerbate their dissatisfaction. This is particularly true when companies fail to provide adequate support or compensation, leaving consumers to bear the brunt of the failure.

- Loss of Trust and Consumer Confidence

Frequent product failures can lead to a loss of trust and confidence in both individual companies and the broader market. Consumers who experience repeated failures with a brand may begin to question the quality and reliability of its offerings. This erosion of trust can extend to the industry as a whole, as consumers may become more cautious or sceptical when purchasing new products, particularly from unfamiliar brands. For instance, if a consumer experiences multiple product failures from the same category (e.g., smartphones or vehicles), they may become reluctant to invest in future products from the same industry or sector. Such experiences undermine brand loyalty and can shift consumer preferences toward more trusted alternatives, even at a premium price.

- Psychological and Emotional Impact

Product failure can have a significant psychological and emotional impact on consumers. The frustration of purchasing a product that does not meet expectations, whether due to functional issues, poor quality, or false advertising which can all lead to feelings of disappointment. The emotional toll is particularly acute when consumers have invested considerable time and effort in selecting a product, only to find that it does not live up to the marketed promises. These negative emotions can influence future purchasing decisions, with consumers seeking to avoid similar experiences and becoming more cautious in their buying behaviour.

- Impact on Consumer Expectations and Decision-Making

Repeated product failures can reshape consumer expectations and their decision-making processes. When products fail, consumers may become more critical and cautious, investing more time and effort into researching products before making a purchase. Increased reliance on online reviews can be seen as a direct consequence of product failures. In this sense, failed products can influence the broader consumer culture by fostering a more analytical and less impulsive approach to purchasing decisions. This shift in behaviour also places greater emphasis on transparency, with consumers demanding higher standards of accountability from businesses regarding product claims and performance.

- Market Implications for Consumers

The occurrence of product failures can also alter market dynamics, indirectly affecting consumers. For example, a failed product may leave a gap in the market that is subsequently filled by competing products or brands. While this could result in better options for consumers in some cases, it may also lead to fewer choices in others. In certain industries, product failures can contribute to monopolistic tendencies, as larger companies with more resources may consolidate market share after smaller or newer competitors fail. The lack of diversity in product offerings can reduce consumer choice and limit options, potentially leading to higher prices or less innovation in the long run.

- Consumer Advocacy and Legal Considerations

Product failure also underscores the importance of consumer rights and legal protections. When a product fails due to defects or misrepresentation, consumers may seek legal recourse, demanding refunds, replacements, or compensation. In many jurisdictions, consumer protection laws are designed to address product failures, providing mechanisms for consumers to seek justice and hold companies accountable for subpar or dangerous products. Public awareness of product failure risks has led to a growing movement advocating for stronger regulations and better consumer protections in the marketplace.

2.3 Frameworks for Analysing Product Failure

- The Product Life Cycle (PLC) Model

One of the most commonly used frameworks for understanding product failure is the Product Life Cycle (PLC) model, which divides a product's journey in the market into distinct stages: development, growth, maturity, and decline. The PLC model helps businesses understand the natural progression of products and highlights the risks at each stage, including the possibility of failure.

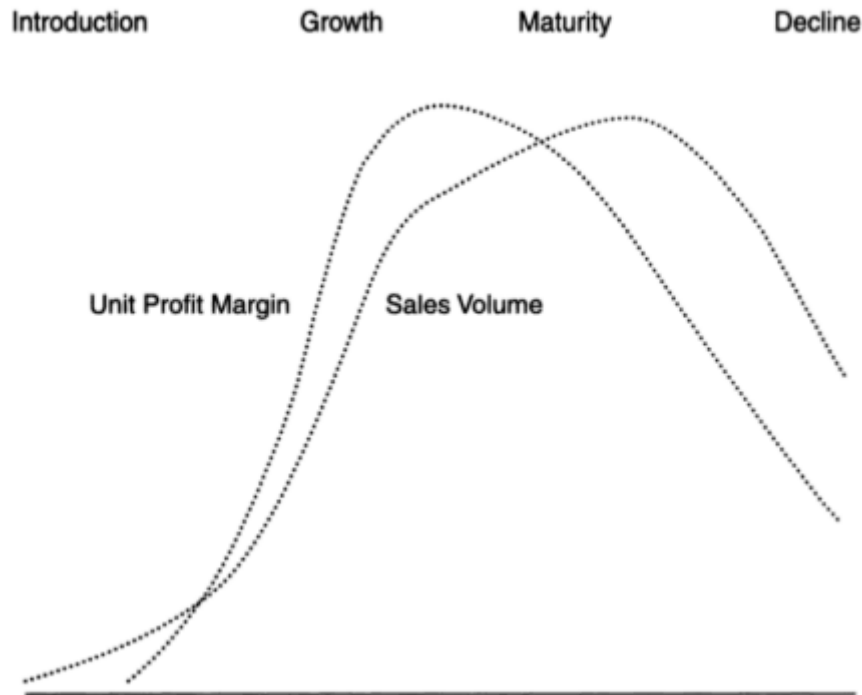


Figure 1. Forget the Product Life Cycle Concept (Dhalla & Yuspeh, 1976)

In the introduction stage, products may fail due to insufficient market demand or problems with product design. The growth phase may see failure if the product fails to differentiate itself from competitors or does not sustain demand. The maturity stage often sees products facing increased competition and market saturation and failure at this stage can be caused by a lack of innovation or failure to adapt to market trends. The decline stage, marked by reduced sales and obsolescence, often reflects a failure to evolve with changing consumer needs and technologies. By applying the PLC model, businesses can identify critical points in the product's lifecycle where failure risks are higher and develop strategies to address them, such as enhanced market research, pricing adjustments or innovation efforts.

- FMEA

Failure Mode and Effects Analysis (FMEA) techniques have been around for over 40 years. FMEA is a systematic methodology used to identify and prevent potential failure modes within a product and assess their impact on product performance (McDermott, et al. 2009). FMEA is typically used in the product development and design stages to proactively identify risks and potential problems before they occur in the market. It evaluates the severity and detectability of failure modes and prioritises actions based on the potential consequences of those failures. For instance, if a product's failure could result in safety hazards or significant customer dissatisfaction, FMEA would prompt immediate action to redesign or improve those aspects of the product. By using FMEA early in the development process, businesses can avoid costly failures and ensure that products meet consumer expectations for reliability and performance.

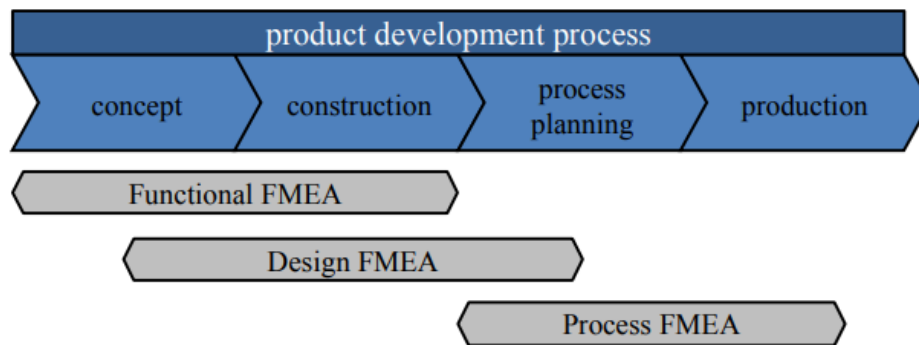


Figure 2: Division into Functional, Design and Process FMEA (Gobbert & Zurl, 2006)

A few different types of FMEA exist in literature, especially in the case of division into Functional, Design and Process FMEA. Thus, the FMEA can be applied in every design phase of the product development process (Figure 2). A Functional FMEA identifies functional faults in early design phases. Where there is a reduced number of variants a Design FMEA should be applied because a Functional FMEA cannot be used effectively. In it, structural faults are identified for every product component (Gobbert & Zurl, 2006).

A Process FMEA analyses the production and assembly processes of components to detect faults caused by the process. Therefore, a comprehensive level of product properties is necessary (Hering et al. 2003). According to Figure 2, in practice, the division in Functional, Design and Process FMEA is applied partly in parallel (Gobbert & Zurl, 2006).

- The Marketing Mix (4Ps) Framework



Figure 3: 4 P's of Marketing (CFI, n.d.)

The Marketing Mix, often referred to as the 4Ps (Product, Price, Place, and Promotion) is another valuable tool for analysing product failure, as it highlights the role of each component in the success or failure of a product in the market. The 4Ps framework encourages businesses to evaluate whether any of these four elements may be contributing to the failure of a product (Goi, 2009).

Product: A product may fail if it does not meet consumer expectations, lacks desirable features, or is poorly designed.

Price: If the product is priced too high or too low relative to its perceived value or market standards, it may fail to attract customers.

Place: A failure in distribution channels can prevent the product from reaching its target market, particularly if it is not readily available in the right locations or platforms.

Promotion: Insufficient or ineffective promotional strategies can lead to low awareness or misalignment with consumer needs.

By analysing a failed product using the 4Ps framework, businesses can isolate areas where their marketing strategy or product offerings may have fallen short and identify corrective actions to improve future product launches.

- SWOT Analysis

	Internal	External
P o s i t i v e	Strengths	Opportunities
N e g a t i v e	Weaknesses	Threats

Figure 4: SWOT Analysis (Walton, 2023)

SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) is a strategic framework that businesses can use to evaluate the internal and external factors contributing to product failure. By identifying the product's strengths and weaknesses, companies can recognise areas where the product excels and where it may have failed to meet market demands. On the external side, analysing opportunities and threats helps businesses assess market trends, competitive pressures, and external factors that may influence product success (Bertoni, et al. 2012). A product may fail because of an internal weakness, such as poor design or inadequate functionality, or it may fail due to external threats, such as a sudden shift in consumer preferences or competitive innovations. Using SWOT analysis, companies can better understand the root causes of failure and align future strategies with their strengths while addressing weaknesses and market threats.

- The Failure Analysis Process

The Failure Analysis Process involves systematically investigating the reasons behind a product's market failure after it has occurred (IMR, 2021). This process typically includes gathering data on consumer feedback, market performance and operational issues that could have contributed to the product's underperformance. Businesses often use post-mortem analysis, market research, and customer surveys to identify the root causes of failure. By

conducting a thorough failure analysis, businesses can pinpoint specific issues, such as flaws in the product's design, pricing, marketing strategies or other, and identify corrective actions for future product development. This retrospective approach provides valuable insights that can inform risk mitigation strategies and improve decision-making in subsequent product launches.

2.4 Section Summary

This section has provided a critical exploration of product failure, beginning with a definition that frames it as the inability of a product to achieve its intended commercial or strategic objectives. The analysis then examined a diverse range of factors that contribute to product failure, categorised into market-related issues, deficiencies in product design and development, pricing and positioning errors, ineffective marketing and distribution strategies, organisational and strategic shortcomings, as well as cultural, social, economic, and environmental influences. Each section highlights the complex and interrelated causes of failure in product performance. The section also discussed the relevance of product failure from both business and consumer perspectives, highlighting the financial, reputational, and operational risks for firms, alongside the implications for customer satisfaction and trust. Lastly, it introduced several theoretical frameworks that provide structured approaches to diagnosing and understanding product failure, thereby laying a conceptual foundation for the subsequent analysis within the dissertation.

3. New Product Development

3.1 What is Innovation?

Innovation helps organisations to grow. Growth, though measured in turnover and profit, can also occur in knowledge, experience, efficiency, and quality. Innovation is the process of making changes to existing, and it can be radical or incremental, applied to products, processes, or services (Baporikar, 2015).

When viewed as an outcome, innovation emphasises the end results or outputs. These outputs are most commonly represented by the introduction of new products and/or services, which are characteristic of what is known as product innovation (Kahn, 2018). It is equally important to consider innovation as a process. This perspective emphasises the manner in which innovation is, and ought to be, structured to enable the realisation of desired outcomes. A widely recognised process model of innovation delineates three sequential phases: discover, develop, and deliver (PDMA, 2015). During the discovery phase, organisations systematically explore the external environment to identify and define potential opportunities. Additionally, innovation as a mindset addresses the internalisation of innovation by individual members of the organisation and advancement of a supportive culture throughout the organisation. Innovation has the propensity to flourish when employees and the organisation as a whole instill and ingrain innovation, which in turn predicates the emergence of favourable innovation characteristics (Kahn, 2018).

3.1 Drivers for Innovation

Innovation is not a spontaneous process. It is driven by a variety of internal and external factors that influence the direction, speed, and success of new ideas, products, services, or processes. Understanding the drivers for innovation is crucial for businesses seeking to create sustainable competitive advantages respond to market dynamics. These drivers can be categorised into technological, market, organisational, and environmental factors, all of which contribute to the emergence of new solutions and innovations. This section explores the key drivers that motivate and propel innovation within organisations.

- Technological Advancements

One of the most significant drivers of innovation is the continuous evolution of technology. Technological advancements provide businesses with new tools, capabilities, and possibilities to develop innovative products, enhance existing offerings, and optimise operational processes (Baporikar, 2015). Emerging technologies such as artificial intelligence (AI), machine learning, the Internet of Things (IoT), and blockchain enable organisations to push the boundaries of what is possible, leading to breakthroughs in a wide array of industries, from healthcare to manufacturing. For example, AI has enabled the creation of smart devices and personalised experiences, while advances in data analytics have revolutionised decision-making processes. The rapid pace of technological change is a key catalyst for organisations to innovate in order to remain relevant in an increasingly tech-driven world. Without embracing and leveraging new technologies, businesses risk being overtaken by more technologically advanced competitors.

- Market Demand and Consumer Expectations

In recent years, significant managerial attention has been paid to marketing innovation (Tang, et al. 2021). Consumer needs and expectations play a pivotal role in driving innovation. In today's competitive markets, consumers are more informed and empowered than ever before, demanding higher-quality products and better overall user experiences. Companies must innovate to meet these ever-changing consumer preferences, as failing to do so can result in a loss of market share or consumer loyalty (Mason, et al. 2015). The shift in consumer behaviour toward more sustainable and ethical products has created a new set of challenges for businesses. For example, growing environmental concerns have driven innovations in eco-friendly products and sustainable manufacturing practices. Similarly, the increasing demand for personalised services, such as customised clothing or personalised content recommendations, has led companies to invest in technologies like AI and data analytics to tailor offerings to individual preferences. As consumer preferences evolve, businesses must continuously innovate to align their products and services with these expectations.

- Competitive Pressure

Competitive pressure fosters innovation (Vives, 2008). The competitive landscape is a powerful driver of innovation. In industries characterised by rapid technological advancements and intense competition, organisations must innovate to gain or maintain a competitive edge. Competitors' moves, whether through the introduction of new products or the adoption of new technologies, can create a sense of urgency for businesses to innovate in order to remain

relevant. This competitive pressure is especially prevalent in industries like technology, automotive and consumer electronics, where new product releases and technological innovations are constant. For instance, the rapid pace of smartphone innovation driven by industry-leading companies like Apple and Samsung forces firms to continually improve their devices whether through enhanced functionality and better design or improved performance. Competitive pressures also drive innovation in pricing strategies, distribution channels, and customer engagement practices, as businesses strive to outperform their rivals.

- Regulatory and Legal Factors

Regulatory framework conditions have been identified as important factors influencing the innovation activities of companies (Blind, 2012), however, it can both hinder and stimulate innovation. On one hand, regulatory compliance requirements, such as environmental regulations, safety standards, intellectual property laws may impose constraints on how businesses innovate or what types of innovations they pursue. On the other hand, regulatory changes can also create opportunities for innovation by encouraging companies to find new ways to meet legal requirements. The implementation of stricter emissions standards in the automotive industry has driven innovation in electric vehicles and alternative fuel technologies. Similarly, regulations surrounding data protection and privacy, such as the European Union's General Data Protection Regulation have spurred innovation in cybersecurity solutions and data management technologies. In some cases, government policies and incentives, such as grants for research and development (R&D) or tax credits for renewable energy technologies, can provide organisations with the financial resources needed to invest in innovative projects.

- Organisational Culture and Leadership

The organisational culture and leadership within a company play a central role in fostering or hindering innovation. An organisation's approach to collaboration and creativity can either encourage or stifle innovation. Leaders must foster a culture of innovation and collaboration among employees within the organisation. Collaboration and effective communication serve as the conduit for generating innovative ideas that can yield optimal outcomes for the organisation (Cela & Nielsen, 2024). Leaders who embrace a culture of innovation, support experimentation and provide the necessary resources and autonomy to employees are more likely to create an environment conducive to creative thinking and problem-solving. Companies that prioritise open communication, transparency, cross-functional collaboration, sharing of ideas are more likely to generate innovative solutions. Leaders who encourage and support a growth mindset and reward creative contributions whilst allowing continuous learning enable their teams to challenge existing assumptions and explore new possibilities. In contrast, organisations with rigid hierarchies or reluctance to change are likely to see innovation efforts falter (Cela & Nielsen, 2024).

- Economic and Global Trends

It has been ascertained that there is a direct positive connection between research and development (R&D) investment and levels of economic development and growth (Cooke & De Laurentis, 2010). Broader economic and global trends, such as economic recessions and demographic shifts, can also influence innovation. For instance, during periods of economic downturn, companies may be motivated to innovate in ways that reduce costs and create more

affordable products. Economic crises often spur innovation in industries, where new technologies are developed to address financial accessibility and inclusivity. Innovation is critical to bolster a company's competitive advantage at the global level (Cooke & De Laurentis, 2010). Globalisation also drives innovation by increasing access to international markets and enabling businesses to leverage global talent and technologies. As companies expand their operations into emerging markets, they are often required to innovate to meet local needs or navigate regulatory differences. Similarly, demographic shifts, such as aging populations or changing work patterns, can create new opportunities for innovation, particularly in sectors like healthcare, housing and education.

- Collaboration and External Partnerships

Collaboration with external partners such as suppliers, research institutions, universities and even competitors, can be a critical driver of innovation (Barzotto, et al. 2023). External partnerships allow businesses to access new knowledge and expertise that they may not have in-house. Collaborative innovation can take many forms, from joint ventures and strategic alliances to open-source development and crowdsourcing.

3.2 What is New Product Development?

Co-creation, defined as a collaborative new product development (NPD) activity in which consumers actively contribute and select various elements of a new product offering (O'Hern & Rindfleisch, 2009).

New Product Development (NPD) focuses new products that need to be developed from the basics and do not relate to existing products or are major extensions to existing product ranges (Kent, 2018). NPD products are necessary for the continued existence of any company. It refers to the comprehensive process by which organisations design and develop new products for the market (Karol & Nelson, 2007). It involves a series of structured stages, beginning with the generation and screening of ideas, followed by concept development, business analysis, product design and development, market testing, and ultimately, commercialisation. Each phase plays a critical role in ensuring that the final product aligns with customer needs and market demands, and most importantly the strategic objectives of the organisation. The NPD process is essential for maintaining competitiveness and fostering innovation whilst achieving sustainable growth, as it enables firms to respond effectively to ever-shifting consumer preferences. By systematically managing the risks and uncertainties associated with product innovation, organisations can increase the likelihood of successful product launches and long-term market success.

3.3 Drivers for New Product Development

New product development is essential for maintaining competitive advantage and ensuring long-term success. One major driver is the fast pace of technological change which pushes companies to innovate and improve their products. Shifts in consumer behaviour also play a significant role as businesses must adapt to new preferences and expectations in order to stay relevant. Competitive pressure from both existing and emerging players encourages firms to find new ways to create value through product innovation (Majava, et al. 2013). Global

expansion increases the urgency for companies to offer products that can meet diverse market needs and perform well across different regions. Internal dynamics such as a strong innovation culture and effective collaboration across departments further support the development process. These factors together create a strong incentive for organisations to continuously pursue new product initiatives (Cooper, 2018).

3.4 The Role of Innovation in New Product Development

Research has shown that there is a positive effect on NPD performance for those organisations that strongly implement NPD best practices; the stronger the NPD innovation, the higher the NPD performance; and stronger organisations' ability for NPD innovation has positive relationship with NPD best practices. Hence, it is proven that, "the stronger the NPD innovation in an organization, with defined NPD best practices, the better the NPD performance" (Vinayak & Kodali, 2014). Innovation plays a central role in NPD serving as the driving force behind the creation of novel products and services that meet evolving consumer needs in order to sustain competitive advantage. At its core, innovation in NPD is about translating creative ideas into tangible, market-ready solutions that can address gaps in the market or respond to specific challenges faced by consumers or businesses.

- Fostering Creativity and Idea Generation

Innovation is fundamental to the generation of creative ideas that form the foundation for new product development. The process of innovation encourages organisations to think beyond the constraints of existing products and explore new possibilities, whether through the improvement of existing technologies or the development of entirely novel solutions. It enables businesses to challenge the status quo and foster a culture of creative problem-solving, where new ideas are welcomed and nurtured (Martinez, et al. 2021). In the context of NPD, creativity often leads to the identification of unmet needs or novel solutions to existing problems. For example, innovations in mobile technology have revolutionised communication, work, and entertainment, leading to the development of new product categories such as smartphones, and other devices. These innovations stem from a deep understanding of consumer needs, technological possibilities and market trends, all of which are informed by the role of innovation in driving new concepts. Without innovation, organisations risk becoming complacent, relying on outdated products or services that no longer resonate with consumers or adapt to changing market conditions. As such, innovation serves as the key to unlocking new ideas and opportunities, ensuring that NPD efforts are not merely reactive but proactive in anticipating and shaping future market demands (Lasrado & Barlow, 2019).

- Enhancing Product Differentiation and Competitive Advantage

Markets have become highly competitive and turbulent and are constantly changing. One of the most critical roles of innovation in NPD is its ability to differentiate a product from competitors. In highly competitive markets, where multiple companies may offer similar products or services, innovation becomes a key strategy for achieving a competitive edge. By introducing unique features companies can set their products apart and attract consumer attention, however, superior product performance does not necessarily ensure commercial success (Friar, 1995).

In an ever-evolving market driven by technological advancements and increasing consumer purchasing power, the pursuit of novel products and services remains constant. However, the path to success in NPD projects is often fraught with challenges, leading to failure either during the later stages of development or upon commercialisation (Falahat, et al. 2024). Innovative products that offer distinctive benefits or solve problems in new ways are often seen as more valuable to consumers, which can drive market demand and enhance brand loyalty. For instance, Apple's introduction of the iPhone revolutionised the smartphone industry not only by offering a sleek and user-friendly design but by integrating cutting-edge technologies like a multi-touch interface and seamless integration with other Apple devices. The innovation behind the iPhone differentiated it from competitors, allowing Apple to dominate the market and establish a lasting competitive advantage.

- Meeting Market Demands and Responding to Consumer Preferences

Customers' needs and expectations are always changing, and this will lead to a situation where customers keep setting ever higher standards (Langerak, et al. 1997). Innovation plays a crucial role in ensuring that new products meet the changing needs and preferences of consumers. Consumer demands are constantly evolving, influenced by factors such as technological advancements, social trends, economic shifts, and cultural changes. By embracing innovation in the NPD process, businesses are better positioned to identify and respond to these changing demands. For instance, the growing demand for sustainable and environmentally friendly products has led to innovations in packaging, product design and materials. Companies that successfully innovate to create eco-friendly alternatives, such as biodegradable packaging or energy-efficient appliances, are not only meeting consumer expectations but also aligning their products with broader social and environmental values.

- Reducing Time to Market and Improving Efficiency

Innovation in new product development is not limited to the end product itself; it also encompasses the processes used to develop and bring products to market. In today's fast-paced business environment, the ability to reduce time to market is a significant advantage, and innovation plays a pivotal role in streamlining and improving the efficiency of the NPD process (Swink, 2006). The adoption of digital technologies such as computer-aided design (CAD) software, rapid prototyping and simulation tools allows companies to quickly test and refine product concepts. These innovations in the development process reduce the time required for design iterations and facilitate faster decision-making. This ultimately enables businesses to bring new products to market more swiftly and respond more effectively to emerging trends and market opportunities. Moreover, innovation in supply chain management, such as the use of blockchain for transparency and automation for inventory management, can significantly reduce operational inefficiencies, lower production costs and enhance the scalability of product development. The ability to streamline the development process while maintaining high-quality standards is a direct result of continuous innovation in both product and process (Parry, 2009).

- Enabling Organisational Growth and Adaptability

Leadership plays a vital role by setting a clear vision, rewarding experimentation, and showing a consistent commitment to ongoing improvement (Healy, 2014). In addition to its impact on

product-level outcomes, innovation in NPD contributes to broader organisational growth and adaptability. Companies that prioritise innovation in their product development efforts are better positioned to adapt to changing market conditions and trends. This adaptability is essential for long-term survival and success in industries where rapid change is the norm. Innovation also fosters organisational growth by opening up new revenue streams and markets. A successful new product can not only generate significant sales but can also lead to the expansion of a company's product portfolio and enhanced brand recognition which often times lead to being able to access new customer segments. Moreover, by embedding innovation into their culture and NPD processes, companies cultivate a mindset of continuous improvement and creative problem-solving. This mindset empowers employees at all levels to contribute ideas and solutions, making the organisation more agile and better equipped to navigate the complexities of the modern business landscape (Akroush, 2018).

- High Development Costs and Financial Risks

Innovation in NPD is often associated with substantial costs, including research and development (R&D) expenses, prototyping, testing, and marketing. The financial burden can be particularly challenging for small and medium-sized enterprises (SMEs) that may lack the resources to invest in high-risk innovations (Mansor, 2016). Even for larger corporations, the allocation of funds to innovation projects can be difficult, especially when there is uncertainty regarding the return on investment (ROI). Furthermore, the cost of failure in innovation-led NPD can be significant. A product that fails to gain traction in the market can result in substantial financial losses which can eventually lead to damage brand reputation. Companies must carefully balance their innovation budgets, prioritise projects with the highest potential for success, and explore funding options such as venture capital, government grants, and strategic partnerships to reduce financial strain.

- Technological Complexity and Integration Challenges

Many innovative products depend on advanced technologies that demand a high level of expertise for successful development and integration. As technology evolves quickly, it becomes challenging to ensure that new products are built on a strong and adaptable foundation. Organizations often struggle to gain the required knowledge, train their workforce, or incorporate new technologies into their current systems. These challenges are often intensified by issues related to legacy system compatibility and limitations within the supply chain. To overcome such obstacles, businesses need to focus on continuous learning and form strong partnerships with technology providers. Engaging with external experts through open innovation can also support product development. Encouraging collaboration across different teams and disciplines helps close knowledge gaps and improves the integration of technology (Ignatius, 2012).

- Intellectual Property (IP) Protection and Competitive Imitation

Protecting intellectual property presents another significant challenge in innovation-driven new product development. In industries where imitation is widespread, companies face the risk of having their innovations copied or reverse-engineered by competitors before they can fully benefit from their market advantage. Securing patents, copyrights, or trademarks often involves lengthy and expensive processes, and even with legal protections in place, it can be

difficult to prevent unauthorized use. This issue becomes even more complex for businesses operating internationally, especially in regions where intellectual property laws are less stringent or inconsistently enforced. To address these risks, organizations need to establish strong IP strategies that involve securing legal protections early, using trade secrets to safeguard proprietary technologies, and maintaining a steady pace of innovation to stay ahead of competitors. Working closely with legal professionals and investing in cybersecurity can further strengthen the protection of valuable intellectual assets (Manzini, 2016).

- Regulatory and Compliance Challenges

Innovation in new product development often requires meeting various regulatory standards which can create challenges related to extended approval timelines increased costs and restricted design options. Industries such as healthcare and automotive are subject to strict regulations to ensure consumer safety and ethical responsibility. Businesses must navigate these complex requirements by working closely with legal professionals conducting compliance checks and engaging directly with regulatory authorities. Although regulatory demands may slow innovation companies that integrate compliance into their development process can strengthen consumer trust and gain an advantage by proving their commitment to safety and reliability (O'Dwyer & Cormican 2017).

3.5 The Role of User-Centred Approach in New Product Development

To put it simply, user-centered design approach is a design methodology that prioritises the needs behaviours and preferences of the end user throughout the entire development process. When ergonomists contribute to the design of products and services they aim to be user-centred (Eason, 2007). This approach begins with comprehensive research to deeply understand the target users including their goals challenges and context of use. By involving users early on and consistently throughout the design process user-centered design ensures that products or services are tailored to real user needs rather than relying on assumptions. The process typically includes iterative cycles of prototyping testing and refining based on user feedback which helps identify potential issues and improve functionality before final implementation. This iterative feedback loop is critical in ensuring that designs are not only functional but also intuitive efficient and easy to use. User-centered design also encourages cross-disciplinary collaboration bringing together designers engineers marketers and other stakeholders to ensure that the product is aligned with both user needs and business goals. Additionally it fosters continuous improvements by integrating user insights which can lead to more innovative and effective solutions (Chammas, et al. 2015). Ultimately this approach aims to create products that are not only usable and accessible but also deliver a seamless and positive user experience thus improving overall user satisfaction and product success in the market. User-centred design enables the ability to provide functionality into a “product” that people desire to interact with and from which they derive benefits (Veryzer & Mozota, 2005).

3.6 Section Summary

This section highlighted the connection between innovation and new product development (NPD). Innovation is the process of creating something new that adds value, driven by factors

like technological change and customer needs. NPD is about bringing new products to market to stay competitive and meet consumer expectations. Innovation plays a crucial role in NPD by generating original ideas and enabling the development of unique products. It fosters creativity, helps companies identify unmet needs, and supports product differentiation. Innovation also drives faster development and broader organizational growth. However, many challenges arise which can complicate the process. The user-centered approach in NPD emphasises understanding user needs to create practical and relevant products. In summary, innovation is essential for successful product development, helping companies stay competitive and meet the changing demands of the market.

4. Case Studies of Product Failures

4.1 Case Study Introduction

A questionnaire has been created which aims to investigate the critical factors that contribute to product failure in the market. It is specifically designed to gather insights from business owners and industry professionals who have direct experience with product development and market dynamics. By targeting individuals who have been involved in product launches, the questionnaire ensures that the data collected is grounded in real-world experience and reflects the challenges and factors that influence product success or failure.

The structure of the questionnaire further supports its relevance. Section A gathers background information about the respondents, including their industry, role, and years of experience. This contextual data helps to validate their responses and allows for comparisons across different sectors and levels of experience. Section B delves into the core of the research by asking respondents to identify the top reasons for product failure, assess the role of market research, and reflect on factors such as timing, internal alignment, and competition. These are all critical variables highlighted in existing literature on product development and market performance, making the responses directly applicable to the research questions posed in the thesis.

Section C provides strategic insights by inviting respondents to share effective strategies for preventing failure and offer advice to startups or new ventures. This section is particularly valuable for informing the practical recommendations of the study. Additionally, the inclusion of both closed and open-ended questions allows for a mix of qualitative and quantitative data, enriching the analysis and enabling deeper insights. Overall, the questionnaire is a well-structured and purposeful tool that directly supports the thesis objectives by capturing expert perspectives on the causes of product failure and strategies for successful product development.

Expert/Business Owner Questionnaire Thesis Topic: Investigating the Critical Factors that Contribute to Products Failing in the Market Name: _____ Purpose: This questionnaire is designed to gather insights from industry professionals and business owners about the causes of product failure in the market. All responses are anonymous and used solely for academic purposes. Section A: Professional Background 1. Industry sector: _____ 2. Current role/position: _____ 3. Years of experience in this industry: • Less than 1 year • 1-3 years • 4-7 years • 8-10 years • More than 10 years 4. Have you ever been involved in a product launch? • Yes • No Section B: Product Failure Insights 5. In your experience, what are the top three reasons why products fail in the market? 1. _____ 2. _____ 3. _____ 6. What role does market research play in product success/failure? _____ 7. How important is timing when launching a product? • Extremely important • Very important • Moderately important	• Slightly important • Not at all important 8. In your view, how significant is internal company alignment (e.g., marketing, R&D, sales) in preventing product failure? _____ 9. What are some warning signs that a product may be headed for failure? _____ 10. How does competition impact the likelihood of a product's failure? _____ Section C: Strategic Recommendations 11. What strategies have you found effective in preventing product failure? _____ 12. What advice would you give to startups or businesses planning to launch new products? _____ 13. Would you be open to a short follow-up interview to share more insights? • Yes (Please leave your email): _____ • No
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4.2 Notable Examples of Product Failures

- Google Glass (2013) – Google



Google Glass was one of the most ambitious projects in wearable technology. With a small screen placed above the eye and voice-activated commands the device promised to bring augmented reality to everyday life. However from the start Google Glass faced major hurdles. The \$1,500 price tag made it inaccessible to the average consumer and many people didn't see a clear practical use for it in daily life. In addition the built-in camera sparked widespread privacy concerns. People feared being recorded without their consent which led to the term "Glasshole" for wearers demonstrating just how culturally awkward the device became. There were also usability issues. The interface was difficult to navigate battery life was short and it lacked the software support needed to make it useful. Google failed to market it effectively to a clear user group bouncing between tech enthusiasts professionals and mainstream

consumers. Ultimately the product was pulled from the consumer market although it later found limited success in enterprise settings. Google Glass is often cited as a prime example of a tech innovation that was ahead of its time but too socially disruptive and expensive to gain widespread adoption (Weidner, 2024 & Reynolds, 2015).

- Microsoft Zune (2006) – Microsoft



Microsoft launched the Zune in 2006 to take on the Apple iPod which was already dominating the portable music player market. While the Zune had some solid features like a built-in FM radio and wireless sharing it struggled to make an impact. One of its biggest issues was timing. It entered the market years after the iPod had already established a huge user base and music library ecosystem via iTunes. Microsoft failed to create a compelling reason for consumers to switch. The Zune Marketplace while functional couldn't match the seamless experience Apple offered with iTunes and iPods. Its marketing was also confusing and uninspiring failing to capture the kind of cool aspirational energy that Apple was nailing. To make things worse early Zune models were bulky and had a user interface that many found less intuitive. Microsoft tried multiple redesigns including the sleeker Zune HD but by that point smartphones were beginning to take over the music player space. The rise of the iPhone and streaming apps like Spotify made dedicated music players obsolete. Microsoft eventually discontinued the Zune in 2011 marking it as one of the company's more public consumer tech failures (Jowitt, 2017).

- Amazon Fire Phone (2014) – Amazon



Amazon entered the smartphone market with big ambitions in 2014 with the launch of the Fire Phone. The device featured some flashy technology such as "Dynamic Perspective" which used multiple front-facing cameras to track head movement and create 3D-like effects. It also had deep integration with Amazon's shopping platform aiming to make purchasing products easier. However these features were seen as gimmicky rather than useful. At launch the Fire Phone was priced similarly to flagship models from Apple and Samsung but lacked the ecosystem and app support of either. It ran on Amazon's Fire OS a fork of Android that didn't have access to Google's apps or Play Store which severely limited functionality for many users. Consumers were also confused by the phone's positioning. Was it a premium smartphone or a shopping tool? Either way it didn't perform well as either. Reviews were lukewarm to negative and sales were disastrous. Within a year Amazon discontinued the phone and took a \$170 million write-down. The Fire Phone remains a cautionary tale about entering a mature market without a clear advantage or value proposition (Lin, 2023).

- Apple Newton (1993) – Apple



The Apple Newton was an early personal digital assistant (PDA) released in 1993. It was one of Apple's most innovative ideas at the time featuring handwriting recognition a touchscreen interface and the ability to send faxes and take notes. But its launch was plagued with issues. The handwriting recognition which was its key selling point didn't work well. The inaccuracies became a pop culture punchline. Priced around \$700 to \$1,000 depending on the model the Newton was far too expensive for most consumers and too underpowered for business professionals. It was also large and clunky compared to later PDAs and smartphones. On top of all that the technology simply wasn't ready. The Newton ran on the underpowered ARM processor and lacked the polish that consumers expected especially given its price. Despite several iterations the product never took off. When Steve Jobs returned to Apple in 1997 he quickly discontinued the Newton line. While it failed commercially it did lay the groundwork for future innovations like the iPhone and iPad making it an important step in Apple's long journey in mobile computing (Honan, 2013).

- Samsung Galaxy Note 7 (2016) – Samsung



The Samsung Galaxy Note 7 was highly anticipated as one of the best Android phones of its time with top-tier specs a sleek design and an improved stylus experience. However, shortly after launch reports emerged of the phones overheating and catching fire, some even exploding. The issue was traced back to battery defects caused by a design flaw that compressed battery components leading to short circuits. Samsung initiated a global recall and reissued replacement devices but even the replacements began catching fire. This led to a second recall and an unprecedented decision to permanently discontinue the product. Airlines banned the phone on flights and the damage to Samsung's brand was significant. The failure cost the company an estimated \$5 billion in recall and lost sales not to mention the reputational damage. While Samsung recovered in later years with other Galaxy models the Note 7 remains one of the most notorious tech failures due to safety concerns. The incident also led to stricter testing and regulations around lithium-ion batteries pushing the entire industry toward more robust quality assurance protocols (BBC, 2017).

- Nike FuelBand (2012) – Nike



Nike entered the fitness tracker game early with the FuelBand which aimed to compete with existing devices like the Fitbit. The FuelBand tracked physical activity and gave users a “fuel score” to measure how active they were throughout the day. However, it quickly faced multiple issues that led to its failure. One of the biggest problems was its limited functionality. While the FuelBand did track basic steps and activity it didn’t include important health features like heart rate monitoring or GPS. It was also locked into the Nike ecosystem meaning it couldn’t sync with other popular fitness apps that people were already using. Additionally, Nike didn’t have the software expertise that companies like Fitbit or Garmin had built over the years. The

FuelBand's hardware was also bulky and not very comfortable to wear on a daily basis. By 2014 Nike decided to stop producing the FuelBand and instead shifted its focus to software and app development. The company realized that it needed to focus on the broader fitness ecosystem rather than hardware. Despite the initial hype, the FuelBand was unable to compete with the more feature-rich devices that entered the market afterward (Ishalli, 2023).

- Google Nexus Q (2012) – Google



The Google Nexus Q was an ambitious attempt by Google to enter the home entertainment space. This small black orb-shaped device was designed to stream music and videos from the cloud directly to your TV or speakers. However, the Nexus Q failed to resonate with consumers for several key reasons. First, the device was incredibly overpriced at \$299 for what it offered. It could only stream content from Google's services like YouTube and Google Play Music, but didn't support more popular services such as Netflix or Hulu. Additionally, it didn't have its own remote control, users were supposed to control it through their Android phones. This made it cumbersome to use for a casual consumer who just wanted a simple and convenient streaming device. The Nexus Q was also limited in functionality compared to alternatives like Roku or Apple TV, which offered a wider range of content and better user experiences. Following its announcement, Google received a lot of negative feedback and the product was quietly pulled from the market. It wasn't even widely released and instead became a symbol of the difficulties Google faced when branching into hardware markets outside of its core business (Welch, 2022).

- Hoverboards (Various Brands, 2015)



Hoverboards or self-balancing scooters became an unexpected craze around 2015. They were marketed as a fun and easy way to get around, and sales skyrocketed over the holiday season. However, safety issues quickly turned the trend into a nightmare. Reports surfaced that many hoverboards were catching fire or even exploding due to poor-quality lithium-ion batteries. Some manufacturers cut corners in safety tests and used substandard parts to keep production costs low, leading to these dangerous incidents. As a result, major retailers like Amazon, Target, and Walmart pulled hoverboards from their shelves, and governments imposed safety regulations. The U.S. Consumer Product Safety Commission (CPSC) even warned that the devices should be recalled. The batteries weren't the only problem, many hoverboards were poorly built, prone to malfunction, and difficult to ride for beginners. Despite the initial appeal, the combination of safety issues, poor quality control, and subsequent bans in public places led to the hoverboard's sharp decline in popularity. Today, they remain a niche market product and are mostly seen as a novelty item rather than a practical mode of transport (Tucker, 2016).

- Microsoft Kin (2010) – Microsoft



The Microsoft Kin was an attempt to create a smartphone specifically targeted at younger social media users. It was a simple and sleek device that focused heavily on integrating social networking apps like Facebook and MySpace, making it easy to post photos and status

updates. Unfortunately, the Kin's downfall was tied to its identity crisis and poor execution. Microsoft released it as a "feature phone" priced around \$50, which lacked many of the basic features that people expect from smartphones, like a full app store or robust internet browsing. The device was too basic for tech enthusiasts yet didn't have enough of a social networking edge to appeal to younger users who were already heavily invested in more powerful smartphones. Additionally, the Kin required an expensive data plan for its social features, which discouraged users. Microsoft's attempt to market the Kin as an easy-to-use social media phone also clashed with its failure to build a compelling ecosystem around it. The Kin was pulled from the market just six weeks after its release. The failure was a major misstep in Microsoft's mobile strategy and was quickly overshadowed by the success of the iPhone and Android devices (James, 2010).

- Juicero (2016) – Juicero



Juicero was a high-tech juice press launched in 2016 that aimed to revolutionize the way people made fresh juice at home. The device itself cost \$400 and worked by squeezing proprietary juice packs that customers had to purchase separately. It seemed like an innovative product, promising fresh juice at the push of a button, but it was quickly revealed that the product was entirely unnecessary. Journalists discovered that the juice packs could be squeezed by hand, making the \$400 machine redundant. This revelation led to widespread mockery and exposed how absurdly overpriced the product was. Even though Juicero raised \$120 million in funding, its high price, reliance on expensive proprietary packs, and the fact that it could be replaced by a simple hand squeeze destroyed its credibility. The product's marketing, which emphasized its technological sophistication, felt out of touch with the reality of how simple it was to extract juice from the packs without the machine. The Juicero brand became a symbol of Silicon Valley excess, with critics calling it an example of tech for tech's sake. The company shut down in 2017, and the Juicero machine was soon forgotten as an expensive and unnecessary failure (Juetten, 2018).

4.3 Product Failure Recurring Patterns

Many of the failed products didn't solve a problem that consumers were actively seeking a solution for. For instance, Juicero, an expensive juice press that was redundant because you could easily squeeze the juice packs by hand, was a solution to a problem that didn't exist.

Google Glass suffered from a similar issue, while it was a fascinating piece of technology, it didn't address a clear, compelling need for consumers. People didn't have a desire for augmented reality in their daily lives, and the awkwardness of wearing a computer on your face further alienated users.

Some products failed because they overcomplicated tasks that were already simple. Microsoft Kin was essentially a phone that tried to cater to social media users but didn't have the functionality or apps of a smartphone. It failed to add value to the user experience and made a simple idea unnecessarily complex. Similarly, Google Nexus Q attempted to simplify media streaming but only offered basic functions while failing to support the most popular streaming services, which made it a poor substitute for existing, simpler devices like Roku.

A product can fail if it's introduced either too early or too late. Apple Newton was groundbreaking in terms of concept, but it came out at a time when the technology wasn't sophisticated enough to support it. It had cool features like handwriting recognition, but the tech wasn't refined enough, and the device was overpriced for what it offered. Similarly, Google Glass was also ahead of its time, but the social readiness and technological maturity weren't there yet for widespread adoption.

Price point is a critical factor in consumer product success. Amazon Fire Phone and Google Nexus Q were both priced too high for what they offered. The Fire Phone, for example, had features that didn't stand out against competitors, yet it was priced at the same level as flagship phones from Apple and Samsung. This overpricing didn't justify the features or the ecosystem, leading to poor adoption. Similarly, Nike FuelBand was also priced at a level higher than competing products but offered fewer features, resulting in consumer hesitation.

A product's ecosystem is essential to its long-term success. Microsoft Zune failed because it couldn't offer an ecosystem that rivaled Apple's iTunes. Even though the Zune itself was a decent media player, it didn't have the app integration, content, or services to make it an attractive alternative to the iPod. Similarly, Amazon Fire Phone was limited by its reliance on Amazon's ecosystem, which was not nearly as expansive or appealing as Apple or Google's ecosystems.

Many of these failed products had issues with user experience, which is a significant factor in product adoption. Samsung Galaxy Note 7 failed due to the battery defects, which compromised its safety. While the phone was feature-packed, the safety issues overshadowed its capabilities. Hoverboards also faced usability issues with many being difficult to balance on, especially for beginners, and the poor build quality made them unsafe to use. Products that are hard to use or even dangerous are bound to fail no matter how innovative they are.

Effective marketing is crucial, and many of these failures suffered from confusing or ineffective marketing strategies. Harley-Davidson Perfume is a perfect example—people didn't associate Harley-Davidson with fragrance, and the product just felt out of sync with the brand's rugged identity. Microsoft Kin also failed due to unclear marketing—it was marketed as a "social media phone" but didn't offer the features people wanted from a phone, nor did it appeal to its target demographic.

Another recurring pattern is when products feature technology that doesn't work well enough or doesn't meet user expectations. Apple Newton's handwriting recognition was notoriously inaccurate. Even though it was ahead of its time, the technology didn't perform well enough for consumers to trust it. Similarly, Google Glass faced usability challenges; while the technology behind it was impressive, it didn't have a smooth user experience and was uncomfortable to wear for extended periods.

Some products fail because their marketing overhyped the features, which were either not practical or weren't executed well. Amazon Fire Phone's 3D interface was a gimmick that didn't add real value to the user experience, and this feature felt unnecessary. Google Nexus Q tried to sell itself as an innovative media streamer, but its over-hyped claims didn't match up to the limited functionality it offered.

Finally, some products fail because companies do not adapt quickly enough based on feedback or changing market dynamics. Microsoft Zune never evolved enough to compete with smartphones, which were starting to dominate the media player market. Likewise, Hoverboards were taken over by poor quality control and safety issues, but there was little innovation to fix the fundamental flaws, so the trend fizzled out.

4.4 Section Summary

Product failures often occur when there is no clear consumer need or when the product is overly complicated and doesn't provide enough value. Timing and price also play key roles as products that are launched too early or too late or are priced incorrectly can struggle. Additionally, products may fail if they lack the necessary support or are difficult to use. Ineffective marketing and an overemphasis on flashy features without real substance can also lead to poor outcomes. Success depends on addressing actual consumer needs offering a simple and reliable experience and ensuring the product is supported properly. Key learnings from the analysis include:

- **Clear Need or Benefit:** Products fail when they don't solve an actual problem for consumers or when their benefits aren't clear.
- **Usability:** A product can have all the features in the world, but if it's hard to use or uncomfortable, it will fail.
- **Pricing:** Overpricing without delivering enough value or features can kill a product before it even takes off.
- **Market Timing:** Introducing a product too early or too late can prevent it from gaining traction.
- **Quality and Safety:** Products with inherent safety risks or quality issues can quickly turn disastrous for brands.
- **Brand Consistency:** When a product doesn't align with the core values or image of the brand, consumers get confused and uninterested.
- **Innovation vs. Gimmick:** Sometimes what seems like an innovative feature is just a gimmick that fails to add real value to the user experience.

5. Mitigating Product Failure Risks

5.1 Strategies to Reduce the Likelihood of Product Failure

To reduce the likelihood of product failure businesses need to focus on several strategies. First conducting thorough market research is essential to understand consumer needs preferences and pain points. This ensures the product addresses a real problem rather than an unnecessary solution. Next companies should prioritize simplicity and usability making sure the product is easy to use and delivers its benefits in a straightforward manner. Testing and iteration are also key as prototypes should be tested with target audiences to gather feedback and make improvements before launch. Pricing should be competitive reflecting the product's value in comparison to similar offerings in the market. A strong ecosystem is also important whether through complementary services or apps to support the product's long-term success. Effective marketing is another critical factor as it helps communicate the product's value proposition and distinguish it from competitors. Lastly businesses should focus on continuous support and improvement ensuring the product evolves based on customer feedback and market shifts. By applying these strategies businesses can reduce the risk of product failure and improve their chances for long-term success.

5.2 Importance of a Structured New Product Development Process

A structured new product development (NPD) process is crucial for ensuring a product is successfully developed from concept to market. It provides a clear framework that guides each phase of development which helps reduce risks and increase efficiency. By following this process businesses can identify potential issues early and make adjustments before they become costly problems. It also ensures better alignment between teams making sure everyone is working toward a common goal and maintaining consistent standards. A structured process promotes effective resource management by ensuring time money and personnel are allocated properly throughout development. It encourages systematic testing and gathering feedback from target audiences to refine the product before release. This process also facilitates decision-making at key stages helping to minimize uncertainty and ensuring the product meets consumer needs and succeeds in the market. Overall a structured NPD process is essential for minimizing risks improving collaboration and increasing the likelihood of delivering a successful product.

5.3 Importance of the Design Brief

The design brief is a critical document in the new product development process as it serves as a clear roadmap for the project. It outlines the objectives scope and constraints of the product ensuring that all stakeholders have a shared understanding of the goals and requirements. A well-written design brief helps to focus the team's efforts by providing clear direction and preventing scope creep or misalignment throughout the development stages. It acts as a reference point for decision-making ensuring that every design choice is in line with the overall vision and objectives. Additionally, the design brief plays a key role in managing client expectations by clearly defining what the product will and will not include. This reduces the risk of misunderstandings and ensures that the final product meets the agreed-upon standards. The brief also helps prioritize features and functionality allowing the design team to focus on what's most important based on market needs and target consumers. Ultimately the design brief is essential for keeping the project on track maintaining consistency and ensuring that the product is developed efficiently and effectively while meeting both business goals and consumer needs.

5.4 Importance of Iterative Development

Iterative development is essential in the product development process as it allows for continuous improvement and refinement based on regular feedback. By breaking the development into smaller cycles or iterations teams can test concepts and prototypes early on identify issues and make adjustments before proceeding further. This approach minimizes risks by ensuring that problems are addressed incrementally rather than after the entire product has been completed. It also promotes collaboration between different teams as each iteration provides an opportunity to evaluate progress and realign the product to meet changing requirements or consumer needs. Additionally iterative development fosters innovation by encouraging experimentation and flexibility. As teams gather insights from each cycle they can make informed decisions that lead to better products. This process helps ensure that the final product is more aligned with market demands and user expectations. Moreover iterative development allows for faster time-to-market as features can be developed, tested, and launched in stages rather than waiting for the entire product to be completed. Overall iterative development ensures that products are continuously improved throughout the process leading to higher-quality and more successful outcomes.

5.5 Importance of Product Testing

Too often in the past, the development of new products has followed a direct route from idea to production without an adequate, systematic attempt to predetermine public acceptance of the product in question. This trial and error approach has necessarily resulted in many failures and appreciable losses to industry.

Product testing is crucial in the development process as it helps ensure that the product functions as intended and meets consumer expectations. Through testing businesses can identify design flaws usability issues or safety concerns before the product is released to the market. This helps prevent costly mistakes and minimizes the risk of product failure. Product testing also provides valuable feedback from real users which can be used to refine and improve the product. By gathering insights on how consumers interact with the product companies can make informed adjustments that enhance its overall performance and appeal.

Lastly, product testing helps build consumer confidence by ensuring that the product is reliable and of high quality. When consumers know a product has undergone rigorous testing they are more likely to trust it and feel assured that it will perform as expected. Testing also ensures that the product complies with industry standards and regulations which can prevent legal issues and enhance the brand's reputation. Ultimately product testing is vital for delivering a high-quality product that meets customer needs performs reliably and ensures satisfaction.

5.6 Importance of Customer Feedback

Customer feedback is essential in the product development process as it provides direct insights into consumer needs preferences and pain points. By gathering feedback businesses can make informed decisions about product improvements and enhancements ensuring the final product resonates with the target audience. Feedback helps identify issues early on

whether in the design usability or functionality which can be addressed before the product reaches a wider market. It also ensures that the product is aligned with consumer expectations increasing the likelihood of success. Moreover, customer feedback fosters brand loyalty and strengthens the relationship between businesses and their customers. When consumers feel their opinions are valued they are more likely to engage with the brand and become repeat customers. Feedback also acts as a tool for innovation as customers often suggest new features or improvements that may not have been considered. In short customer feedback is critical for creating products that truly meet market demands and ensuring long-term success in a competitive market.

5.7 Importance of Internal Alignment within Organisations

Internal alignment within organizations is crucial for the successful development and launch of a product. When teams across departments such as marketing, design, engineering, and sales work in sync, it ensures that everyone is on the same page regarding the product's goals, vision, and strategy. This alignment fosters a shared understanding of objectives and helps streamline decision-making processes, ensuring that no aspect of the product development is overlooked. It also minimizes miscommunication and the risk of conflicting priorities, which can lead to delays or missteps. Also, internal alignment promotes efficiency by ensuring that resources are allocated effectively and efforts are focused on the most critical tasks. When all team members are working towards the same goal, it reduces duplication of work and optimizes workflows. This also enhances collaboration, enabling departments to share expertise and solve problems together more effectively. In a highly competitive market, internal alignment is essential for ensuring that the product development process is smooth and the product ultimately meets the needs of both the business and the customer.

5.8 Section Summary

The importance of key aspects in product development can be summed up by saying a structured new product development process provides a clear roadmap that helps minimize risks boost efficiency and ensures all teams are working towards the same goals. The design brief is vital for setting clear objectives and managing expectations making sure everyone is on the same page and the product meets market demands. Iterative development allows for continuous feedback and improvements helping the product evolve based on real-world insights. Product testing plays a crucial role in identifying problems early ensuring quality and building consumer trust. Customer feedback is invaluable for refining the product to meet consumer needs and fostering brand loyalty. Lastly internal alignment within an organization ensures all departments collaborate effectively preventing miscommunication and driving the product's success. Together these elements form a strong foundation for creating products that not only meet consumer expectations but thrive in the marketplace.

6. Conclusion and Further Research

6.1 Conclusion

This dissertation has explored the critical reasons why products fail in the market. It has shown that product failure often stems from a combination of poor planning and execution, weak market understanding and misaligned strategies. Many businesses struggle to bring successful products to market not because of a lack of innovation but because they fail to fully connect with the needs of their target audience. When companies overlook key stages in the development process or move forward without clear direction their products often underperform or are quickly withdrawn.

Through real-world examples and detailed analysis the research has highlighted how common missteps can lead to failure. It is not enough for a product to be innovative. It must also be relevant, accessible, easy to use and most importantly desired by the target market. The study also emphasised the value of understanding the customer throughout the development journey. Products that ignore user feedback or are rushed to market without proper testing tend to struggle to gain traction or build lasting trust.

The findings point to the need for better structure and more focused strategies during product development. Companies that take time to test, design iteratively, learn and adapt their ideas tend to be more successful. They avoid costly mistakes and build stronger connections with their audience. Product failure can be difficult but it also offers an opportunity to reflect and improve. Businesses that learn from these experiences can grow stronger and make better decisions in the future.

This study concludes that success in product development depends not only on creativity but also on careful execution and a deep understanding of the people a product is meant to serve.

6.2 Further Research

This study aimed to combine both primary and secondary research to provide a well-rounded understanding of the factors that contribute to product failure. Unfortunately, due to delays in receiving responses to the questionnaire, the research was limited in terms of first-hand data collection. As a result, there is a strong need for further research that focuses more heavily on primary sources.

Future studies should prioritise the collection of timely and detailed responses from industry professionals through both surveys and interviews. Conducting in-depth interviews with product managers, designers and business owners could provide valuable insight into real-world experiences and challenges. These conversations would allow for a more personal understanding of the strategies companies use and how they respond to failure.

Comparing these primary insights with existing secondary research would help confirm patterns or reveal new perspectives that may not be captured in published literature. This could also lead to the development of practical tools or frameworks that are directly informed by industry practice. Greater engagement with professionals across different sectors would add richness to the analysis and strengthen the relevance of future findings.

Further research that includes a balanced mix of qualitative and quantitative methods would help to deepen the understanding of product failure and contribute more directly to practical business strategy.

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