



Managing new product development assessment A

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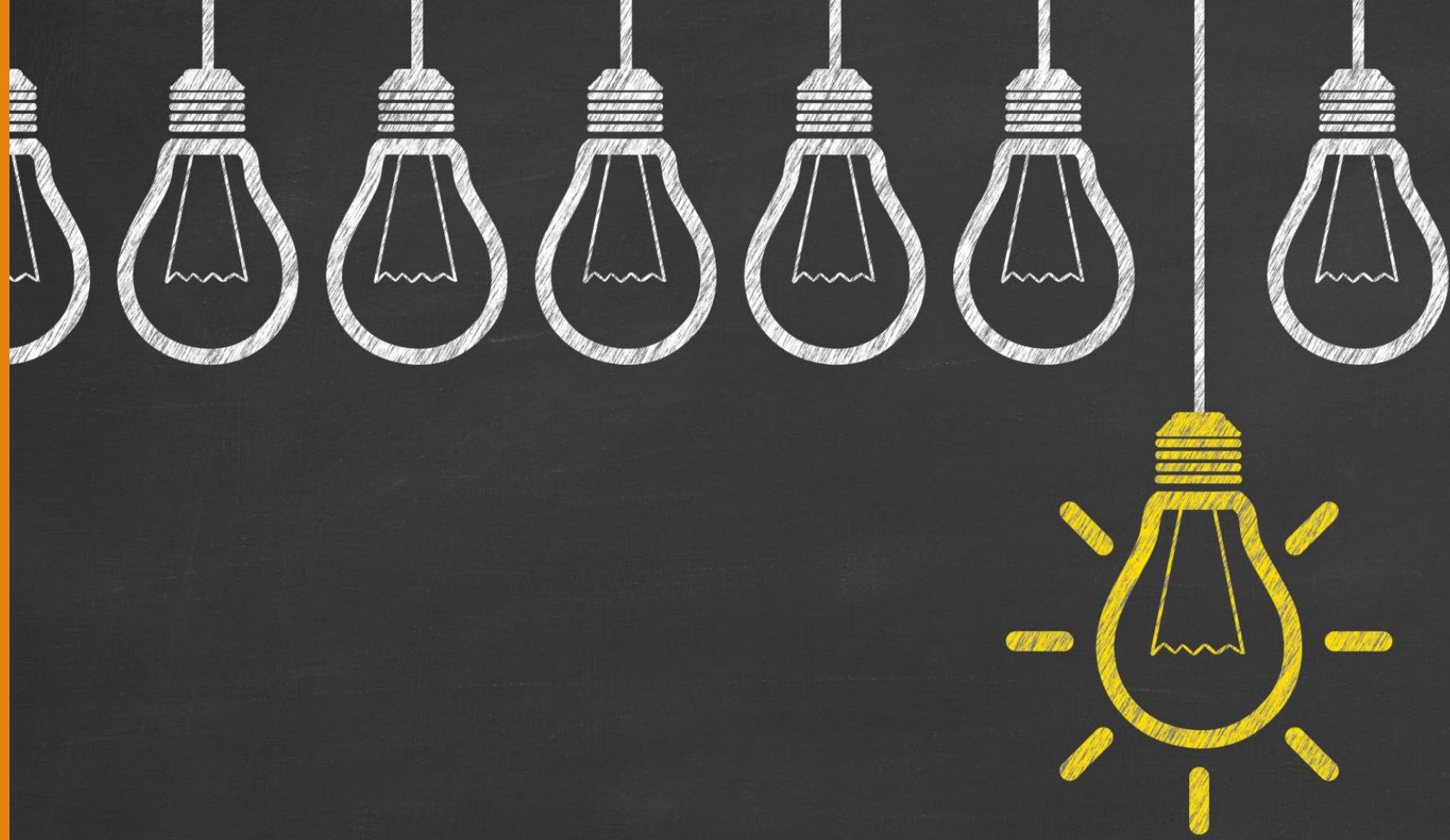
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Module Learning Outcome

Demonstrate a systematic understanding of the key elements that contribute to the successful gathering of market knowledge for new product development.





Deliverables

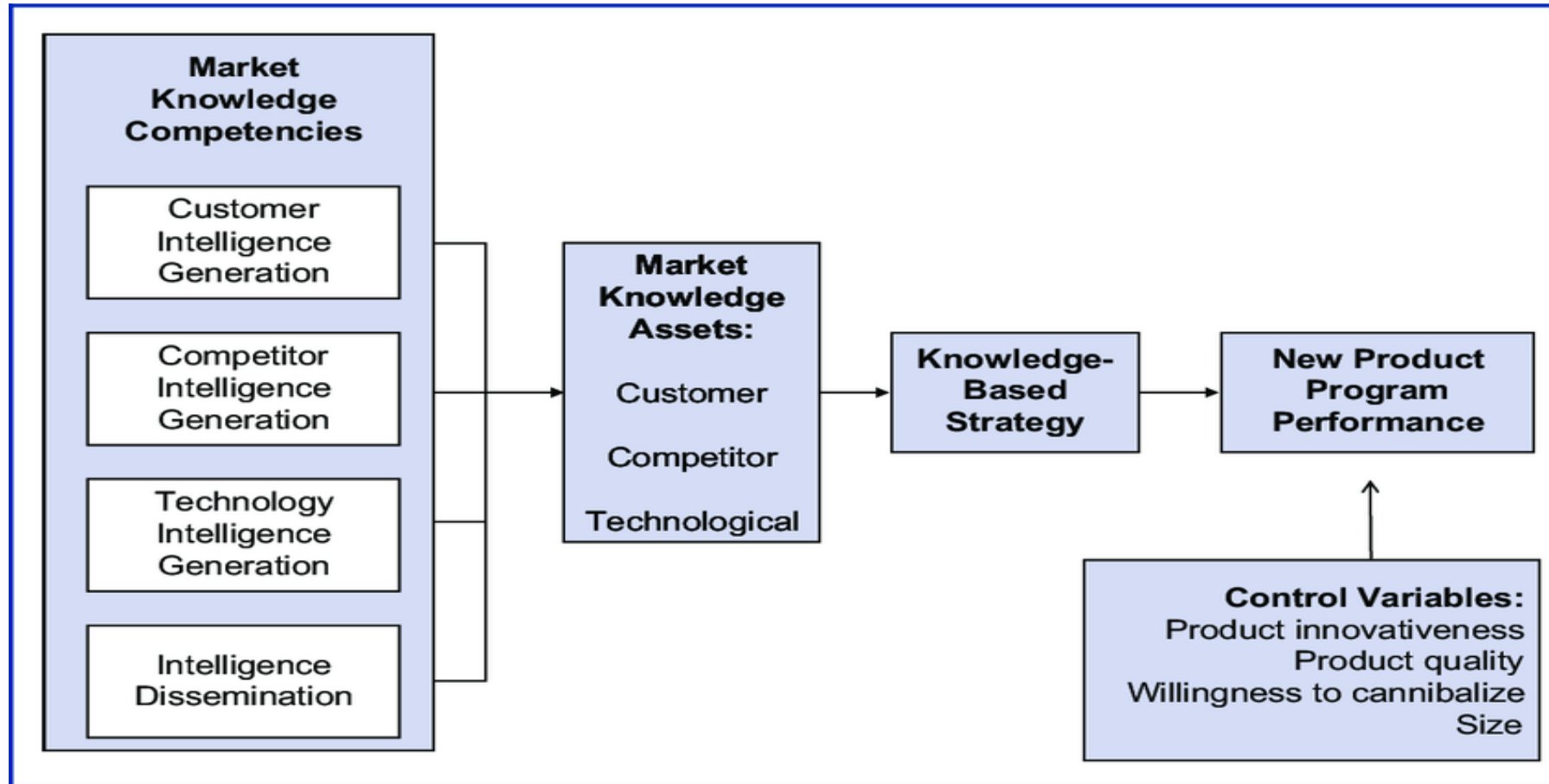
1. 30 minute Group Presentation
2. Five minute Q&A

PDF submission 12 noon Friday 17th March '23

Presentation w/c 20th March '23



Task 1: Determine what marketing knowledge is likely to be required for the development of this new product.

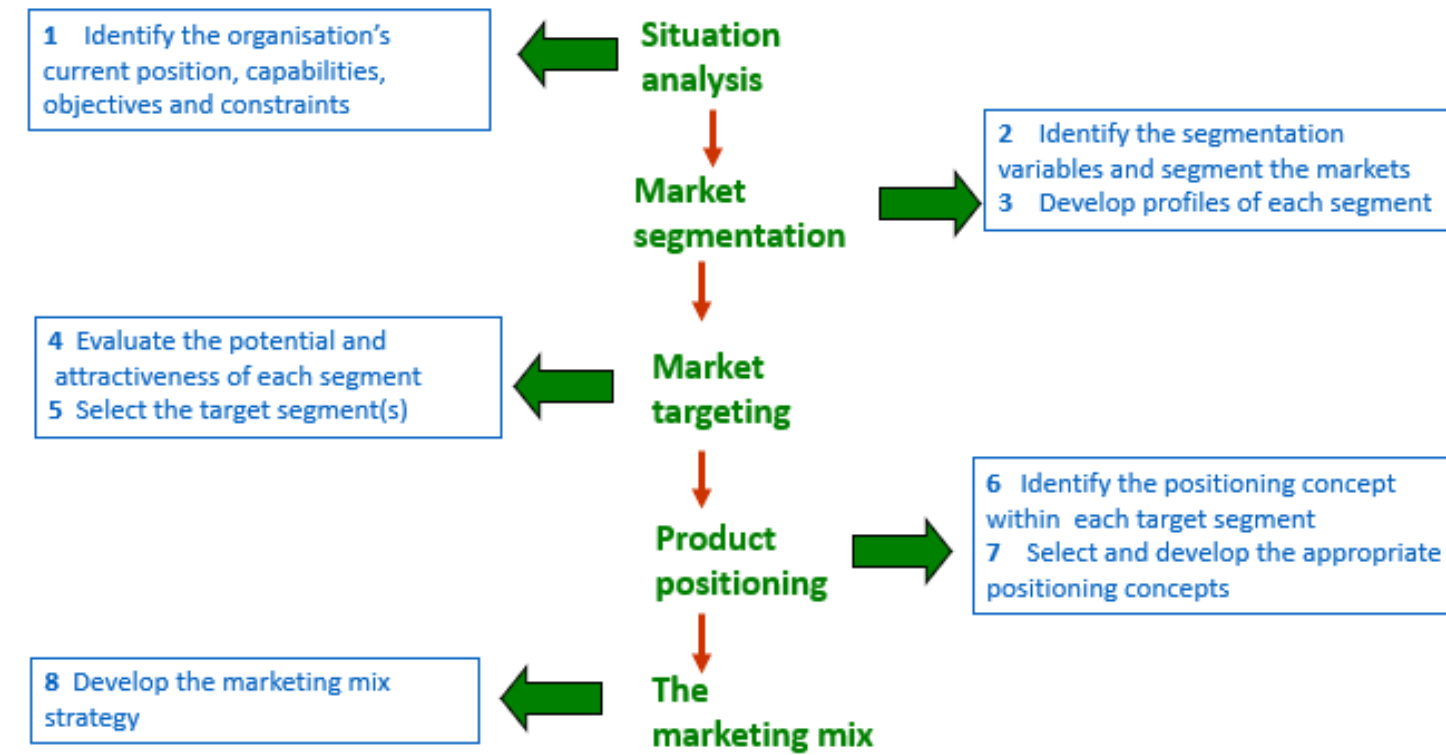


(Barczak et al., 2009)

Task 2: Present findings and apply to the business that we are in.



8 Stage Segmentation, Targeting and Positioning Process



(Dibb et al, 1997)

Note: This presentation will only focus on stages 1 – 7 as the marketing mix is not part of the assessment brief.

Task 2: Present findings and apply to the business that we are in.



Situation Analysis (Stage 1)

Alligator Laboratories is a company with almost 50-year tradition, with a seat in Powys, mid-Wales in Great Britain.

From the beginning of its existence, the company is improving the devices for examining alcohol concentration in human blood, basing on knowledge and experience of their scientists and engineers.

Alligator Laboratories conducts its own research, implements development projects, produces and distributes its breathalysers to 70 countries through the network of local distributors. Along with the sister DNJ company, they are considered to be the leaders on the international market. Alligators breathalysers are used by the British uniformed services, companies and individual clients all over the world.

Task 2: Present findings and apply to the business that we are in.



Situation Analysis (Stage 1)

Rapid Screening



Non-contact alcohol screening to detect the presence of alcohol on breath.

Screening



Breath alcohol analysis instrument used in law enforcement, health and safety and wellbeing programmes.



Task 2: Present findings and apply to the business that we are in.

Situation Analysis (Stage 1)

Interlock



Connecting the technology of the breathalyser to a vehicle immobiliser, eliminating the potential for a driver under the influence of alcohol to be in control of a vehicle on public roads and highways.

Evidential



Unparalleled performance in accuracy, precision and interferent detection offering a wide range of options to exceed the demands of today's evidential breath testing programs.



Task 2: Present findings and apply to the business that we are in.

Identify the organisations **current position**, capabilities, objectives and constraints

Current Position

1. Pen a positioning statement – we conduct our own research, implement development projects, produce and distributes breathalysers to 70 countries
2. Critique against competitors – Technological advantage supported complemented by sister company
3. Outline your existing market position - leaders in the international market

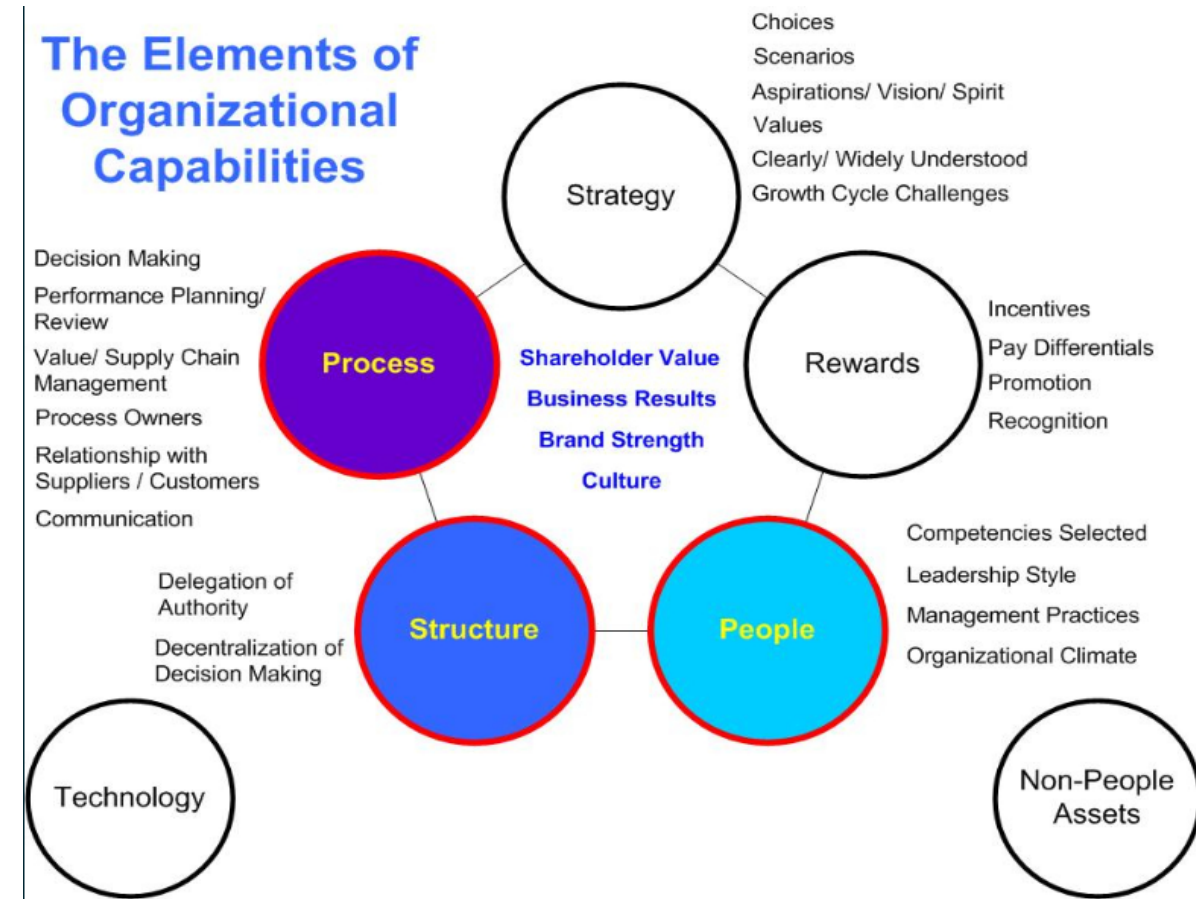


Task 2: Present findings and apply to the business that we are in.

Identify the organisations current position, **capabilities**, objectives and constraints

An Organizational Capability Assessment (OCA) process will be completed, using a diagnostic process, should identify the root causes which may result in our underperforming and to assess our potential resistance to change. This would review all aspects of the organisation as outlined in the adjacent “The Elements of Organisational Capabilities”

(Wiznami, 2014)





Task 2: Present findings and apply to the business that we are in.

Identify the organisations current position, capabilities, **objectives** and constraints

A marketing objective is a goal that an organization sets to achieve a competitive advantage in the marketplace and build a brand.

While there are many types of marketing strategies and varied approaches to creating a marketing plan, a marketing objective in general focuses on laying out a clearly articulated accomplishment that an organization could achieve ”

To set our marketing objectives the following steps will be followed: -

1. Review your organizational goals
2. Brainstorm with the team
3. Define the objectives
4. Create a marketing strategy
5. Measure the results and then regroup



Task 2: Present findings and apply to the business that we are in.

Identify the organisations current position, capabilities, objectives and **constraints**

Look at all the 'problems' you've discovered while exploring your company and search for a root cause of at least 70% of them (a true constraint)

This will be completed informally using the "5 whys" problem solving technique. Do this for each of the 'problems' you discovered. Eventually your 5 whys analysis should start to converge on a root problem and identify the constraints.

Types of Constraints we will be trying to identify could be :-

- Internal – physical for example what limits unit output
- Internal – policy this could be the process not being set up optimally
- External – physical the market for breathalysers could be saturated
- External – policy some nations/ legal jurisdictions may not recognise the output from the Breathalysers

Task 2: Present findings and apply to the business that we are in.



Identify the segmentation variables and segment the markets



(Saville J, 2023)

1. Demographic segmentation: The who, to split your audience and create customer personas based on objective information – Governments, law enforcement, motoring organisations.
2. Psychographic segmentation: The why, the process of grouping people together based on similar personal values, political opinions, aspirations and psychological characteristics – law enforcement and compliance with driving legislation.
3. Geographic segmentation: The where, grouping customers based on where they live and where they shop - We are a worldwide company and are known as the “Home of the Breathalyser”
4. Behavioural segmentation: The how, grouping customers based on common behaviours they exhibit when they interact with your brand – require accuracy and information suitable for law courts, utilise fuel cell analytical technology combined with evidential instrumentation from a sister company.



Task 2: Present findings and apply to the business that we are in.

Identify the segmentation variables and segment the markets

Demographics – The Industry, Company Size, Customer Location

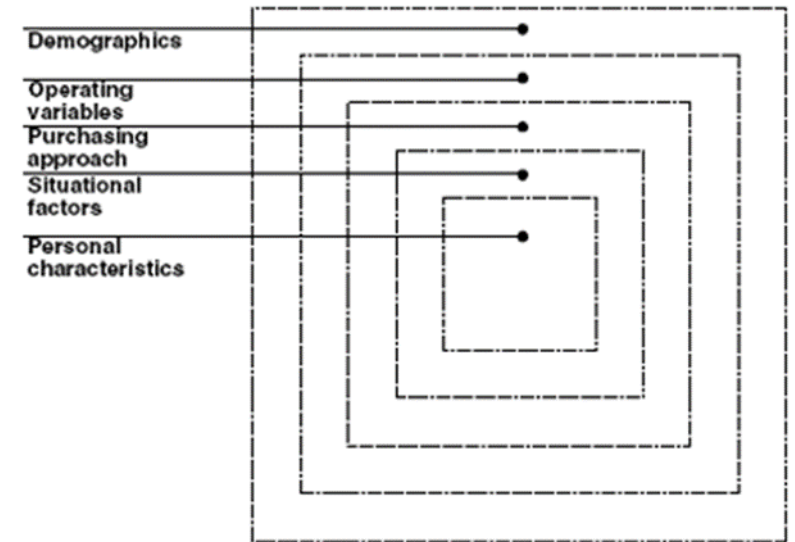
Operating Variables - Company Technology, Product and Brand-use status, Customer Capabilities,

Purchasing Approach - Purchasing Function Organisation, Power Structures, Buyer Seller Relationships, Purchasing Policies, Purchasing criteria

Situational Factors – Urgency of Order Fulfilment, Product Application, Size of Order,

Buyers Personal Characteristics - People, not companies, make purchase decisions

Nested Approach



(Shapiro & Bonoma, 1984)



Task 3: Present findings and apply to the businesses that we could be in

Market Segmentation (Stage 2)

Segmentation - "The process of dividing a varied and differing group of buyers into smaller groups, within which broadly similar patterns of buyers needs exist" (Kotler, 1977)

Organisations use segmentation so that they can:

- Focus efforts on those segments where the greatest sales, profitability or awareness can be generated.
- Adapt products to the customers in target segments through a greater understanding of needs.
- Have more satisfied customers – communication and products that are more relevant to them.
- Create greater differentiation, leading to greater standout from competitors.



Factors Influencing Evaluation

Market Segmentation (Stage 2)

Market Factors

- I. Growth rate
- II. Size
- III. Current profitability
- IV. Potential profitability
- V. Price potential
- VI. Lifecycle
- VII. Substitution potential

Market Attractiveness

Internal Capabilities

- I. Scale advantages
- II. Distribution Networks
- III. Processes
- IV. Branding
- V. Existing relationships
- VI. Property
- VII. Value Chain
- VIII. Management capability

Environmental Factors

- I. Competition
- II. Differentiation
- III. Porters 5 forces
- IV. PESTLE analysis

Sources; adopted from (Drummond, Ensor and Ashford, 2001), and (Davidson, 1997)



Segment Profiles

Market Segmentation (Stage 3)

Global chemical detection is driven by defense sectors, detecting illicit drugs, explosives and toxic industrial chemicals.

Forensic labs use infra-red spectroscopy for polymer degradation and blood alcohol content.

Portable detection increases mobility and rapid response capability.

End user equipment reducing the number of false alarms.

Emerging technology increases efficiency, reduces operational cost and is non-destructive enabling increased cost-effectiveness.

Internet of things (IOT) and inter-device connectivity enabling rapid landscape mapping



The Ansoff Matrix



Market Selection

Market Targeting (Stage 4)

(Ansoff, 1957)



Target Market Selection

Market Targeting (Stage 5)

		Market Segment Attractiveness		
		Unattractive	Average	Attractive
Ability to Serve Segment	Weak	Strongly Avoid	Avoid <i>Toxic industrial chemical detection</i> <i>Toxic industrial material detection</i>	Possibilities <i>Personal detection systems</i> <i>IOT</i>
	Average	Avoid	Possibilities <i>Healthcare</i> <i>Public health</i>	Secondary Targets <i>Law enforcement</i> <i>Personal detection systems</i>
	Strong	Possibilities	Secondary Targets <i>Self-test Kits</i>	Prime Targets <i>New Geographies</i>

adapted from (Shell, 1975)



Task 4: Include market sensing capabilities and develop the definition for at least one customer value proposition scenario

Product Positioning (Stage 6)

Definition of Customer Value. Covid Detection

Value Streams – Self detection, Personal Detection, IOT

Economic cost of putting from an Individual/ collective perspective Insurance

Social Imposing Limitations on Clients can be + & -

Political Over-arching from an Individual's Perspective & Group think

What are the product's core benefits to the customer?- Safety, results driven

Is this a new product idea? No, it is building on previous infrastructure



Task 4: Include market sensing capabilities and develop the definition for at least one customer value proposition scenario

Product Positioning (Stage 7)

Unique Value Proposition:- Covid Detection- New Product Development-piece of equipment

Your brand's value proposition is a promise of value to be delivered. It's the primary reason a business should buy your product.

Testing Buckets:



(says & says, 2017)

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