



Developing New Products & Services

A PRACTITIONER REPORT

Idea Generation

- Market and consumer trends
- Searching for user patterns and habits (Ethnographic methods)
- Find the market (need) before developing the product/service!
- **Everything** was first an idea

Idea Evaluation / Screening

- Market Need?
- Market Size?
- Market Saturation?

Develop a 'VC Mindset'

Classifications I (Aspinwall)

1. How frequently is the product repurchased?
2. How much profit is obtained from each product?
3. How flexible are the buyers' purchasing habits with regard to this product?
4. How long will the product produce benefits for the user?
5. How long will consumers shop for the product?

NAICS

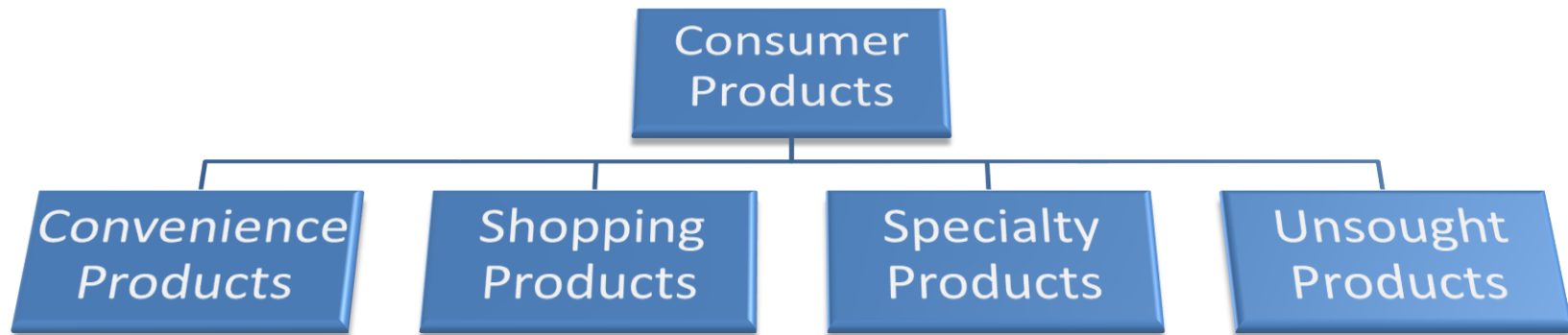
North American Industry Classification System



Code	Description
22	Agriculture, Forestry, Fishing and Hunting
23	Mining
31-33	Utilities
42	Construction
44-45	Manufacturing
48-49	Wholesale Trade
51	Retail Trade
52	Transportation and Warehousing
53	Information
54	Finance and Insurance
55	Real Estate and Rental and Leasing
56	Professional, Scientific, and Technical Services
61	Management of Companies and Enterprises
62	Administrative and Support and Waste Management and Remediation Services
71	Education Services
72	Health Care and Social Assistance
81	Arts, Entertainment, and Recreation
9	Accommodation and Food Services
	Other Services (except Public Administration)
	Public Administration

largely replaced the older Standard Industrial Classification (SIC)

Classifications II



Concept Development

- Target Market
- Product Benefits
- Production/Development Cost
- Production/Development Location(s)

Model Successful Concepts!

Business Model / Business Analysis

- Selling Price
- Breakeven Point
- Market Size
- Competition

**‘If nobody else is doing that
– there may be a reason for it!’**

SWOT / PESTEL Analysis

- Strengths
- Weaknesses
- Opportunities
- Threats
- Political
- Economic
- Social
- Technological
- Environmental
- Legal

Securing Capital

- Self-funded and/or 'Boot-Strap'
- Credit Cards
- Bank or Government Loans
- Friends and Family Capital
- Angel Investment
- Venture Capital

Know where you want to go!

Six Sigma Analysis: DMAIC

1. Define the problem and the project goals.
2. Measure key aspects of the current process and collect relevant data.
3. Analyze the data to investigate and verify cause-and-effect relationships.
4. Improve or optimize.
5. Set future controls.



Six Sigma Analysis: DMADV

1. Define goals consistent with customer demands.
2. Measure and identify product capabilities, production process capability, and risks.
3. **Create** and evaluate high-level design.
4. **Optimize** the design, and plan for design verification.
5. **Verify** the design (set up pilots).



Beta and Market Testing

- Beta Release(s)
- Focus Groups
- LISTEN TO FEEDBACK!
- Most flexible approach will win (Law of Requisite Variety)

Implementation Preparation

- Product Development Roadmap
- Resource identification
- Scalability
- Contingency Planning

Marketing Mix

- Name
- Package
- Price
- Promotion
- Distribution

Pre Launch Considerations

- Marketing Strategy
- Pricing
- Product Mix
- Segmentation and Options

BASE | PROFESSIONAL | SUPER!

Launch

- Inventory
- Scalability
- Training
- Support

Commercialization

- Timing
- Placement
- Channel Development
- Distribution/Partnerships
 - Resellers and VARs
 - System

Why New Products Fail

- No clearly defined **target market**.
- Insignificant point of difference.
- Too little market attractiveness.
- Poor product quality or sensitivity to customer needs on critical factors.
- Bad timing.

Resources



Contact

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<http://kameir.com/services.pdf>