New Product Development

Corporate, Brand and Product Strategy

Alan Mumby

February 2023

Lecture schedule

New Product Development

13:00hrs	NPD	Lecturer
Feb-03		
Feb-10		
Feb-17		
Feb-24		
Mar-03		
Mar-10		
Mar-17		
Mar-24		
Mar-31		
Apr-07		
Apr-14		
Apr-21		
Apr-28		
May-05		
May-12		
May-19		
May-26		

Why is New Product Development necessary?

NPD can be seen as a driving force for many companies - and vital for their organic growth.

Reasons for NPD?

Changing consumer behaviour and /or possibly new technologies

which in turn - pressurises companies to invest in the development of new products and services to offer their customers

- and for many companies - it's just a case of NPD for survival.

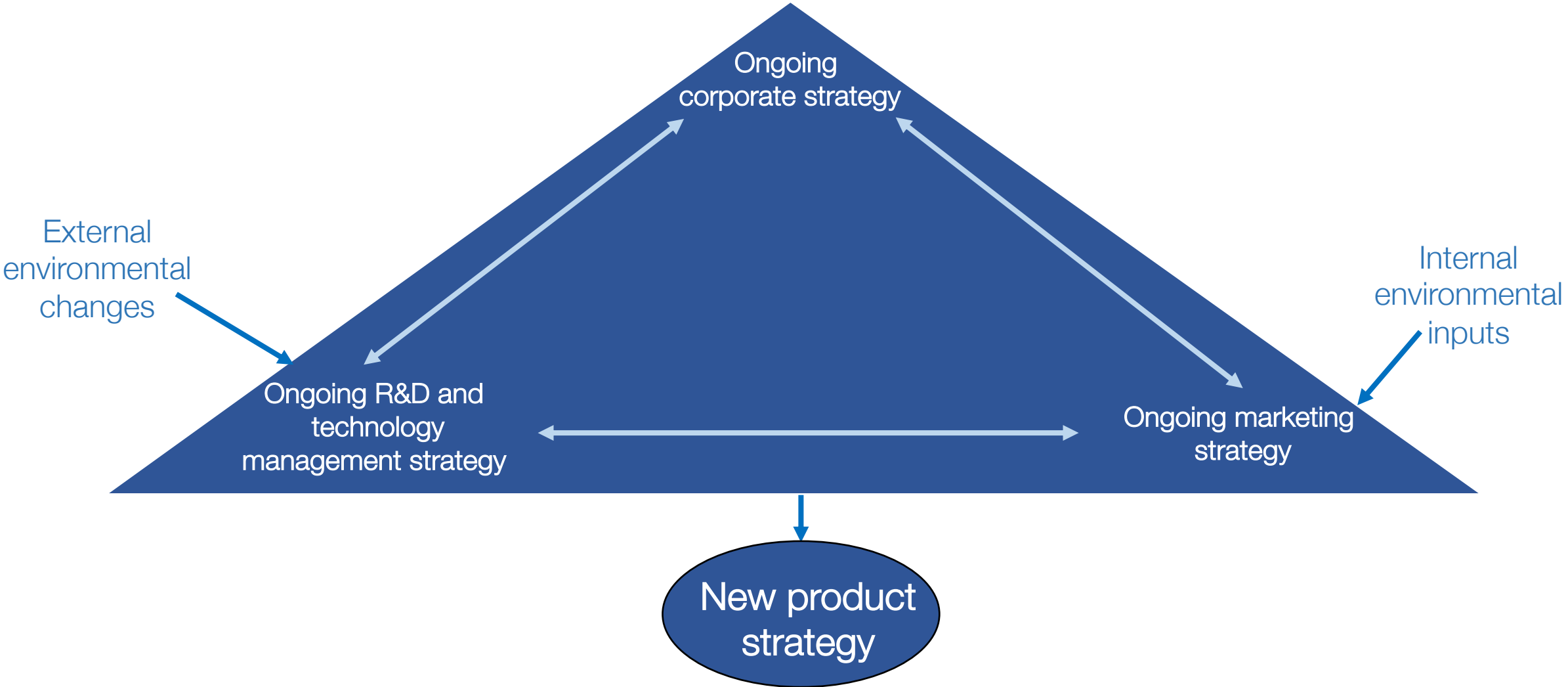
New Product Strategy

The role, the context, the impetus and the scope of a new product strategy comes from;

- marketing strategy
- technology strategy
- and the overall corporate strategy. (Business Models for NPD)

Main inputs into the decision making process

Main inputs into the decision making process



Main inputs into the decision making process

Ongoing marketing strategy

New Product Development

Our marketing planners find out that a competitor is about to launch an improved rugby boot that that offers additional benefits to the boots that we're presently offering



Establish a number of new product development projects.

- investigate the use of new materials for the boots uppers and sole structure
- look to develop a series of a more aesthetic surface designs
- consider alternative fastenings
- investigate the reduction of our existing production costs.



Ongoing technology management

There's constant high technology awareness in sectors such as

- pharmaceuticals
- aviation
- automotive
- aerospace

Ongoing technology management

Is **‘ongoing technology management’** more significant than **‘ongoing market planning?’**

Opportunity analysis…….

New product or new innovations – can often be labelled as chance happening, good luck or put down to serendipity.

But discoveries come about as the result of people who have had a fascination with a particular area of science or technology - and it is following extended efforts on their part that advances are made.

Discoveries may not be expected, but in the words of Louis Pasteur, ‘chance favours the prepared mind’.

2. The extent to which they have influenced the company's internal structures and management processes (1/3)

Business growth demanding an expert team

- Katrina Lake founded in 2011 while studying at Harvard – now sits as Executive Chair
- Elizabeth Spaulding (the Global Head, and founder of Bain & Company's) joined as President and will become the new CEO in August
- Eric Colson came from Netflix to be Chief Algorithms Officer and Mike Smith from Walmart.com to be chief operating officer (2012)

Company values

- 87% of the employees, 35% of the data scientists, and 32% of the engineers at Stitch Fix are women
- Board is more than 60% female, and its tech staff is 35% - better than the industry average. And 40% of the management team identified as female
- Values "bright" people over the purely book smart and "kind" people over nice
- Between July 2018 and Aug 2020, the workforce grew from 6600 to 8000. (Annual Report 2018, Annual Report 2020)

target market

what is your service / who is being offered our product?

is there something about your service/ product

that appeals to particular people?

what is the one key part of your service/ product,

that your customers will really be interested in?



target market

what is your service / product aimed at?

where are they located?

do they care about price?

do they need bespoke product or off the shelf?



what is your service / product aimed at?

who are your clients/potential clients?

what do your potential clients expect from your product or service?

how old are they?

are they male or female or does it matter?



what is your service / product aimed at?

market intelligence helps you find out

- how your competitors operate
- what your client's values are
- what your clients expect
- what your clients actually need
- what your clients want



what is your service / product aimed at?

other markets you could target

have you thought about how your service/ product could appeal to clients/ customers other than the ones that you initially intended?

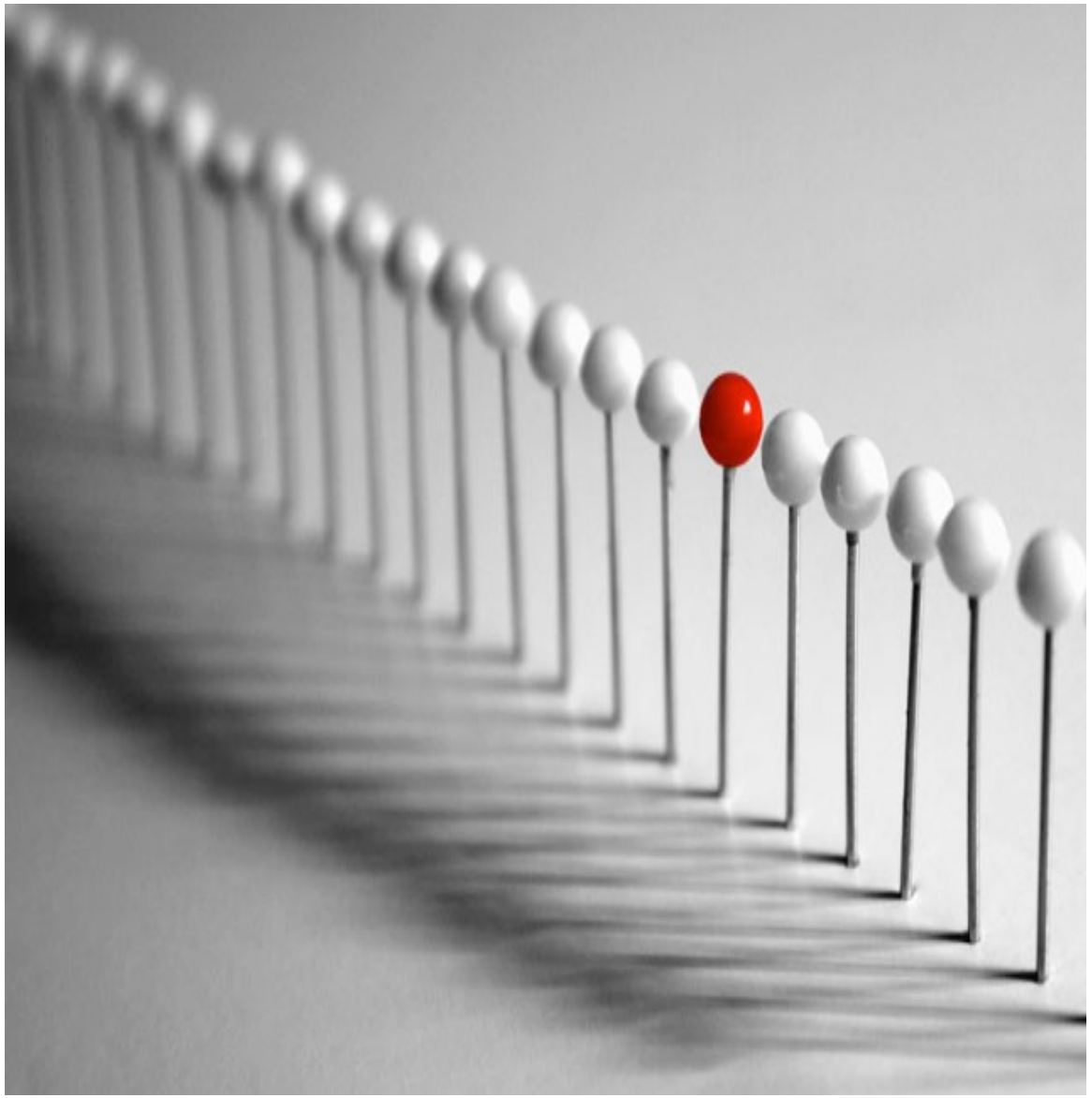


what is your service / product aimed at?

Unique Selling Point

Why is your product or service so special?

Are you providing a service that no-one else is?



Where do ideas
come from...?

The 5W&H Method

The technique represents basic questions you need to ask when thinking about a specific topic:

- who,
- what,
- where,
- when,
- why,
- and how?

Coming up with ideas

Research & Development

New Product Development

Is R&D something that you do in a structured formal format?

Is R&D something that you do in an unstructured informal manner?

Does R&D have a focus – and if so what's it aligned to?

Does it need to widen it's focus, consider other applications for its manufacturing potential

Managing any R&D is important, it has a value, it should be looked after and encouraged.

Outside of the company

Understanding the world of our clients and customers....

Creating ‘in house’ time for;

having a better understanding of the manufacturing sector

having a better understanding of the market sector

do we attend trade shows

Are we reading magazines and journals.....

Coming up with ideas

Outside of the company

New Product Development







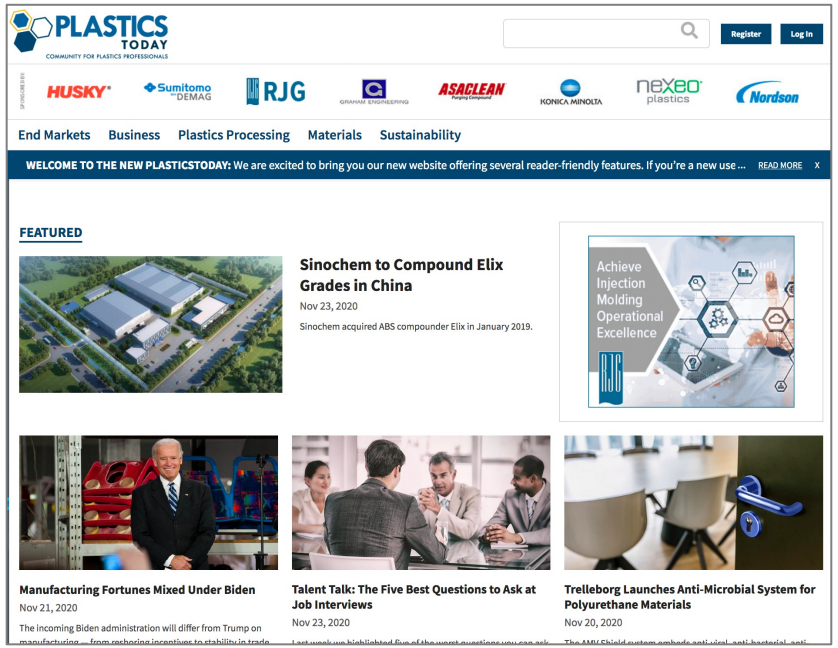




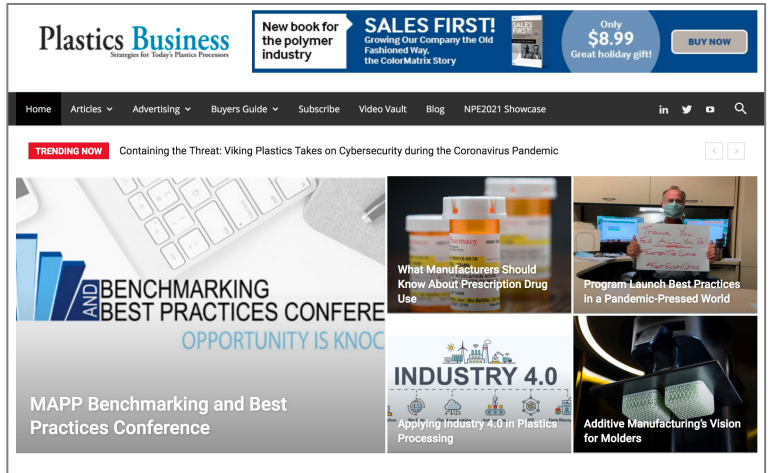
Coming up with ideas

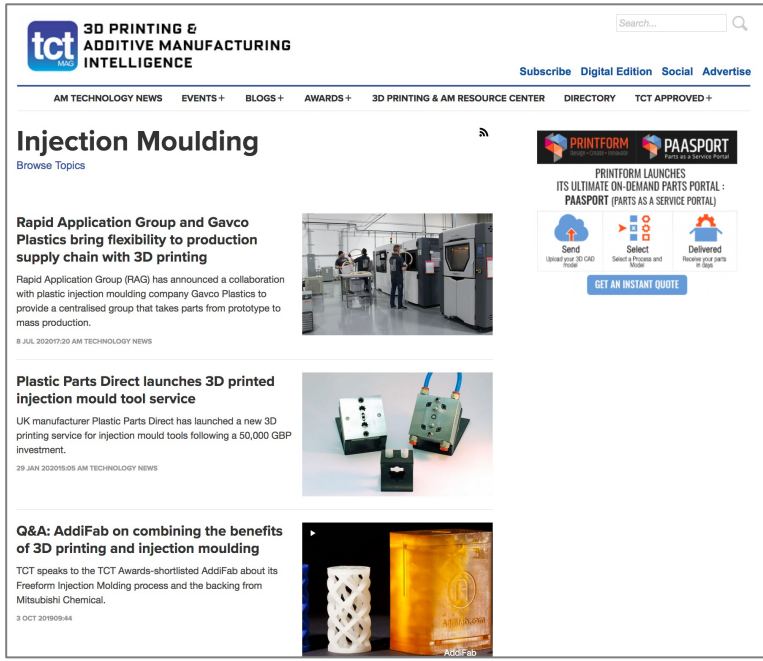
Outside of the company

New Product Development









Coming up with ideas

Outside of the company

New Product Development





Coming up with ideas

Outside of the company

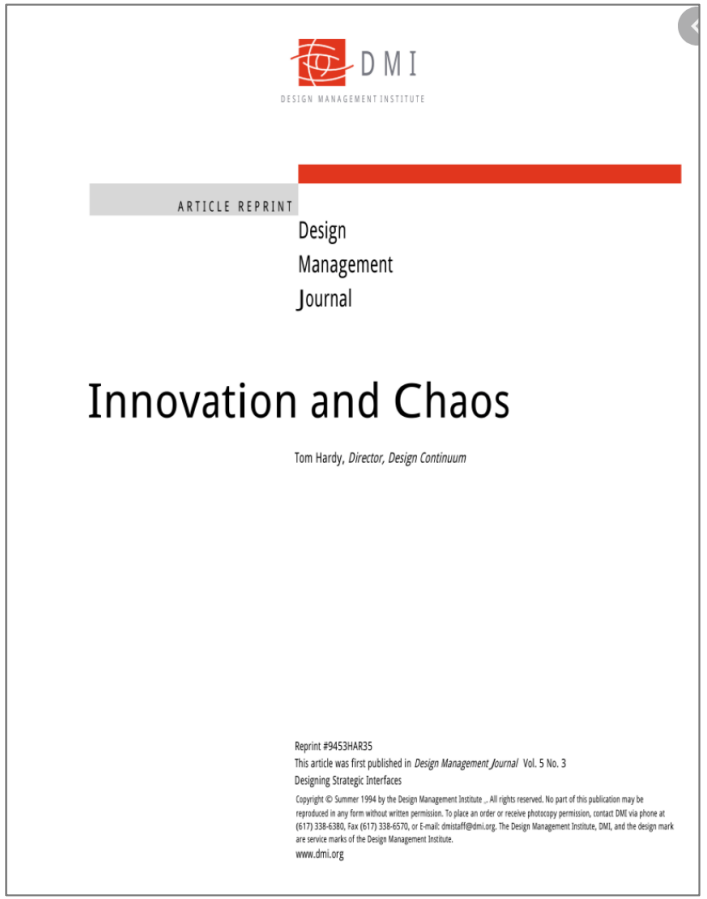
New Product Development



Coming up with ideas

Outside of the company

New Product Development



DMI
DESIGN MANAGEMENT INSTITUTE

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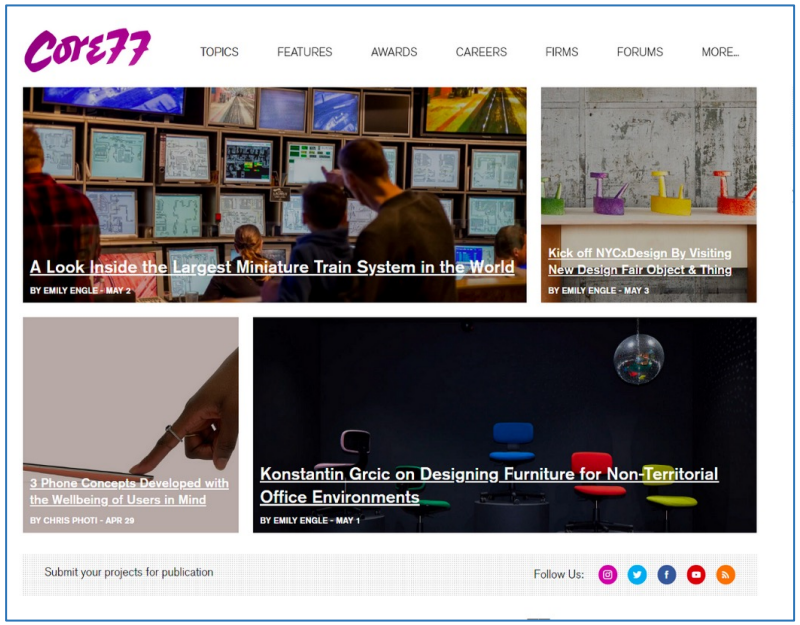
Design Management Journal

Innovation and Chaos

Tom Hardy, *Director, Design Continuum*

Reprint #9453HAR35
This article was first published in *Design Management Journal* Vol. 5 No. 3
Designing Strategic Interfaces

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Coming up with ideas

Outside of the company

New Product Development



Coming up with ideas

Do you need to be *'a Creative'*.....no

You just need to be creative in your outlook and thinking

The ability to come up with fresh product ideas, new ways of creating product or services separates top-performers from their less successful peers, so you definitely need to think of how to improve this skill.

Coming up with ideas

New Product Development

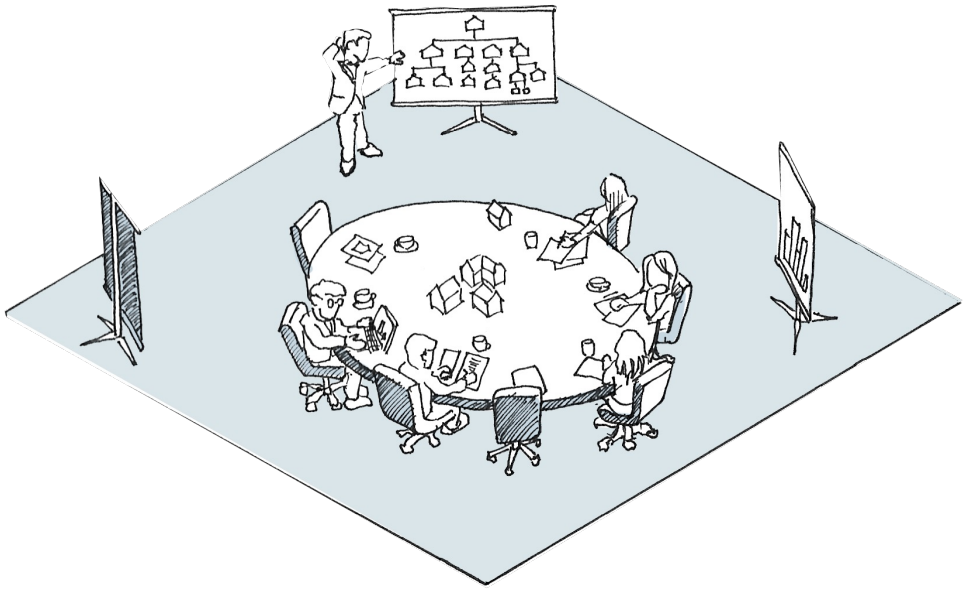
think beyond what is trending.....

1. Strategy

Choosing to innovate and creating new products means knowing how to project your business into the future and identify the key factors that will give it value in 3, 5 or 10 years.

The art of this projection also includes;

- knowing how to surround yourself with a good team,
- showing financial agility
- mastering the concepts of intellectual property.



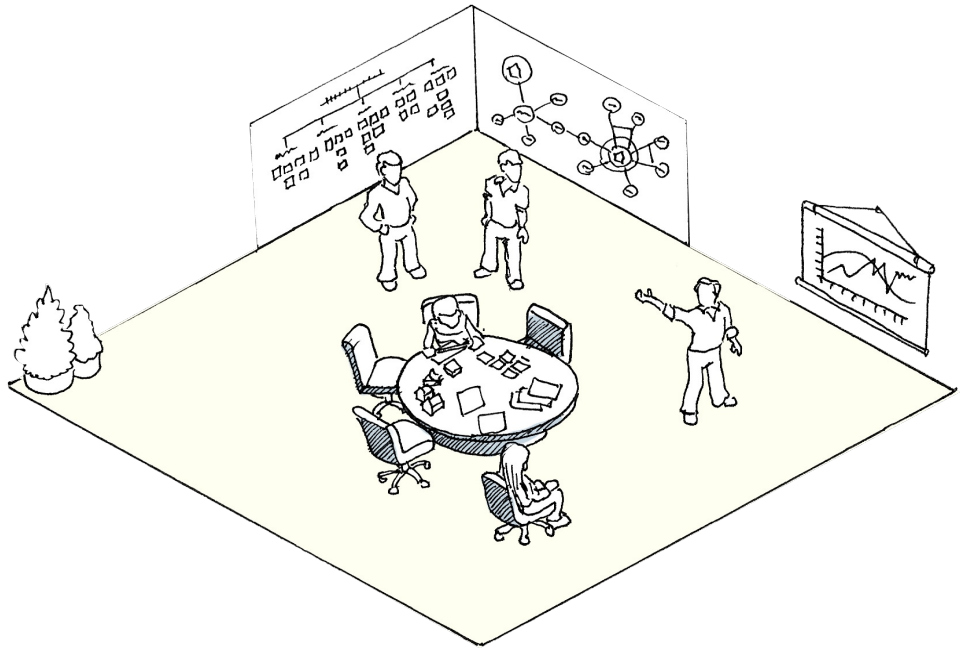
2. Generating new ideas

The development of an innovation inevitably starts when an idea emerges. But, how do you come up with an idea? Even more difficult, how do you keep coming up with ideas?

Creativity techniques may be one solution,

encouraging R&D

- customers,
- competitors
- and market sector trends.

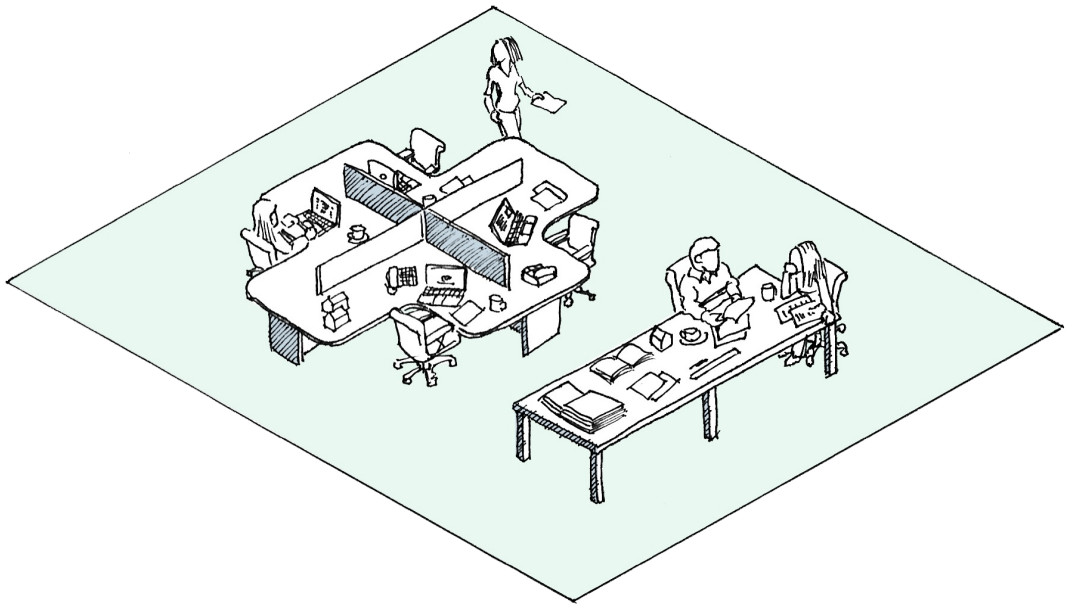


3. Project management

Developing projects consumes resources. These include financial and technical resources,

Man hours are also a major consideration.

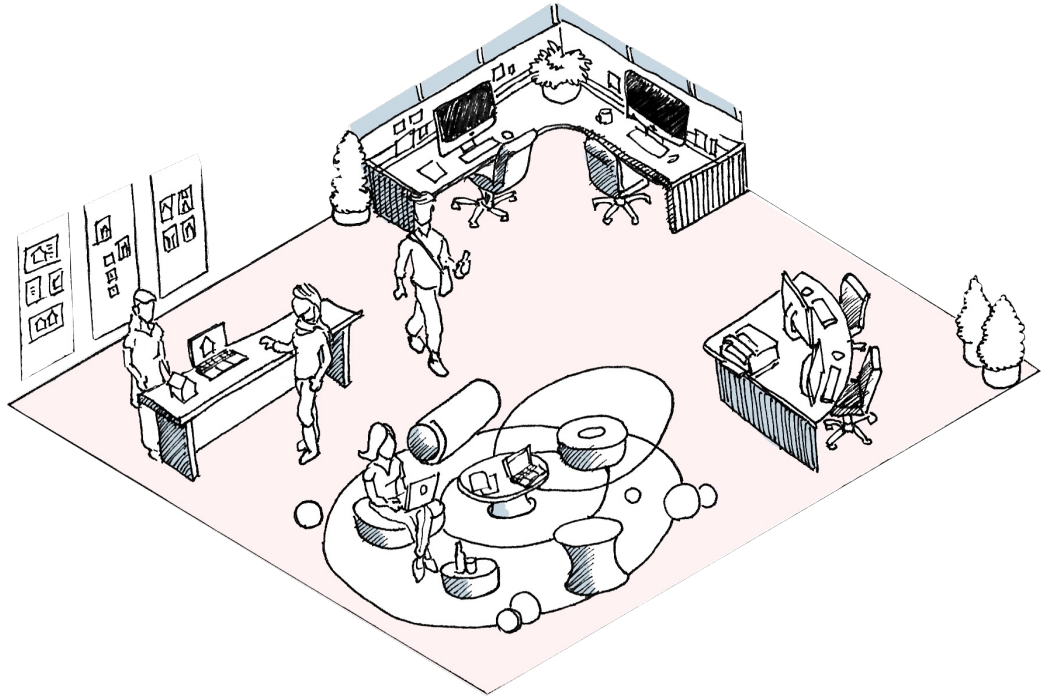
Effective project management consists of optimising these variables.



4. Design

Whether you are launching new products or a new service or designing a new organisation, between the initial idea and the implementation stages, there is always a design phase.

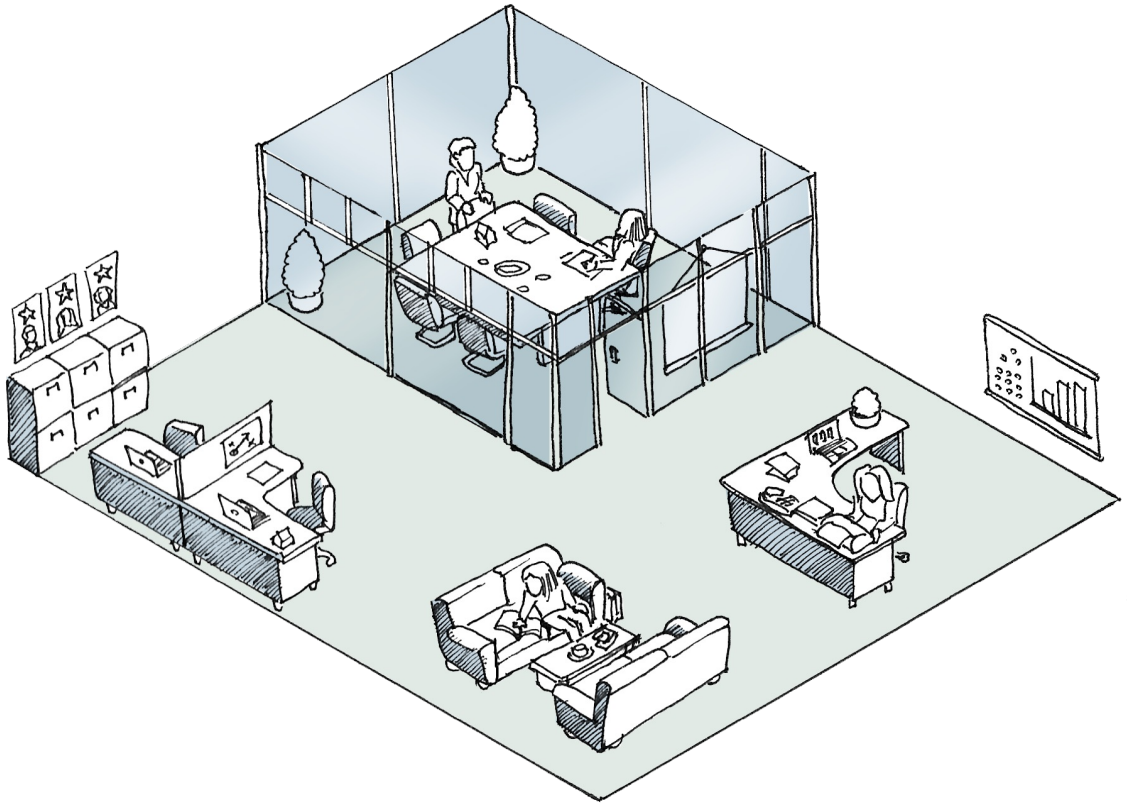
Transforming ideas into reality is an essential step and there's the possibility that this may require a creative input from a number of design disciplines.



Encouraging risk-taking, developing internal skills and managing change are all necessary factors in developing an innovation culture.

Maybe less micro-management; planning, organising and coordinating ?

More leadership; inspire, motivate and encourage?

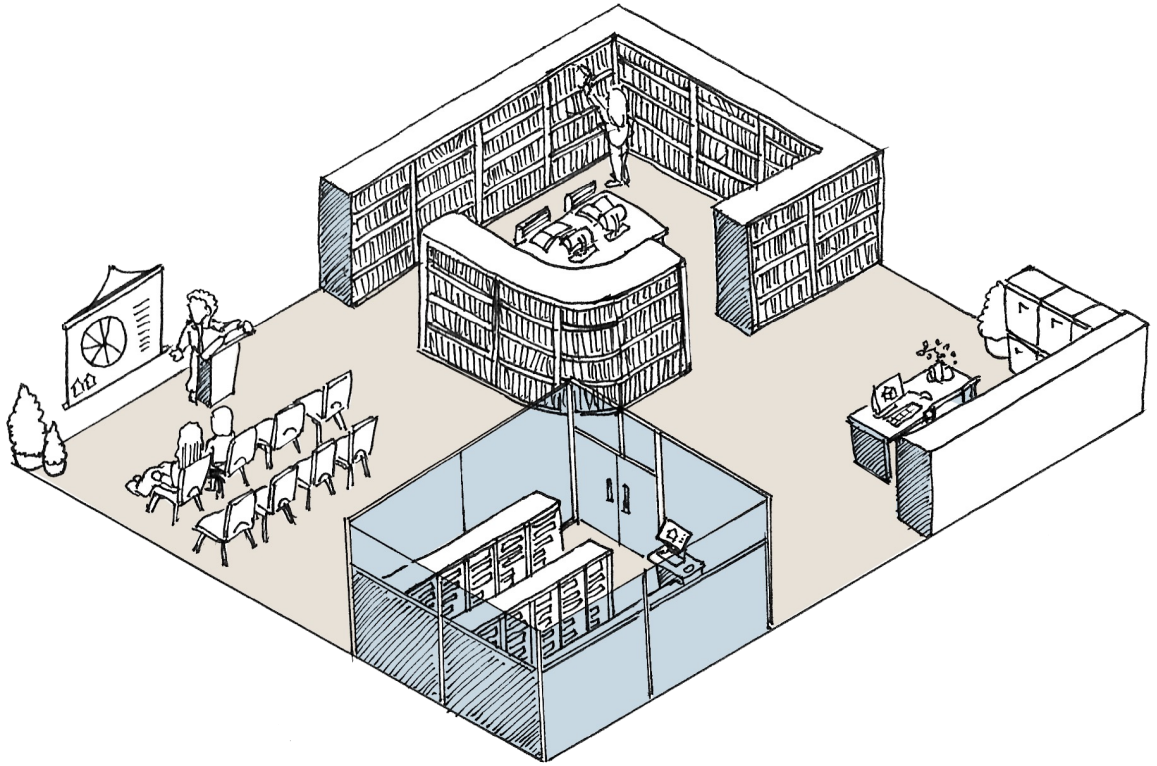


6. Knowledge management

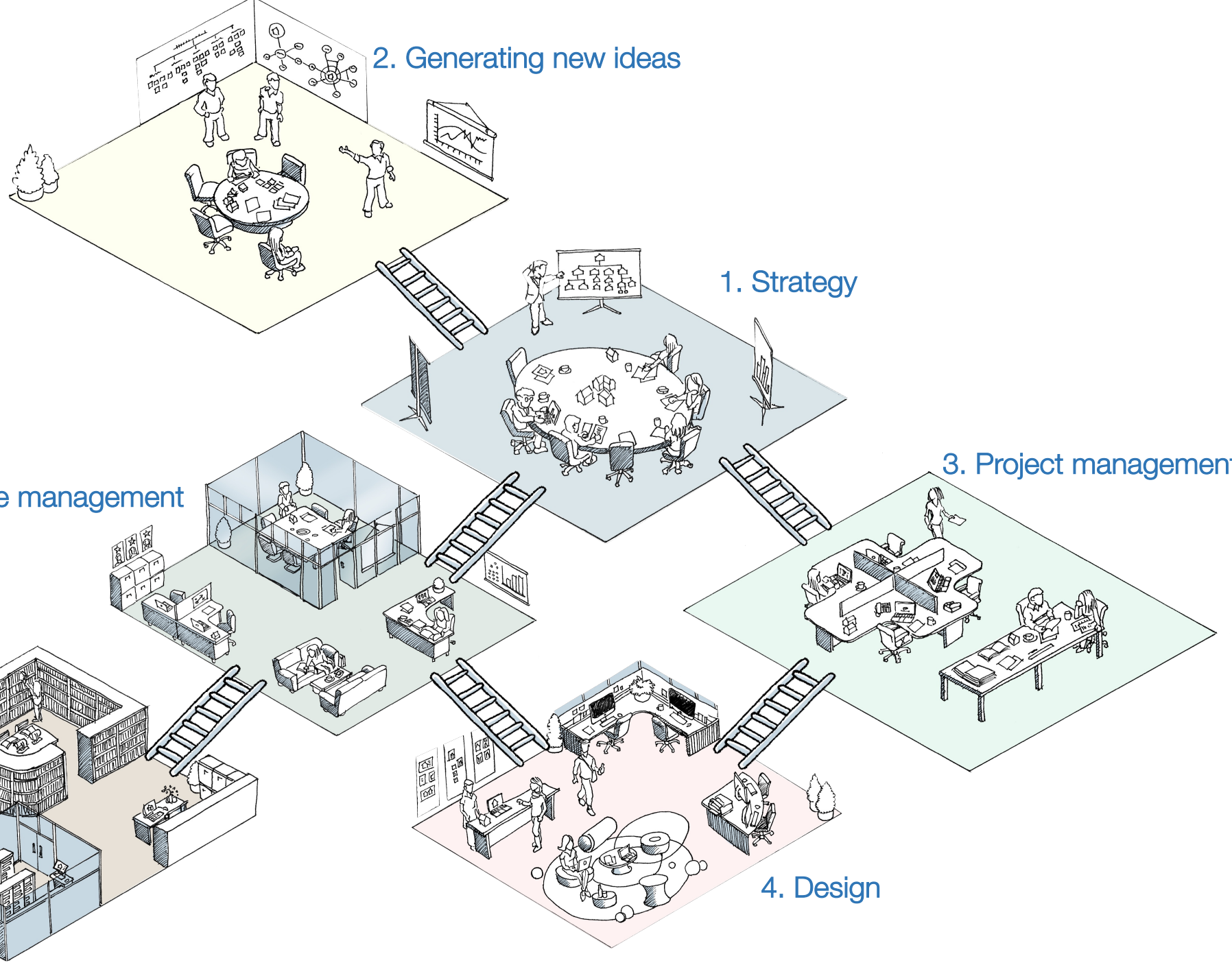
Often overlooked, Knowledge Management is key to developing an effective product design mindset.

By definition, innovation consists of doing something which you did not previously know how to do.

Innovation, NPD and learning are therefore intimately linked.



Encouraging ideas & managing innovation



What is exactly is a new product ?

What is a new product ?



What is a new product ?

1979 Japan

New Product Development



happy if they sold 5,000 units per month

sold 30,000 in the first 2 months

200 million cassette versions

+200 million in a digital format

What is a new product ?

New Product Development





What is a new product ?

New Product Development

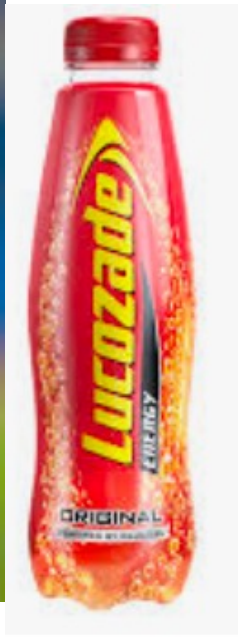




What is a new product ?

New Product Development









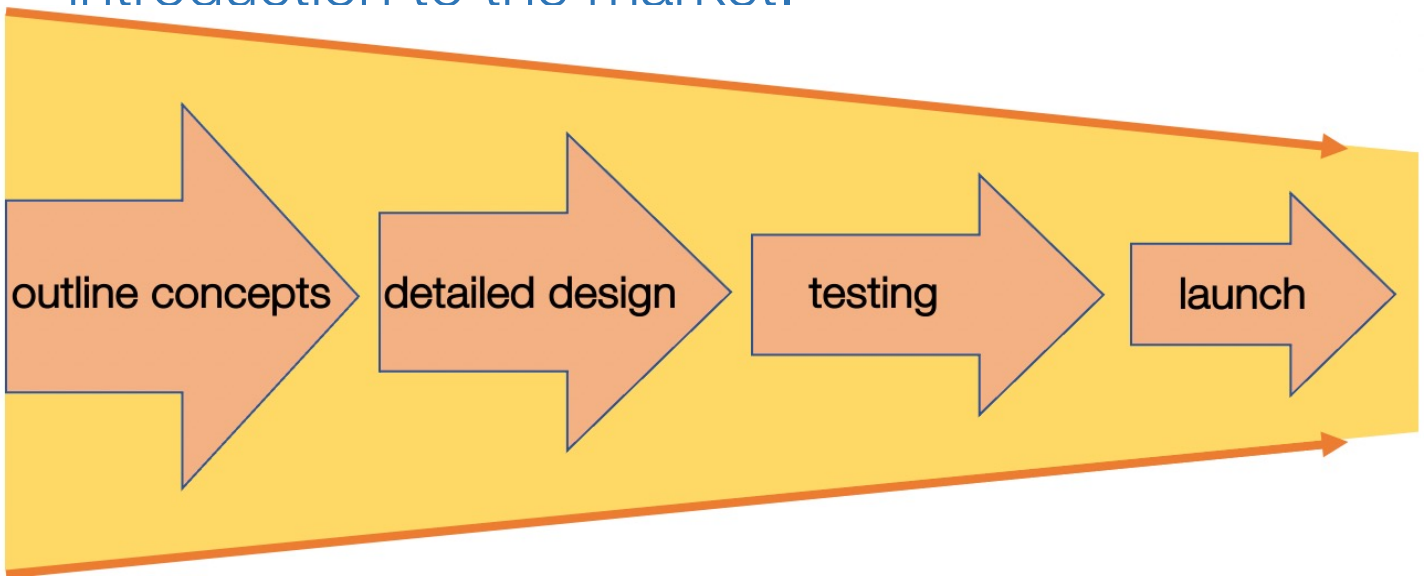
- marketing strategy
- technology strategy
- and the overall corporate strategy

New Product Development

The process of taking a product or service from conception to market.

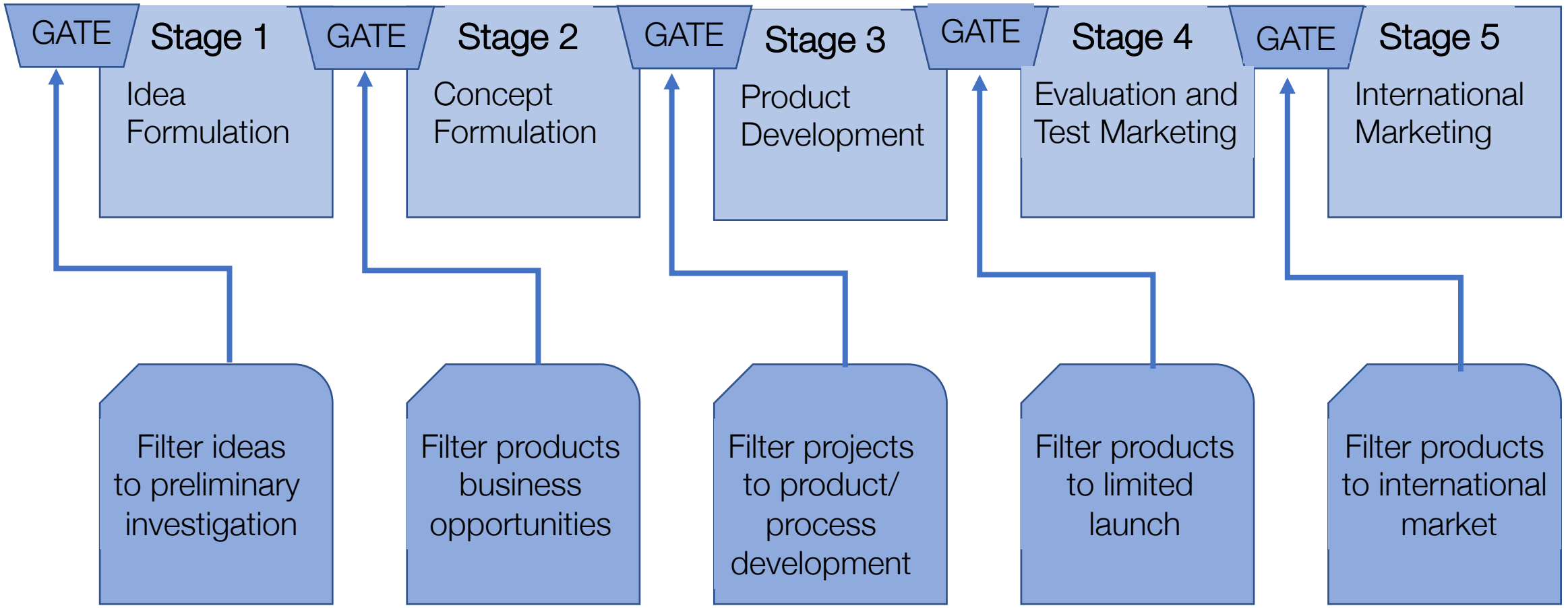
Uncertainty ... managing the innovation project ... ?

The process sets out a series of stages that new products typically go through, beginning with ideation and concept generation, and ending with the product's introduction to the market.



product development funnel

R. Cooper's Stage Gate process



Something we need to accept about companies when they're considering NPD ?

Most organisations have not evolved or been created to develop new products.

Most companies have been created and structured for a different purpose:

usually to serve some operational need….. making things, or servicing and maintaining things.

Customers need to want what you are selling

- and your product needs to solve a real problem.

Customers need to want what you are selling

- and your product needs to solve a real problem……. ?

is that a fact, does a product need to solve a problem?


Brand.....

……first of all, a brand is not a logo.

The term LOGO is short for LOGOTYPE, design-speak for a trademark made from a custom-lettered word (LOGOS is Greek for WORD).

The term logo caught on with people basically because it sounds cool !

Neumeier, Marty. The Brand Gap (AIGA Design Press)

what does branding mean?



brand

why create a brand?

It creates a valuable asset

branding adds value

It makes your product/ service more visible

branding builds reputation



brand

why create a brand?

a sense of customer security

an emotional attachment to a company

an emotional attachment to products

brand loyalty?

or hooked on a product ?



what does branding mean?

a brand is an organisation's;

personality











what does branding mean?

a brand is an organisation's;

personality

beliefs



what does branding mean?

a brand is an organisation's;

personality

beliefs

aspiration

values



what does branding mean?

a brand is an organisation's;

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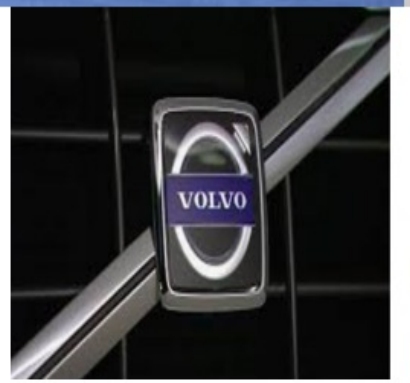
behaviour

attitude













what is a brand personality?

reliable, safe, traditional? technically robust, accurate and reliable? young, fresh, friendly?

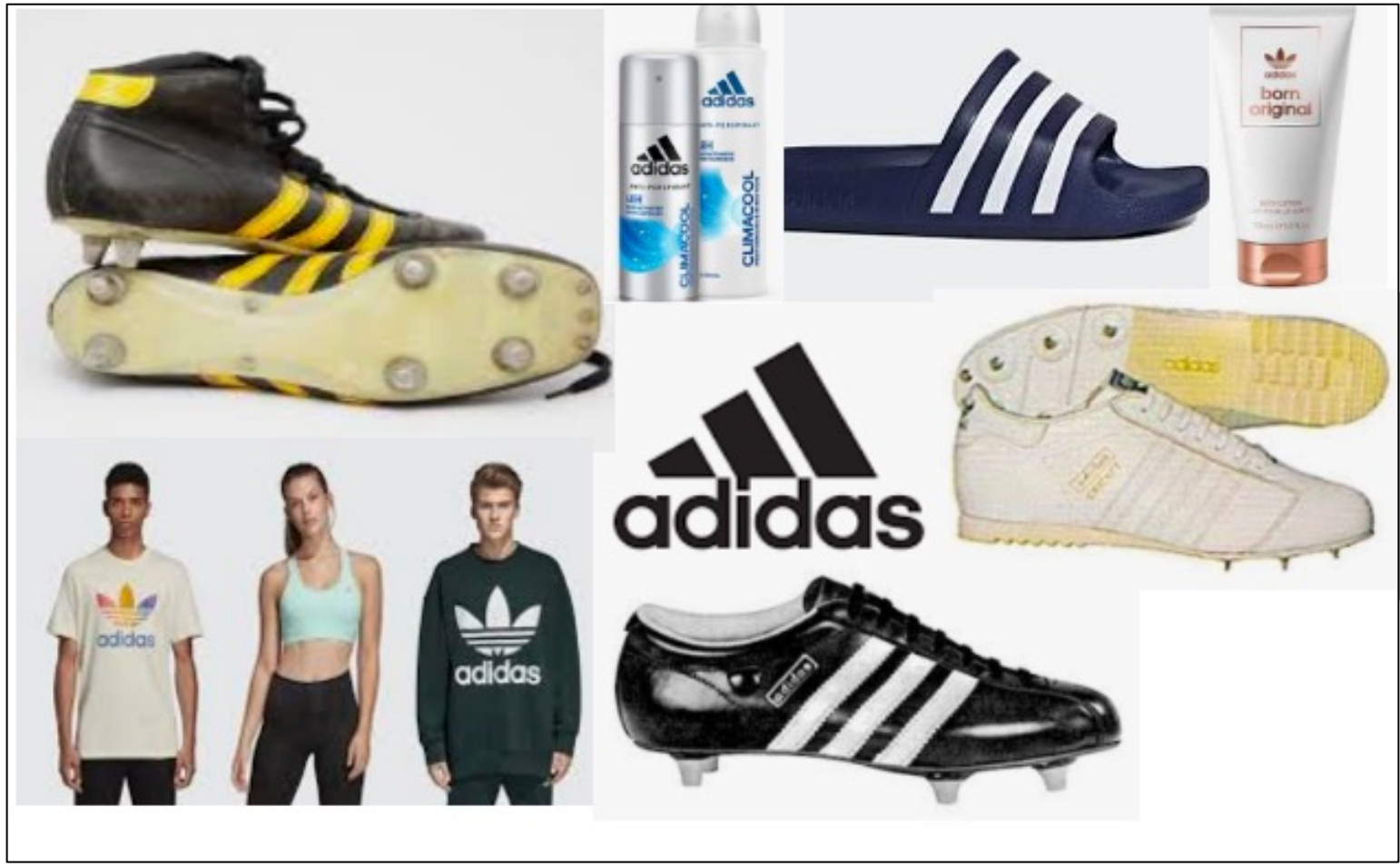
aspirational, sophisticated, quality? no-nonsense, unfussy, direct?



why develop a brand personality?

the development of a brand personality makes it easier to create other aspects of the business.

it can provide the focus.



brand

why develop a brand personality?

identify the business so people know who you are.

a good identity shows a level of business professionalism.

a good identity can bring business to the company by making the company visible.



brand

New Product Development

advertising, banners, brochures,

business cards, comp slips.

direct marketing, e-flyers, emails, exhibition

stands, flyers, letterheads.

merchandising (eg. t-shirts, mugs,

caps), packaging, signage, staff

uniforms, web banners, websites…



Denim

Just another pair of jeans.....?

brand

New Product Development





brand

1848–1855 in California

New Product Development





brand

1873

New Product Development





Jacob Davis
tailor, Reno Nevada



Levi Strauss
importer of cloth and clothing
San Francisco

brand

New Product Development



UNITED STATES PATENT OFFICE.

JACOB W. DAVIS, OF RENO, NEVADA, ASSIGNOR TO HIMSELF AND LEVI STRAUSS & COMPANY, OF SAN FRANCISCO, CALIFORNIA.

IMPROVEMENT IN FASTENING POCKET-OPENINGS.

Specification forming part of Letters Patent No. **139,121**, dated May 20, 1873; application filed August 9, 1870.

To all whom it may concern:

Be it known that I, JACOB W. DAVIS, of Reno, county of Washoe and State of Nevada, have invented an Improvement in Fastening Seams; and I do hereby declare the following description and accompanying drawing are sufficient to enable any person skilled in the art or science to which it most nearly appertains to make and use my said invention or improvement without further invention or experiment.

My invention relates to a fastening for pocket-openings, whereby the sewed seams are prevented from ripping or starting from frequent pressure or strain thereon; and it consists in the employment of a metal rivet or eyelet at each edge of the pocket-opening, to prevent the ripping of the seam at those points. The rivet or eyelet is so fastened in the seam as to bind the two parts of cloth which the seam unites together, so that it shall prevent the strain or pressure from coming upon the thread with which the seam is sewed.

In order to more fully illustrate and explain my invention, reference is had to the accompanying drawing, in which my invention is represented as applied to the pockets of a pair of pants.

Figure 1 is a view of my invention as applied to pants.

A is the side seam in a pair of pants, drawers, or other article of wearing apparel, which terminates at the pockets; and *b b* represent the rivets at each edge of the pocket opening. The seams are usually ripped or started by the placing of the hands in the pockets and the consequent pressure or strain upon them. To strengthen this part I employ a rivet, eyelet, or other equivalent metal stud, *b*, which I pass through a hole at the end of the seam, so as to bind the two parts of cloth together, and then bend it down upon both sides so as to firmly unite the two parts. When rivets which already have one head are used, it is only necessary to bend the opposite end, and a washer can be interposed, if desired, in the usual way. By this means I avoid a large amount of trouble in mending portions of seams which are subjected to constant strain.

I am aware that rivets have been used for securing seams in shoes, as shown in the patents to Geo. Houghton, No. 64,015, April 23, 1867, and to L. K. Washburn, No. 123,313, January 30, 1872; and hence I do not claim, broadly, fastening of seams by means of rivets.

Having thus described my invention, what I claim as new, and desire to secure by Letters Patent, is—

As a new article of manufacture, a pair of pantaloons having the pocket-openings secured at each edge by means of rivets, substantially in the manner described and shown, whereby the seams at the points named are prevented from ripping, as set forth.

In witness whereof I hereunto set my hand and seal.

JACOB W. DAVIS. [L. S.]

Witnesses:
JAMES C. HAGERMAN,
W. BERGMAN.



brand

New Product Development







brand

New Product Development







brand

New Product Development




LEVI STRAUSS & CO.
QUALITY
CLOTHING
501
W33 L30


LEVI STRAUSS & CO.
SAN FRANCISCO CAL.
ORIGINAL
QUALITY
CLOTHING
PATENTED
Lot 519™ HI-BALL
W 32 L
LEVI'S

brand

brand

1904

New Product Development

C.C. Hudson in Greensboro, North Carolina, producers of denim work overalls



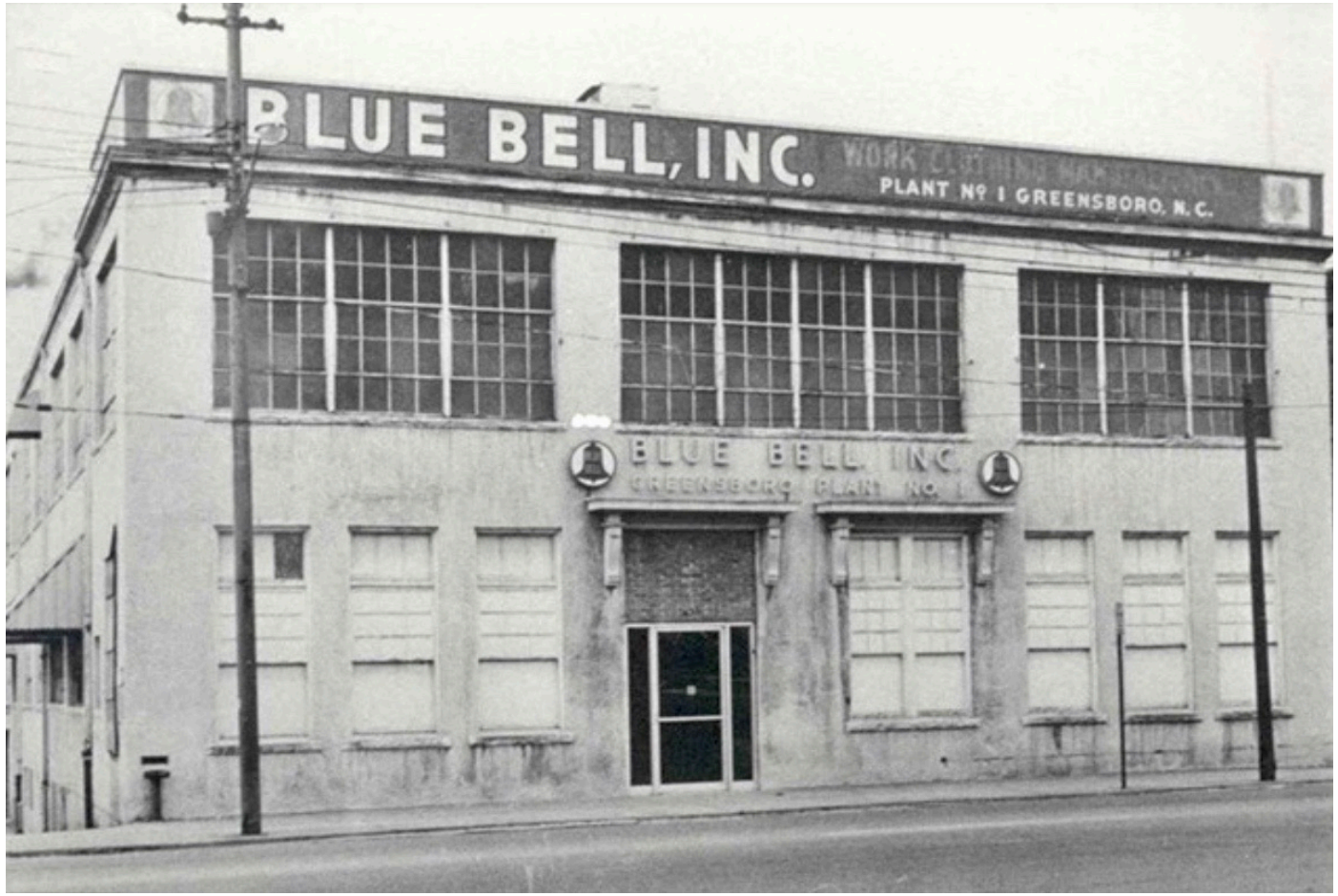
Casey Jones clothing company in 1910

brand

1945

New Product Development

The Blue Bell Overall Company, bought Casey Jones in the mid-1940s.



Bernard Lichtenstein
tailor

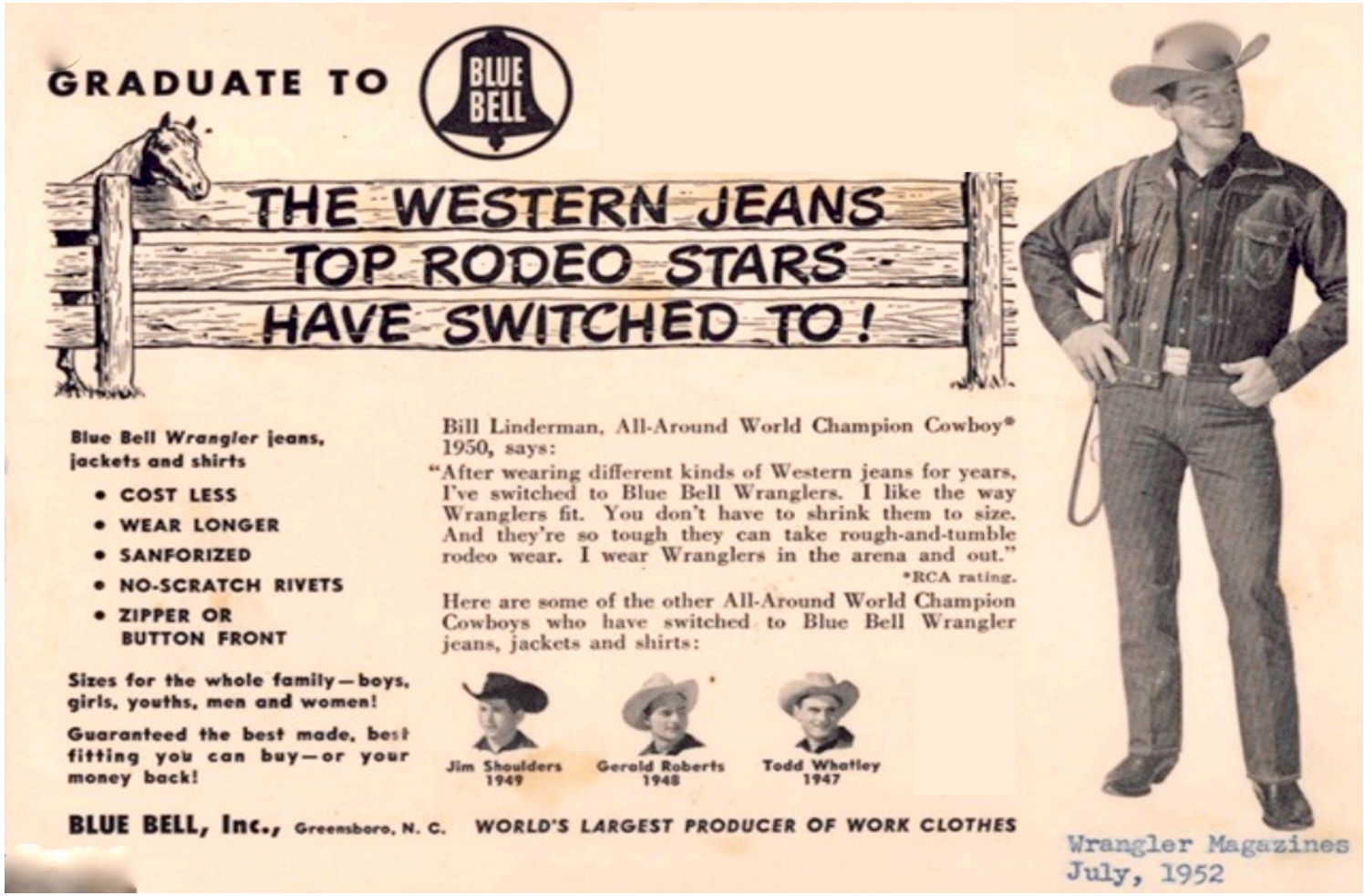
brand

1947

New Product Development



Rodeo Ben

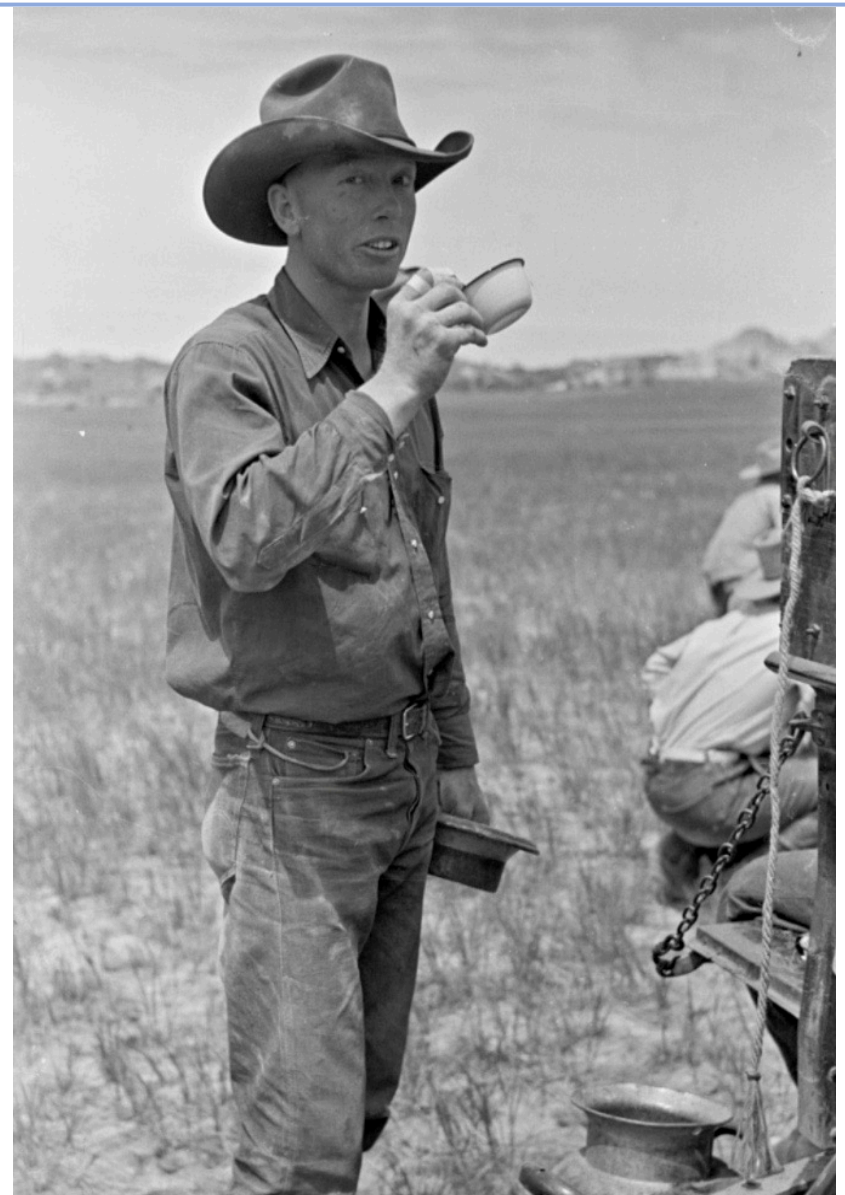


brand

New Product Development







brand

New Product Development



brand



New Product Development





brand



New Product Development

luxury hotel

target market

- tourism
- holiday visits
- weekend get away…

brand

New Product Development



brand

New Product Development

brand values

- luxury country house hotel
- quality
- contemporary style & luxuries
- a hidden gem
- in glorious coastal countryside
- contemporary spaces
- haute cuisine
- the best of local produce

service / product

- luxury hotel

target market

- tourism
- holiday visits
- weekend get away…

brand

New Product Development

brand values

- luxury country house hotel
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- the best of local produce

memories, experience



brand

New Product Development



How do we relate to theses brands

personality

beliefs

aspiration

values

behaviour

attitude

brand

New Product Development







How do we relate to theses brands

personality

beliefs

aspiration

values

behaviour

attitude

brand

New Product Development











How do we relate to theses brands

personality

beliefs

aspiration

values

behaviour

attitude

further reading

- · Barczak, G., Griffin, A. and Kahn, K.B. (2009) perspective: Trends and drivers of success in NPD practices.
- Biemans, W.G., Griffin, A. and Moenaert, R.K. (2007) Twenty Years of the Journal of Product Innovation Management
- Chapter 13 Product and brand strategy Trott, Paul. Innovation Management and New Product Development.
- · 9.2 Influence of Technology and Markets on Commercialization: Managing Innovation: Integrating Technological, Market and Organizational Change. Joe Tidd.
- 9.3 Differentiating Products; Managing Innovation: Integrating Technological, Market and Organizational Change. Joe Tidd.
- Chapter 5 Define Your Brand's Personality, Brand Language: Tone of Voice the Wordtree Way . Liz.Doig,