

# [New product management](https://assignbuster.com/new-product-management/)

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New Product Management

13. 1   One of our divisions makes an electric scooter: Classic case of where a designer looking for new modes of ultra light transportation came across the scooter and electrified it. Boy, people said he was crazy. Kids begged their parents not to ride one (shame) and a cop said, It’s not a moped. It’s not a motorcycle. It’s not anything and I don’t ride anything when I’m not sure what it is. Best example I know of why designers have to be free to do their thing without having market researchers be responsible for picking up on market trends.

According to an adage, the mother of invention is necessity. When man finds himself faced withadversity, he starts to become creative as to find ingenious ways to discover a solution to a pressing problem.

In this caselet, the problem of the designer is coming up with new modes of mobility probably with the following features: portable enough to weave through traffic, light enough to carry or push without additional hand or fast and mobile enough to consume little amount of gas. This is a classic example of an end justifying the means, and a solution that will address three problematic issues of the modern world: traffic, oil prices and a sense of independence in terms of machine breakdown.

The comments made by the kids and the cop manifest the usual skepticism of the many as soon as something new comes into the world to revolutionize something, which later on, is nevertheless learned to be appreciated for its pragmatism and practicality. But the bestobservationin the case is that of providing the elbowroom and freedom to designers and inventors to work their way through inventing or discovering solutions to the pressing societal and technological issues of the times. Take the case of the graduates of Massachusetts Institute ofTechnology(MIT) or the California Institute of Technology (CalTech) who are known to create patents after patents of new technology for almost anything everyday. This is similarly the life scenario of Thomas Alva Edison who has produced thousands of new things patented starting with the Vote Recorder in 1868 and Alexander Graham Bell with his Telephone in 1872. Ironically, both were born almost at the same time within a month of each other in 1847. Edison produced a total 1, 368 patents.

13. 3  About this matter of design…versus functionality. How can we find where to stop styling and let the engineers rule?

This is a case between design by the artists and functionality by the engineers. This is also a case where both are correct and that both the design and functionality are necessary for a certain product or proposed product to sell and create a phenomenon in the market with. Both are correct, in fact are necessary to achieve full realization of the commercial potential of a certain product. Complementation is a strategy where products and services can best serve their synergy of usefulness in terms of characteristics that fills in where the other is lacking.

Design is what makes a product attractive to the buyer. It is value-added feature of a thing that enhances the ownership and sometimes even its functionality. Functionality is the characteristics of a thing that represents its primary reason for being, such as a tool or implement. Often design and functionality complement each other although there are cases where design and functionality affects each other. But the real issue between design and functionality is how best can these preferences be adopted on a complementary basis without one affecting the other or how best can they be considered together that all the more enhances each other.

A classic example is a car where the design and functionality may not complement each other but has the potential of evolving a design that best complements each other.  Other examples are websites (Barnard, 2007), residential houses, furniture, equipment and similar items where functionality and design can actually find create a dominant synergy beyond expectations.

Reference list

Barnard, Hannah  June 18th, 2007,  Design vs. Functionality, HTML Primer, Retrieved November 21, 2008

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13. c  Case: The Mini…. In your opinion, what were the most important design consideration for BMW when redesigning the Mini for the US car market? What would be the most important benefits to design into this car for the targeted market segment? What would be the key point of discussion between design and other functionalities within BMW in order to deliver a car with the desired benefits? More broadly when a car such as the Beetle or Thunderbird is redesigned or given a facelift for the modern car buyer, what are the design pitfalls and concern and specifically what kind of market research would need to be conducted to ensure that the market pitfalls are avoided.

The most important consideration in the redesign for the Mini for the US car market was the growing issue of utility and aesthetics. Utility here represents the inherent cost savings, the maneuverability and the cute, colorful compact nature of the Mini. Aesthetics is the design   attractiveness to the buyer. All these were highlighted in the promotional materials before the launching that made the American buying public anticipate with curious expectations. The remake and showing of the movie, The Italian Job made the buying public more interested in trying for themselves the MiniCooper phenomenon themselves.

The nature of the US car market is its penchant for design and functionality win everything. The Mini Cooper is one car that can be designed to “ personally speak” for the owner itself. Along this line, the customization preferences allowed for buyers is a strong benefit for the marketing of the Mini Cooper.

BMW is already known for its quality in terms of durability, engineering and functionality. This is where design and functionality can work together: The Mini Cooper…by BMW.  This tagline is a powerful selling point: the colorful design of the Mini Cooper and the superb functionality quality of the BMW name.

In redesigning the Beetle or the Thunderbird, the careful merger of the nostalgic name and the functionality of modern technology are to be considered. Buyers would think they are buying two things in a car – its former fame and glory of the past and the application of basic and value-added functionality of the present.

14. 1 You explained earlier how the new product team leader…like a conductor and a quarterback. What do you think he had in mind?

New product teams in most dynamic organizations become the new breed of directors and managers next to the higher level, multifunctional group. The latter is the traditional project teams – the primary circle of decision makers and actors behind the success of most organizational teams.

Cross functional teams as they now call it, is a group composed of members with various degrees of competencies aiming to resolve an issue with the best quality approach and with the longest-term benefit possible. Members of the team come from various disciplines which are equally impacted by the organizational issues being resolved.   Thus, their participation in the team is a means to address, at the expert level, the implications of resolving an issue along their areas of expertise. This approach gives an organization an assurance that issues resolved by a cross functional team (CFT) is the best approach with the least consequences to decision making.

The analogy to the role of the conductor and a quarterback is the latter’s role as the leader of an offensive team, tasked with calling the play, initiating all plays as he receives the ball. The quarterback takes the snap, runs with the ball, call the shots, do a forward pass. The most visible

roles on the team, he handles the ball at every play. He exudes a great deal ofresponsibilityboth in directing play strategies as well as decisions during a play. Hence, like the new product teams, theleadershipvigor of the conductor of an orchestra and the quarterback of a football team determines the symphony produced by the various instruments as well as the synchronized play staged by the members of the offensive football team towards a successful conclusion of a team undertaking.      The conductor and the quarterback are critical to the team play. Their enthusiasm and rhythm in the play are, and should be contagious and spontaneous to give assurance, motivations as well as directions to each player in the group.

14. 3  You mentionedculture…. what kind of a culture do you like best in the classroom where you are using this book? Is that culture consistent with the general idea of management we have had for years?

This culture-management phenomenon is one critical issue in the effective management of organizations. In effect, they are opposing forces that confuse the organizations into thinking that what each member of the organization is doing is part of real management in the team, when in fact, they are plain practices derived from interpretation of management policies. Culture here represents the gap between what needs to be done (management) and what is actually done and how it is done (which is culture). Culture is a very powerful force in an organization, hence the root word cult.

Culture can determine the outcome of every management function as well as the quality of that outcome. Although there are cases where culture can actually help the organization achieve its objective faster, but there is an equal amount and degree of constraints on management caused by cultural anomalies.

In the classroom, the prevailing culture is one that is emerging in terms of the composite nature of every member of the class including that of the lecturer. Their individual cultural traits merge into a unified behavioral reactions that determine the distinct identity of the class and this usually differs in another class handled by anotherteacheror another class handled by the same teacher. Often, the classroom culture varies with the ideal classroom management scenario.

The modern times demandrespectfor and from every component of an organization. Empowerment is implied and must be exercised. Further, the organization is a team and the team must be motivated to achieve the organizationalgoalsand objectives. The critical area here would be how to align culture with management. The consequential problem is how culture and management can conspire to create an ideal working atmosphere and relationship, if ever this is possible.

14. c  Case: Marko Products…Wong knew that putting a structure into place was not enough—the people in any structure had to work effectively as a group. So please take what ever organization option you choose for the nonscientific medical office equipment and then go through the following topics commenting how each topic would relate specifically to the equipment group management (1) culture, (2) team ownership (3) selecting the leader (4) need for product champions (5) compensating the team.

Theoretically, any organizational option selected will work for the company. The organizational typology is only a management form and template to direct how business is to be performed in the department considering the unit and institutional objectives. But the substance of the effectiveness of the operations of the equipment department will depend to a large extent on how the manager will harmonize the knowledge, skills and values within the department and bring the organizational direction aligned with what is expected.

Developing a culture is a demand in this case. Culture can be managed to assume a positive role in the organizational processes. This is the challenge to the manager. Culture is not an organizational monster. It can be tamed and can easily be adopted to work in harmony with even dysfunctional organization. Part of the job of a manager is to develop a culture that will evolve and work best for the company.

The manager must channel the efforts of the staff to where it can connect with the personal aims of each. Culture management can start here – putting congruence to the personal as well as organization objectives. What is needed at the organizational level is that key word in management called proactive but limited empowerment. This requires a shift in paradigm thinking as well as change management strategies to address the common culture issues that prevail. Ownership is a key term here. It is the assumption of responsibility to achieve organizational results from their own best efforts.           Leader selection here will not be difficult considering a performance-based evaluation system to monitor teamwork and attitude management to achieve a higher degree of quality. Compensation under this scheme is a mixed structure that should address the fixed, semi-variable and the variable features of the work. While office workers normally render eight hours of work (fixed), other tasks require distinct incentives fairly distributed to address the motivational levels of the worker.

15. 1  That story in your book about NCR…  Looking through your list of 13 decisions, where did they actually fall down – was it just on duration?

Developing new products and is not just a matter of introducing novelty into the market. The efforts, time as well as the resources expended on a project often represent huge investment outlay which should be quantified based on the prospects of either succeeding or failing.

The factors that should drive introduction of new products and services into the market should be based on the following intents: the need of the economy, market or the industry or the individual enterprise as well as the need of man himself. This need could be a basic, social or self-evaluation need and wants. Market surveys taken from economic realities often indicate that need to produce solution to existing needs and wants.

In the case of NCR, and just like any company doing the same, there must always be an objective why things are produced. The success however of this innovation depends on how NCR studied the market as to determine the commercial viability of the product and the impact that it may have on other products of the company as well as the competition. Did it upgrade existing ones and rendered remaining inventory worthless? Did it substitute an item in the market produced by a competitor and even itself? NCR is a technology company and the short life cycle of technology products and services puts pressure on the need for NCR to produce something that will fit in the stream of technology where a large number of companies vie for slot – in fact successful slots, that is.

The technology industry is saddled by rapid obsolescence and many firms in this industry produce something that innovates something. Many others produce something that renders other items higher degree of obsolescence far into the future, rendering certain line of products worthless.   Here, the participation of management, economists, public and the technology experts must enter into the decision-making to make sure production of new products merit investment in the venture. Companies cannot afford to waste huge capital investments on speculative products not well studied.

15. 3   Colgate’s marketing people…Should the boxes been discovered earlier in the product testing? How would you have made sure of that?

The common sense in the packaging industry is to enhance the marketability of the product itself, not render the product dangerous to the market. Consumer behavior apparently was not thoroughly studied in this case, such that any form packaging was thought to succeed in any product item including those categorized asfooditems or some form of detergents. These are products that should not even mix in or share shelves in the supermarket. Even brand names are to be carefully studied to make sure it does not refer to another item in the market that may have a contrasting effect on the perceptions of the consumer rejecting the product irreversibly.

The risks of packaging for Colgate should have carefully studies vis-à-vis existing products in the market as well as the extent of consumer buying and consuming behavior.  Even the aspect of legal cases in product liability had to be considered. It seemed that the market parents tested were biased respondents in this case and the accompanying market research done inadequate as to determine all aspects of product marketing and safety.

Here, risk management in innovations should have been utilized. The risks are often determined along certain indicators such as the political, economic, social, technological, legal and environmental areas. An exhaustive study is required for every capital investment made in new products and services as this do not only impact on the prospects of the product, but may instead ricochet to the company in terms of unrealized revenues against expectations and even damages arising from simple negligence along this line.

15. c  Case: Product use testing for new consumer nondurables…What do you think would be the biggest concern about each of these products that might be unearthed using product use testing? Using the list of product use testing decisions given in this chapter (?), make recommendations as to how some or all of these could have been product use tested prior to launch?

The following concerns are might be considered and earthed in the product use testing of the items lined out in the case problems:

For  the Kellog Special K Plus.  The packaging and reclosing mechanism might just prove to be sensitive and volatile not only to the chemical elements present in the cereal but on the applicability of the gable box top for the product itself.

Coca cola Surge.  The consuming public might think that Coca Cola has run out of ideas to name its traditionally excellent products. The pitfall in naming new products against successful ones will indicate a strategy of mimicking products already in the market. Competitors might not like the idea and capitalize on this principle to destroy the new entrant.

Uncle Ben’s Rice with Calcium. Using the testimonial of an association to endorse a product has its advantages and disadvantages. More than its advantages, the downside of group testimonial on the consumer sector is that the company relies heavily on the external factors of the products rather the merit of the products itself. Testimonials are often associated with huge compensation in advertising for the use of the testimonial. If the person giving the testimonial suddenly gets involved in some form of contrary scandals which has happened to a number of new products and existing products, the product as well as the company suffers together with the endorser.

Avert Virucidal Tissue. The use of the word AVERT might not sit well with many consumers in the market. What is to be averted? In hygiene products, it become better to use something soft, tender and caring is recommended to give the buyer some denotations of comfort of even appreciating the name of the product itself and what it can do and not what it will AVERT.

Wheaties Dunk-A-Ball Cereal.   This product might not be appreciated by parents in times when kids should be eating and not playing. This will contradict the table manners children need to be trained. Mothers might no longer patronize the product once damage is done not only on the breakfast table but on children getting injured in the play that is implied in the use of the cereal.