MKTG 215 NEW PRODUCT DEVELOPMENT

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COURSE DESCRIPTION
This course is designed to provide students with the intellectual foundation as well as experience of the new product development process. To develop intellectual foundations, students are expected to read the textbook, prepare for case studies, and participate in the class discussions. In addition, to get a real life experience of the new product development process, the students will work in groups for a semester long project. In the project they will identify a customer problem, propose a solution, test the solution and develop a plan for launching the product. At the end of the semester, the students can expect to have a richer understanding of the new product development process.

LEARNING OBJECTIVES
By the end of this course, students will be able:
- Explain and examine the idea generation processes involved in new product development.
- Create and evaluate new ideas that tap into market opportunities.
- Create, analyse, and evaluate the financial potential and risk of their ideas.
- Develop a flair for effectively presenting their ideas.

PRE-REQUISITE/ CO-REQUISITE/ MUTUALLY EXCLUSIVE COURSE(S)
Please refer to the Course Catalogue on OASIS for the most updated list of pre-requisites / co-requisites for this particular course.

Do note that if this course has a co-requisite, it means that the course has to be taken together with another course. Dropping one course during BOSS bidding would result in both courses being dropped at the same time.

ASSESSMENT METHODS
Class Participation: 20 % (Throughout the term)
Mid-term Paper: 15 % (Week 9)
Group Project Presentation and Report: 30 % (Weeks 12-13)
Final examination (Take home exam): 35 % (Week 15)
Total: 100%

Academic Integrity
Policy on Plagiarism
All work presented in this class must be students’ own work, and not copied without appropriate citation from any source, including the Internet. Presenting of copied work not the student’s own will result in disciplinary action, which may include award of zero marks for the assignment or a fail grade for the class. This policy applies to all work submitted, either through oral presentation, or written work, including outlines, briefings, group projects, self-evaluations, etc. Students are encouraged to consult the lecturers if they have questions concerning the meaning of plagiarism or whether a particular use of sources constitutes plagiarism.
INSTRUCTIONAL METHODS AND EXPECTATIONS
The course will be taught in the format of class discussions accompanied by lectures. There will be a number of case studies that will form the basis of discussion in the class. There will be four key activities that the students will engage in during the course:

1. Class Participation
   - This class is meant to be a forum for discussion and exchange of ideas. Hence, your participation in the class is vital. Here, “participation” means the ability to (i) critically evaluate the readings, (ii) be well prepared for cases, (iii) share your thoughts and raise questions about the course material, and (iv) maintain decorum in the class.

2. Group Project
   - The objective of this exercise is to provide you with a realistic experience of the new product development process. New products are rarely created in isolation. One genius working in an isolated garage is a media myth (Google needed two guys Larry Page and Sergey Brin working in a college dorm room!!!). Therefore, the essence will be on working in groups. You can learn a lot from each other, and also learn about time and people management when working in groups. Please note the following:
     o The bottom line for the project is to present a detailed yet simple new product idea and test it with the target audience.
     o You are not expected to develop a prototype of the new product. However, you are expected to provide detailed sketches of the product.
     o It is up to the group to convince the class and the instructor that there is a viable market for the product. This can be done by conducting a short market-survey of the target audience to show that an important problem exists. Or, you can demonstrate that the product concept has intrinsic value that can lead to higher sales.
     o Teams are expected to have access to at least 30 members of the target audience if they are developing a product for the consumer market. However, if they are developing a product for the business-to-business market, 10 members of the target audience will suffice. This access is required to test the potential for the new product.

3. Mid-Term and Final Exam
   - These will be a take home case study or open ended analyses of a concurrent problem. The students will be given 3 week’s time to complete and submit written documents no longer than 8 pages.

RECOMMENDED TEXT AND READINGS
Merle Crawford and Anthony Di Benedetto
McGraw-Hill, 2009


CLASS SCHEDULE
Week 1
   • This session will be a time for introductions, discussing course-work, and addressing queries about the course outline.
   • Read Chapter 1 (The Menu) and Chapter 2 (The New Products Process) for this class. We will be briefly discussing these chapters.

Week 2
   • The focus of this session will be to cover the fundamentals of Chapter 3 (Opportunity Identification and Selection: Strategic Planning for New Products).
   • Read the case, Howard Schultz and Starbucks Coffee Company, and be prepared to discuss the following questions:
1. In the early 1980s, how did Howard Schultz view the possibilities for the fledgling specialty coffee market? What were the most important factors in shaping his perspective?

2. In 1987, Schultz bought Starbucks from its original founders. At the time, the Seattle based coffee bean retailer had six stores and a roasting plant. By the end of the twentieth century, Starbucks had 3,300 locations in 17 countries and was the leading specialty coffee purveyor in the world. What were the critical drivers of Starbucks’ success?

3. What is the source of Starbucks’ competitive advantage? Is it sustainable? What should the company do next to enhance its position in the market?

4. It’s 2020, and you’re leading a panel discussion at your SMU Reunion on great companies and their leaders in the Information Revolution. What role do you ascribe to Starbucks and Howard Schultz?

• Names of student groups will be due at the start of this class.

Week 3
• This session will focus on the concept of Idea Generation. We will first take an organizational perspective and then delve deeper into the concept of problem-based ideation. Read Chapter 4 (Preparation and Alternative) and Chapter 5 (Problem-Based Ideation: Finding and Solving Customers’ Problems), and prepare to discuss the case “Campbell’s IQ Meals”.
• This class is intended to jump start your research projects, and prepare you for the submission of Project proposals and the “customer problem commercials” should be ready for presentation at class 4.

Week 4
• Project proposal is due on this date. The students will present their project proposals in the form of a 60 second TV advertisement that clearly communicates the problem that they are targeting. The 60 second time limit will be strictly enforced and the presentation will be terminated at the end of time. Although 60 seconds seems to be less, the idea is for students to realize that in the business world, 60 seconds is a lot of time. To deliver the best possible message in the smallest possible time is a challenge every manager faces (TV advertisements are rarely more than 30-45 seconds, yet some are very effective). Please note that this exercise will consume only the first 30 minutes of the class.
• Read Chapter 6 (Analytical Attribute Approaches: Introduction and Perceptual Mapping) and Chapter 7 (Analytical Attribute Approaches: Trade-Off Analysis and Qualitative Techniques) to familiarize yourself with the techniques of market research.

Week 5
• Browse Chapter 8 (The Concept Evaluation System) and read Chapter 9 (Concept Testing).
• The discussion in class will center around the following questions:
  - Is it possible that a concept that clears the concept screening process fails in the market? If yes, then what could be some of the reasons for this?
  - Customization is a big part of today’s world. How can the tools described in the text be used to decide what attributes in a product should be customized and which ones need to be standardized?

Week 6
• Read Chapter 10 (The Full Screen) and Chapter 11 (Sales Forecasting and Financial Analysis).
• This session will be instructional in nature and we will discuss in detail the case ‘Bay City Electronics’ (p. 248-249).

Week 7
• Read Chapter 12 (The Product Protocol), Chapter 13 (Design), and Chapter 14 (Development Team Management)

Week 8: Mid Term Break: ENJOY

Week 9
• Read Chapter 15 (Product Use Testing), Chapter 16 (Strategic Launch Planning) and Chapter 17 (Implementation of the Strategic Plan).

Week 10
• The HBS Case “Yahoo! Messenger: Network Integration” will be discussed in this class. Students are expected to read and be prepared to discuss this case.
Week 11
• Read Chapter 18 (Market Testing) and Chapter 19 (Launch Management).
• Read ‘Square D Remote Lamp Dimmer’ (p. 441-442) and be prepared to discuss it in class.

Week 12
• Read Chapter 20 (Public Policy Issues)
• Read ‘YouTube’ (p. 502-504) and be prepared to discuss it in class.

Week 13
• Presentation of the Final Project and the project report.
• Final Exam handed out

Week 14
• Submission of the Final Exam Case Study IN CLASS. We will only meet for 30 minutes.