

# **WANT A BETTER JOB?**

**IMPROVE YOUR MARKETING SKILLS!**

**DEVELOP A NEW PRODUCT FOR A REAL FIRM  
over TWO BACK-TO-BACK SEMESTERS**

**REGISTER FOR**

**MKT 496 Practicum in Marketing, Fall 2007 (Time TBD)**

**AND**

**MKT 496 Practicum in Marketing, Spring 2008 (Time TBD)**

**Talk to** Dr. Jean Lefebvre, Vance 413, Tel: 832 3309, e-mail:  
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# THE NEW PRODUCT DEVELOPMENT FIELD PRACTICE

## WHAT'S IN IT FOR ME?

- Learn to work as team on a real NPD assignment for a client firm.
- Learn to work and effectively manage relationships within the client's culture.
- Learn to plan and manage a multi-stage project from problem definition, to solution and implementation.
- Work on difficult, open-ended, cross-functional (marketing, finance, people management, etc) problems, and tackle the challenging issues of implementation.
- Work in a team environment that encourages creativity and risk taking while keeping the effects of mistakes to a minimum.
- Learn about New Product Development processes and analytical tools.
- Learn through a reflective and data-based process (The Field Experience Log) about yourself, working with others, to produce tangible results, on time and within budget.
- Learn through a reflective and data-based process (The Field Experience Log) about the culture of the firm and its domain of operation.
- Gain competitive advantage when seeking employment by presenting the NPD Team Project as part of your portfolio.

## Support the student team will receive

- The client provides financial and human resources to assist the students in their work, including a budget (to cover costs) and a manager of sufficient rank to champion and facilitate the project within the firm. (10 students for 5 months, each putting in a day a week)
- The School provides a faculty member who functions as mentor and coach to the team.
- The School provides the support of all other faculty members who may be consulted for advice.
- The School provides office space, a phone, a PC and office supplies. All costs to the School are included in the budget to be approved by the client firm.

## WHO CAN PARTICIPATE?

Marketing Majors in their senior year; who have successfully taken MKT423 Marketing Research, MKT 305 Consumer Behavior and MKT 340 New Product Management. Talk to the instructor Dr. Jean Lefebvre, Vance 413, Tel: 832 3309, E-mail: lefebvrej@ccsu.edu

## WHAT IS THE NPD FIELD PRACTICE?

## THE NEW PRODUCT DEVELOPMENT FIELD PRACTICE Summary

### SEMESTER ONE: The Front End

Understand the client firm, its problem, the role of the NP for the firm, and the situation of your NPD Team within the firm. Assemble all background information necessary for the Team to plan its work throughout the project.

**First presentation to the client:** obtain agreement from the client firm on your work plan. It is essential that the student team and the client gain a clear, shared, and documented understanding of (a) the situation, (b) the role of the NP project the team is undertaking, and (c) the nature and extent of the support from management. The Team then conducts:

- 2.1. Opportunity Identification
- 2.2. Idea/Concept Generation and Screening (many)
- 2.3. NP Concept Testing (a few)
- 2.4. Project Evaluation: Build the Business Case (2 NP options)

**Second presentation to the client:** two alternative NP options; gain agreement on a single option (*end of semester I*)

### SEMESTER TWO: NP Development and Plan for launch

**Final presentation to the client:** the Marketing Plan for Pre-Launch and Launch. The client has the option of implementing all or part of the plan. The firm and the instructor jointly assess the project (*end of semester II*)

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for more details, read on . . . .

## **THE NEW PRODUCT DEVELOPMENT FIELD PRACTICE Detailed Description**

### **SEMESTER ONE: The Front End**

The NPD Project runs over two semesters back to back (Fall and Spring) and involves several deliverables and deadlines. They are described below.

#### **1.1. Getting Started: Student Team Selection**

Pre-selection: The NPD Field Practice is open to all Marketing Majors who have successfully passed Marketing Research and Consumer Behavior. Non-Marketing Majors may be invited to join NP Student teams according to the needs of the client firm and the specific project (MIS, engineering and technology, etc.)

First, a representative of the client firm presents to interested students the firm, its line of products or services, industry and competitive situation, corporate strategy, new product strategy, and the specific goals of the project. Students apply to the Faculty in charge of the NPD Field Practice for participation in the team project. The faculty recommends students to the firm. The firm conducts interviews at their place of business. The final team is selected in agreement between the firm and the faculty. Every student signs a confidentiality agreement with the firm.

#### **1.2. Assembling the Information for New Product Development Project**

The Client firm presents the problem and its context to the student team, defines company objectives with regard to new products, i.e., the share of NPs in generating profits relative to existing products, strategic arenas, competitive advantages and product positioning, major competitors, impact of regulations, region(s) of the world to consider, resources for NP development, and overall orientation of the firm with respect to innovation and risk taking. The students meet the key people in the firm who will collaborate on the project. A manager of sufficient rank champions and steers the student team in the firm throughout the project.

The students must: (1) understand the client firm, the problem and its context (2) identify appropriate sources of information, obtain and analyze them, and (3) prepare a work plan for the whole project.

The plan, adapted to the client's goals and needs, will generally include:

#### **1.3. The development of the PIC (Product Innovation Charter).**

Recommended approach to this assignment:

- Interview managers in the company and gather strategic documents and information to get input for the new product vision, roles and screening criteria.

- Conduct secondary research (e.g., on-line and published sources).
- Apply the concepts of Diagnostic Audit, New Product Vision, New Product Roles, Screening Criteria, Growth Gap and Market Attractiveness to develop:
  1. A new product vision statement for the company in the selected competitive arena. A new product vision statement typically includes: a category definition of where the company plans to compete, the desired position in that category, and customer benefits to focus on. Note that a new products vision is intended to house a portfolio of new products/service concepts for the entire company or category, not for just one product, i.e., a “platform”.
  2. Your recommended Requisite and Expansive new product roles (no more than 5-7 roles in total), and why you selected those key roles. New product roles are objectives that a company wants to reach through NPs. The roles should provide guidance to a portfolio of NP projects for the client firm to pursue.
  3. A graphical diagram that defines the category, shows how it breaks down into sub-categories, and highlights the dimensions of how companies compete differently in that category (e.g., competing on different benefits, in different sub-segments of the market, in different target markets, etc.). Indicate where your company competes, as well as where key competitors are located.

The above analysis will be summarized in a PIC. It typically includes:

- Background and key points from the situation analysis, including opportunity arenas
- Focus on a matching pair of technology and market dimension. An arena of opportunity.
- Goals and objectives: what the project will accomplish in the ST or LT, by itself and in relation to existing product lines and other NP development projects.
- Guidelines: any rules, requirements imposed by the situation or management. Innovativeness, imitation, timing.

**First presentation to the client: obtain agreement from the client firm on the PIC. It is essential that the student team and the client gain a clear, shared, and documented understanding of (a) the situation, (b) the role of the NP project they are undertaking, and (c) the nature and extent of the support from management at the client organization.**

## **2.1.Opportunity Identification**

For market(s) defined above, adopt a problem orientation and identify Customer Problems using a variety of Customer Needs Obtaining techniques (Be A User, Watch Users Critically, Interview Users for needs, Focus Group, Lead User Process, Projective Techniques), all qualitative research methods. Identify the most intense customer problem categories (3-5 categories total). List the specific

customer problems within each category (3-5 problems per category). Indicate the information sources that support your analysis (#interviews/focus groups conducted, types of people interviewed, secondary research sources, etc.). Document your sources and any relevant “quotes” from potential customers that support your analysis and your selection of the most intense customer problems. Please do not create NP ideas yet! Focus on customer problems.

## 2.2. Idea/Concept Generation and Screening.

The orientation moves from “problems” to “solutions to problems”. Using a variety of Creativity/Ideation techniques and more formal Analytical Attribute Approaches, generate ideas that are solutions to the customer problems you identified in 2.2. above. For the primary and most intense customer problem categories identified, conduct an ideation session with friends/co-workers/class members, and use the ideation techniques to develop a list of approximately 20 ideas. Format each idea by stating in a one- or two-sentence description what it is, how it works, and primary benefits it offers customers, i.e., the standard idea format. Attach the entire list of ideas generated during the ideation session. Scrub the list of ideas, removing redundancies and incomplete ideas. Then:

1. Specify your recommended NP screening criteria. These should be criteria that must be met (“must-pass”) prior to moving a new product out of the Concept Stage and into the Development Stage. This should also include the categories for evaluating NPs, specific screening questions within each category, and specific/measurable hurdles that must be achieved for each screening question (“Should-pass”). Use your best judgment to create appropriate hurdles.

At this stage of the NPD process, typical idea screening criteria include: Strategic Fit, Market Attractiveness, Customer Need, Sustainability, Uniqueness.

2. Apply the screening criteria to each idea – create a scoring system for the screening criteria, list each idea’s score on each criteria, assign a total score to each idea. Rank order the ideas based on your screening criteria.

The team should end-up with approximately 20 ideas. You may want to use Excel with ideas listed in the first column, scores on each of the screening criteria in each of the following columns, and a total idea score in the last column.

## 2.3. NP Concept Testing

Applying Concept Testing techniques:

- Develop and write a concept statement for your top 5 ideas, formatted in standard concept statement format.
- Develop a list of questions you would ask potential customers (in qualitative interviews or focus groups) to help screen and refine the concepts. Avoid close-ended, “yes/no” type questions – these will lead to little useful information at this stage of the NP development process.

- Attach drawings/schematics of what the concepts might look like or how you would show them to potential customers (your artistic talents will not be graded). If your concepts are services, you may want to draw what the customer gets from the service or how the service is delivered.
- Write one concept on each page, and one page of questions you will ask customers to help refine/screen each concept.
- Administer concept testing and analyzed results. Rank your 5 concepts again.

#### 2.4. Project Evaluation: Build the Business Case

Use the top 2 concepts you tested above, and develop NP business cases for each. The “Business Case” should address the following:

- Product objective & Strategic Role(s) Filled
- Product Goals (e.g. financial, strategic)
- Customer Problem(s) Addressed
- Product Name, Description, Features, Benefits (including concept statement)
- Market Assessment (e.g. Definition, size, growth, competition)
- Key Risks and Risk Management Approaches
- Target Audience/Market. Profile, Size
- Positioning Strategy
- Distribution/Sales/Channel Strategy
- Communications/Promotion Strategies and Tactics
- Financials (5-year projected Income Statement)

Recommend one of the two concepts: the objective is to convince senior management to develop the recommended NP or service.

The financials should be based on realistic market information. Assumptions should be grounded in some facts, trends and primary data collected through your research.

**Second presentation to the client: two alternative NP options; gain agreement on a single option** (*end of semester one*)

### SEMESTER TWO: NP Development and Plan for Launch

In line with the option agreed upon, develop a prototype with the collaboration of the client firm. Continue to test with prospects, including product-use tests. Plan pre-launch market tests and the launch marketing plan, including updated financial and marketing objectives, Targeting and positioning, pricing, distribution, advertising and promotion, organizational and operational plan, and forecasted financial statements.

**Final presentation to the client: the Marketing Plan for Pre-Launch and Launch. The client has the option of implementing all or part of the plan** (*end of semester two*)