

Bringing New Products to Market: A Practitioner's Perspective

Guest Lecture: Robert Helal
BUSI3208 Business-to-Business Marketing
November 2014



Who am I? Why do I care?
Why should you care?

Agenda - What we will cover today

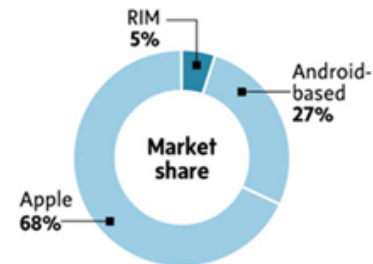
- Comparing Apples and Blackberries
- New Product Introduction – Some Fundamentals
- Bringing New Ideas to Market: A Tech Practitioner's Perspective
 - Identifying new offerings
 - Building momentum and commercializing
 - Scaling the business
- Takeaways/Q&A
- Your Feedback

Mobile: RIM versus Apple



Published Friday, Sep. 16, 2011 7:18PM EDT

RIM's shrinking share TABLETS

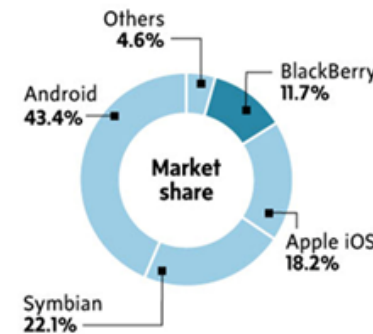


Latest quarterly sales

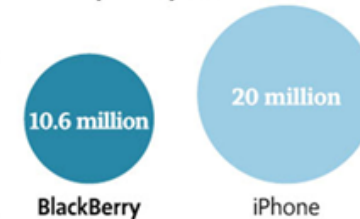


62.5 million
Global projected 2011 sales of all makes, in units

SMART PHONES



Latest quarterly sales



420 million
Global projected 2011 sales of all makes, in units

THE GLOBE AND MAIL » SOURCES: REUTERS; IDC; IMS; RESEARCH; GARTNER

Mobile: RIM versus Apple

Name change:
"BLACKBERRY"



OS10; Blackberry Z10/Q10 (2013)



Playbook
Move into Tablet market
2011



BlackBerry
App World
App Community
2009



10M subscribers
2007



Blackberry (Data+Voice)
2002



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RIM's shrinking share

The New York Times

TECHNOLOGY

First-Weekend Sales of Apple's iPhone 6 Models Top 10 Million

By BRIAN X. CHEN and MIKE ISAAC SEPT. 22, 2014



PLAY VIDEO | 2:59
The iPhone 6: Is Bigger Better?

The iPhone 6 Plus and iPhone 6 rival the competition in sheer size. But when it comes to taking advantage of those bigger screens, Molly Wood says, Apple's new phones don't always measure up. Video by Rebekah Fergusson and Vanessa Perez on September 16, 2014. Photo by Jim Wilson/The New York Times.

Apple's investors obsess over early iPhone sales like Hollywood producers

2002

Best quarterly sales

200,000

PlayBook

9 million

iPad

62.5 million

Global projected 2011 sales
of all makes, in units

Best quarterly sales

1.6 million

BlackBerry

20 million

iPhone

420 million

Global projected 2011 sales
of all makes, in units

SEARCH; GARTNER

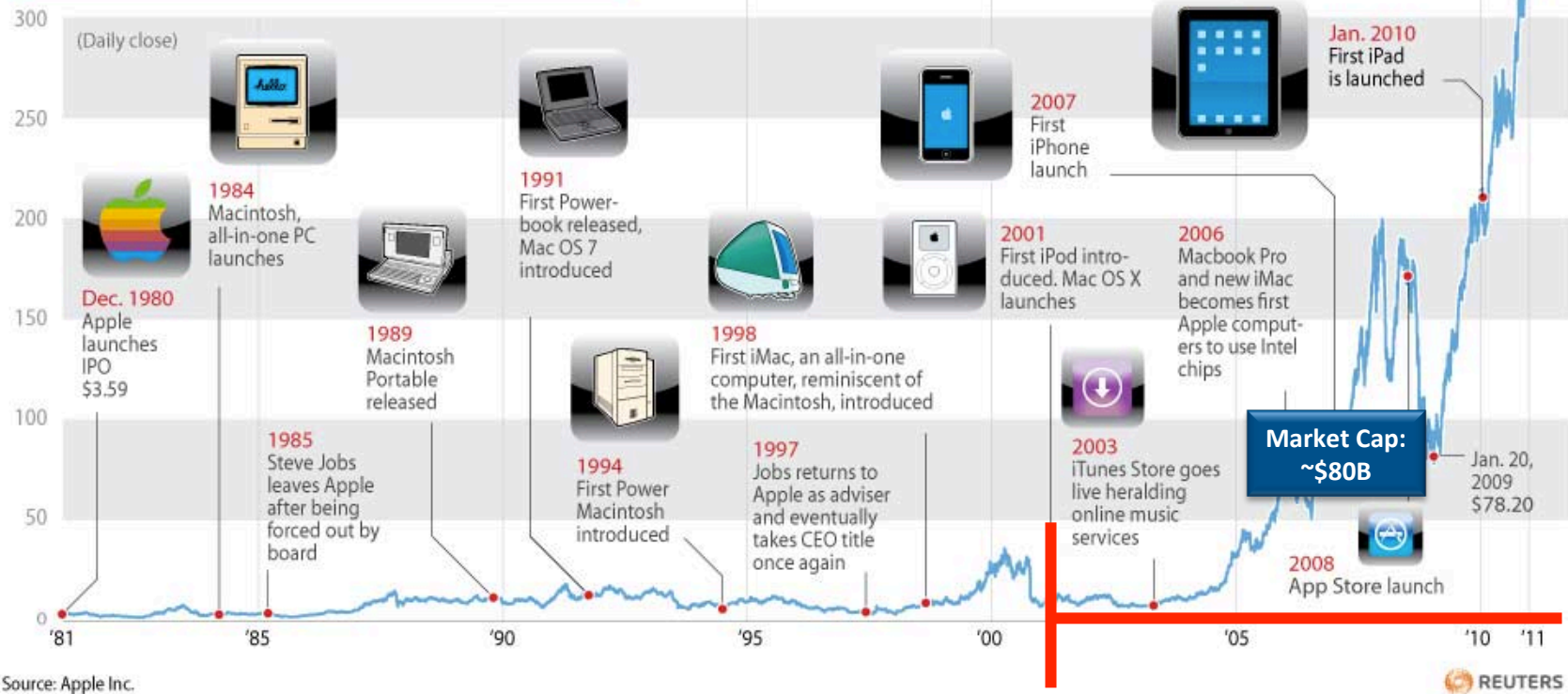
"I lose
ALL. TH
Buy Tit

NEWS
Apple sees record growth in profits
 Kathleen Hall
 Wednesday 25 January 2012 10:54

Apple timeline

Steve Jobs, who transformed the worlds of personal computing, music and mobile phones, died on Wednesday at the age of 56 after a years-long battle with pancreatic cancer.

SHARE PRICES AND KEY PRODUCT RELEASES

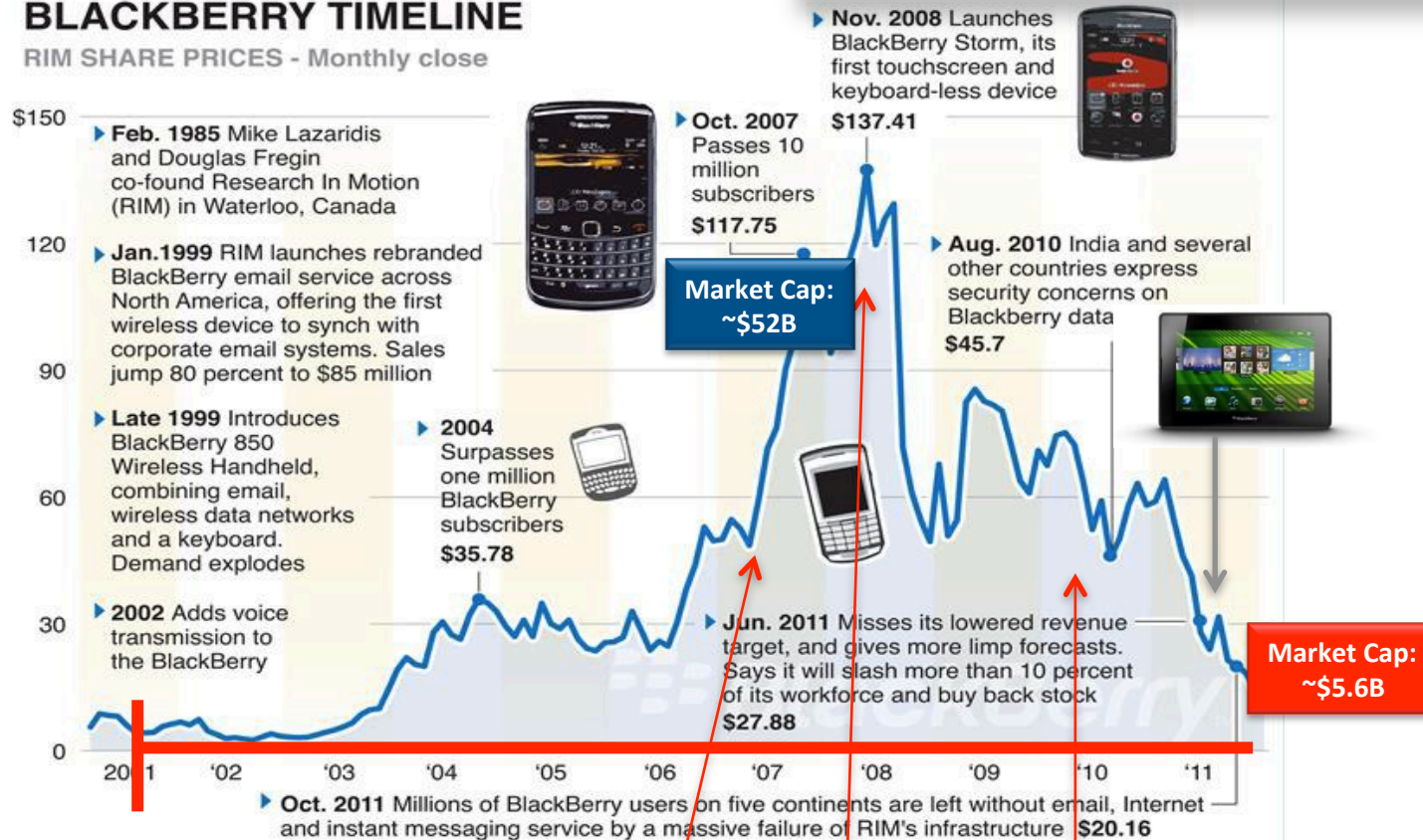


RIM's Shares Plunge After Company Reports Surprise Loss

By Hugo Miller - May 30, 2012 9:44 AM ET

BLACKBERRY TIMELINE

RIM SHARE PRICES - Monthly close



Source: Thomson Reuters

REUTERS



Markets are unforgiving ...



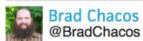
MICHAEL HOMNICK

BLACKBERRY PHONES

business mobility,
blackberry, business



BlackBerry CEO: I'll kill off BlackBerry phones if they don't start making money



Brad Chacos
@BradChacos

Apr 10, 2014 9:00 AM

BlackBerry yanked its phones from T-Mobile stores after a T-Mobile ad campaign suggested customers should trade in their BlackBerry for an iPhone, but on Thursday

April 2014
The Turnaround

BlackBerry: We're still in the phone business

CEO John Chen says the company is committed to earning back your business with its next phone – the BlackBerry Classic.

by Lance Whitney @lancewhit / 30 October 2014, 4:52 am AEDT

55 / 415 / 262 / 15 / g+ / more +

presented by #unleash

BlackBerry may be off the radar among many mobile phone customers, but the company's new BlackBerry Classic reminds us that it's still more up its sleeve.

Posted on V open letter

BLACKBERRY CLASSIC

NEW BLACKBERRY DEVICES IN FY15

mobiles2up

Classic Passport

October 2014
The Shuffle

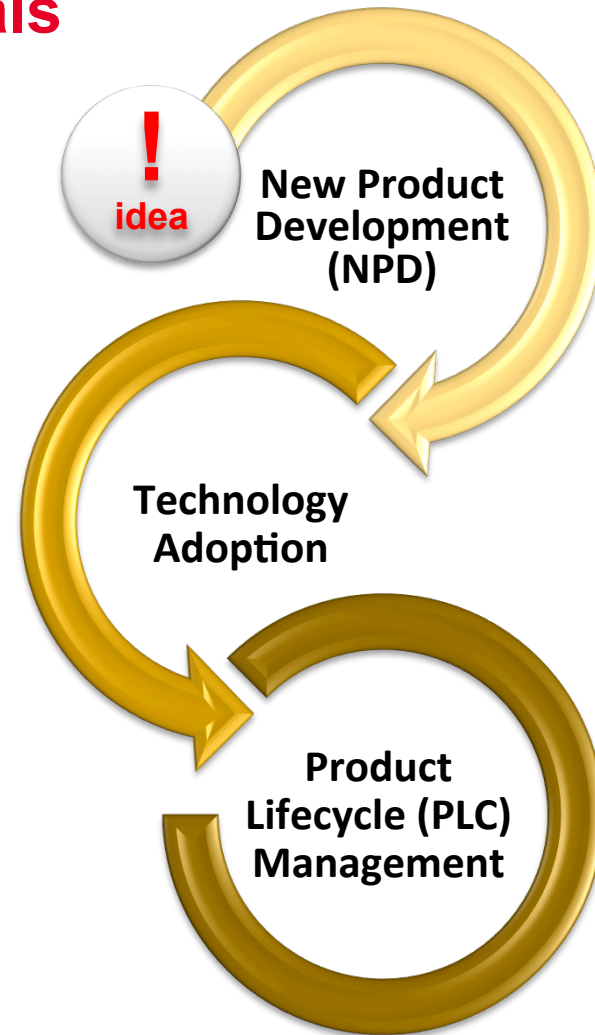
Up to 95 percent of New Product Introductions Fail: AcuPOLL

In the December 2006 issue of *New Products Magazine*, [Jack Gordon](#), CEO of [AcuPOLL Research Inc](#) writes in an article titled [Returning Insight To The Consumer](#):

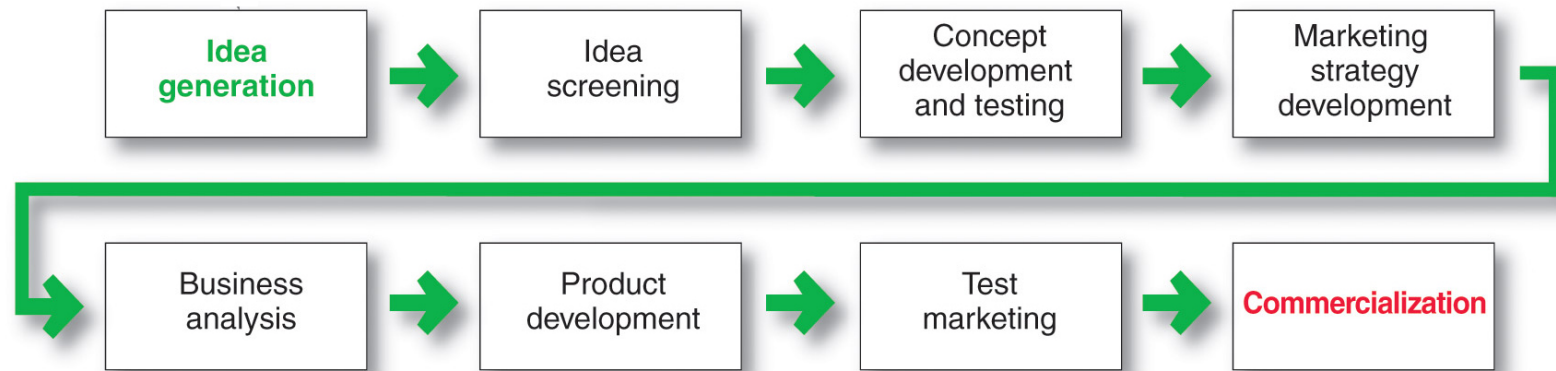
"In the world we live in, somewhere **between 80 percent and 95 percent of new product introductions fail**. It's not that hard to postulate that you must do virtually everything right to successfully launch new products. Therefore, intelligent new product marketers arm themselves with the discipline to not only find and evaluate key Insights, but to effectively execute all the elements to both deliver and communicate these Insights in introducing compelling new products."

New Products: Some Fundamentals

- A very complex process
- Its about creating customer value
- Getting from early success to mass market is the challenge
- Managing growth: right offering, right time, right way
- NPD - Adoption - PLC are all interconnected



NPD Process: Major Stages in New Product Development



Innovation Type

Leadership

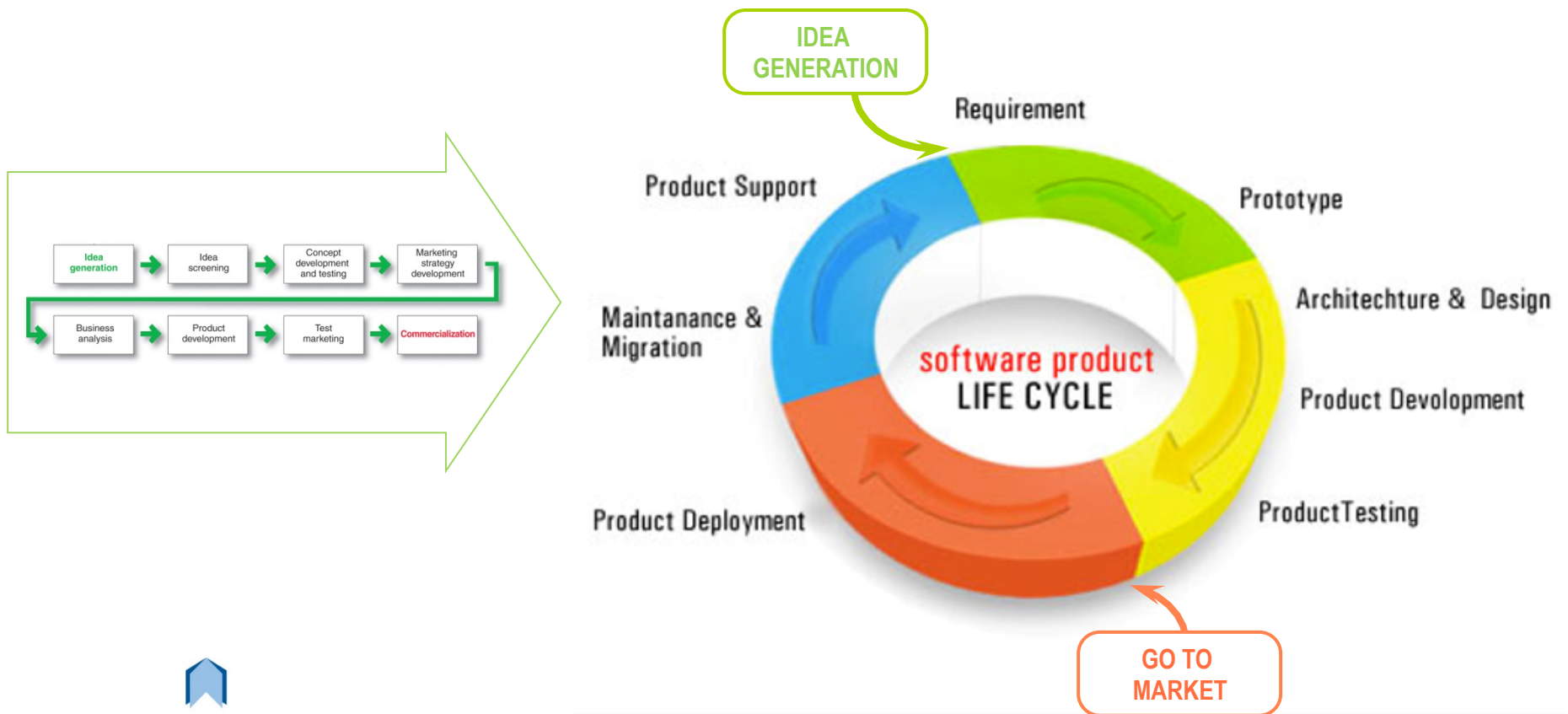
Market Knowledge

Team Skills

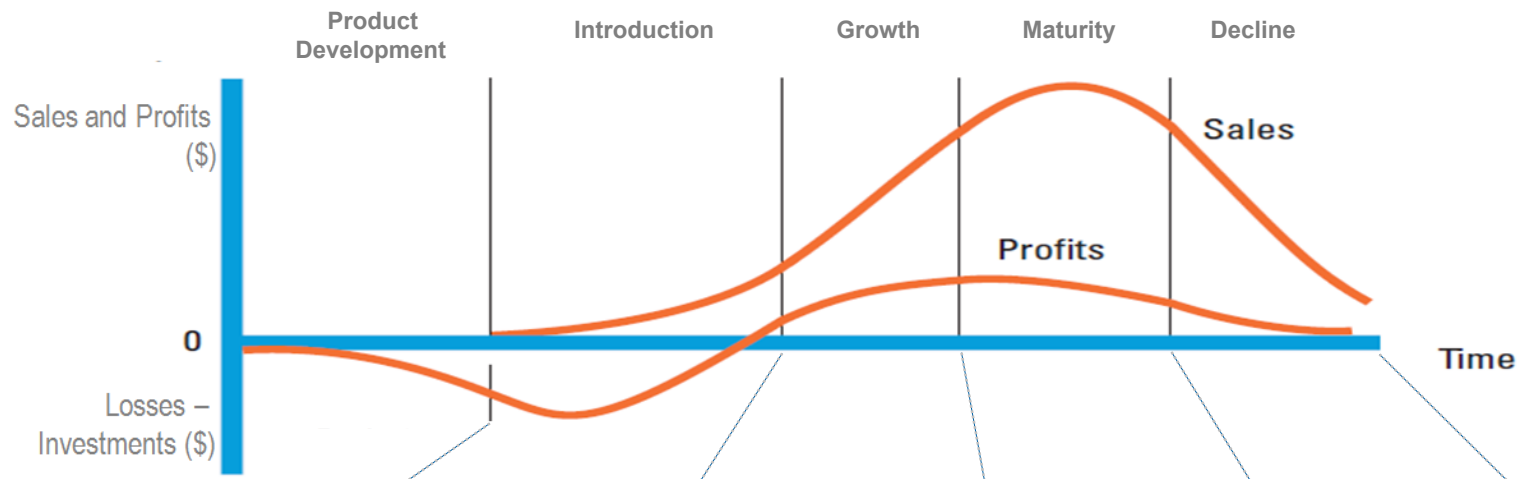
Corporate Culture



NPD Process in Software Products

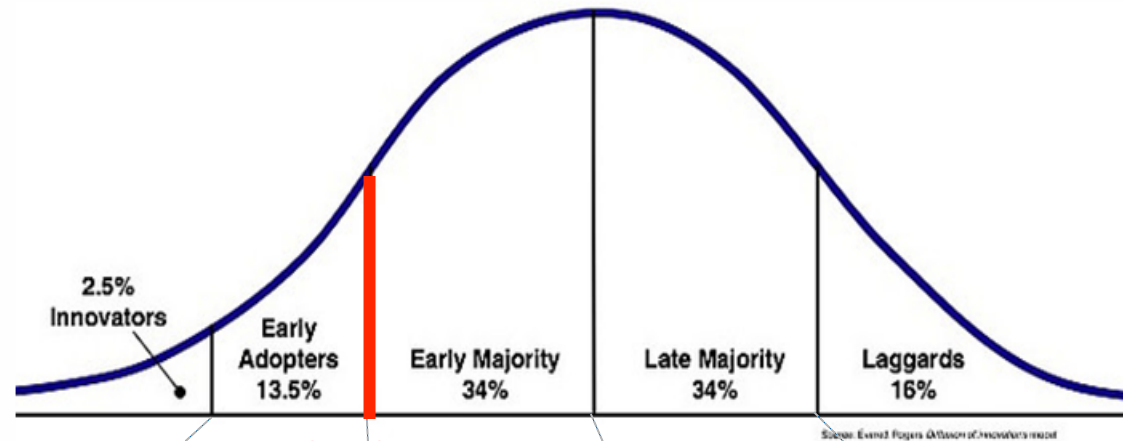


Product Lifecycle (PLC): Understand and Manage It



Characteristics	Introduction	Growth	Maturity	Decline
Sales	Low sales	Rapidly rising sales	Peak sales	Declining sales
Costs	High cost per customer	Average cost per customer	Low cost per customer	Low cost per customer
Profits	Negative	Rising profits	High profits	Declining profits
Customers	Innovators	Early adopters	Middle majority	Laggards
Competitors	Few	Growing number	Stable number beginning to decline	Declining number

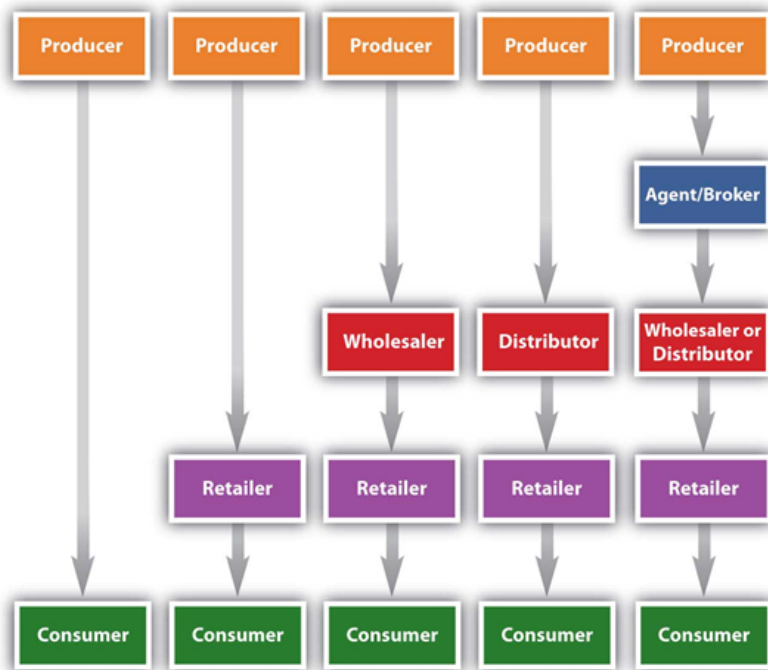
Technology Adoption Lifecycle and the Chasm



Early Market		Mainstream Market		
Innovators	Early Adopters	Early Majority	Late Majority	Laggards
<ul style="list-style-type: none"> Fanatical about innovations Deal with ambiguity and setbacks Part of innovators circles Do not require proven product 	<ul style="list-style-type: none"> Respected by peers Centers of Influence Judges worthiness of innovation before adopting Not as plugged into innovation circles Assume risk for advantage 	<ul style="list-style-type: none"> Adopt innovation before average person Rarely influence others Followers rather than leaders Want proven offerings 	<ul style="list-style-type: none"> Adopt after average person Skeptical of new ideas Price conscious 	<ul style="list-style-type: none"> Adopt innovations after everybody else Resistant to change

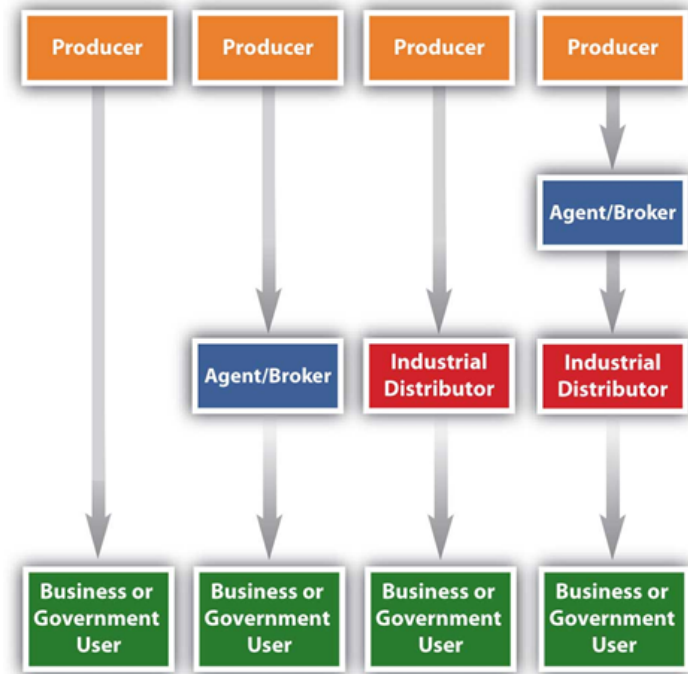
Get Product to Market – B2C vs. B2B Channels

B2C



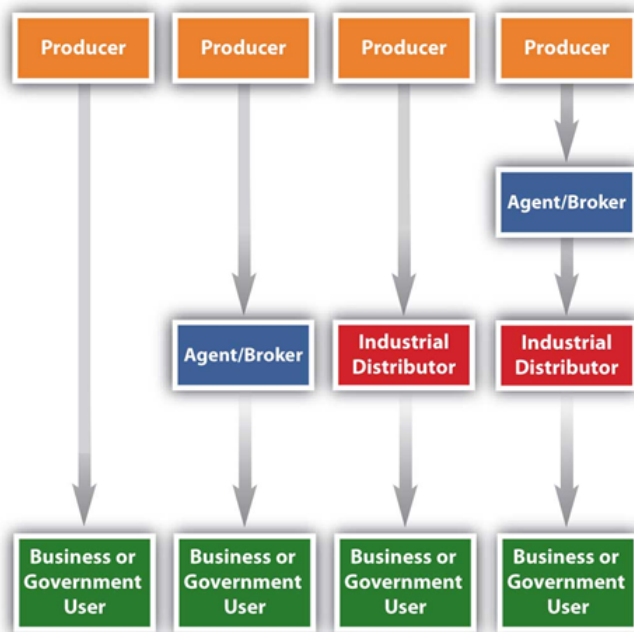
versus

B2B



Get Product to Market – B2B Channel Strategy & Mix

B2B



Direct Sales

- territories
- segment market (industry, deal size, geo)
- fuel for the engine
- perceived competition with partners

Inside Sales

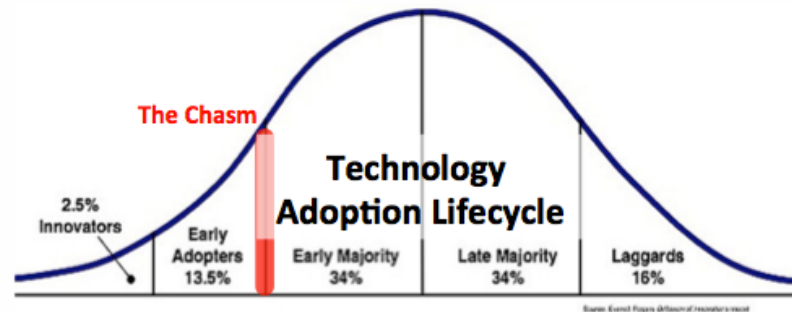
- smaller deal sizes
- readiness

Business Partners (partner managers)

- partner types & models
- their own agenda
- want to building tight relationships
- dedicated or competitive offerings
- ecosystem development
- fills gaps

Virtual Storefronts and Markets

Reasons for New Product Failure



Strategy, Fit to Need, Go-To-Market

Overestimation of market size

Poor design

Incorrect positioning

Wrong timing

Priced too high

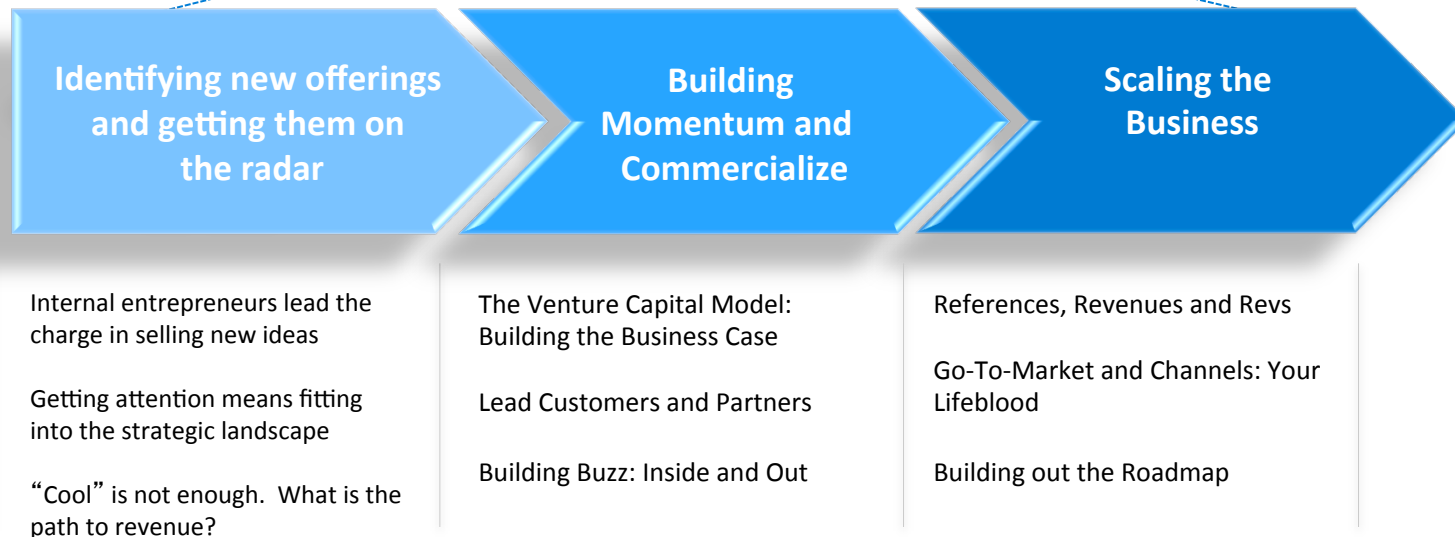
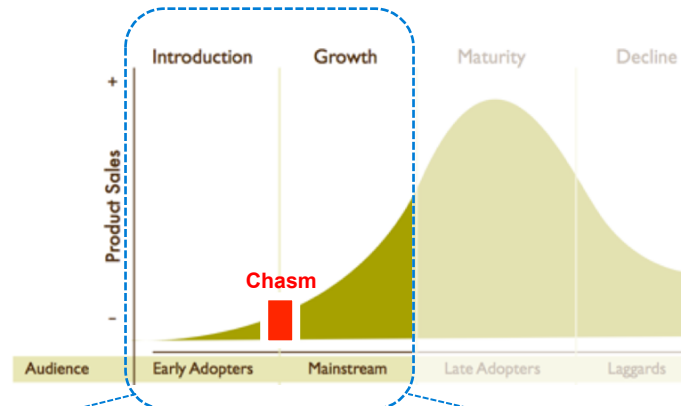
Ineffective promotion

Management influence

High development costs

Competition

Getting From Idea to Market: In Practice



Internal entrepreneurs lead the charge in selling new ideas

Sources of Ideas

Internal: the company's own formal research and development, management and staff, and intrapreneurial programs

External: sources outside the company such as customer, competitors, distributors, suppliers, and outside design firms

The "Internal" Entrepreneur

Visionary

From all parts of the organization

Business focused

Proven track record

Collaborative

Charismatic

Communicator

Pragmatic

"Skunk Works"

Influential

Connected/Sponsors

Knows how to navigate the organization

Blockers

Business Strategy/Vision

Internal Competition

Resources

Funding

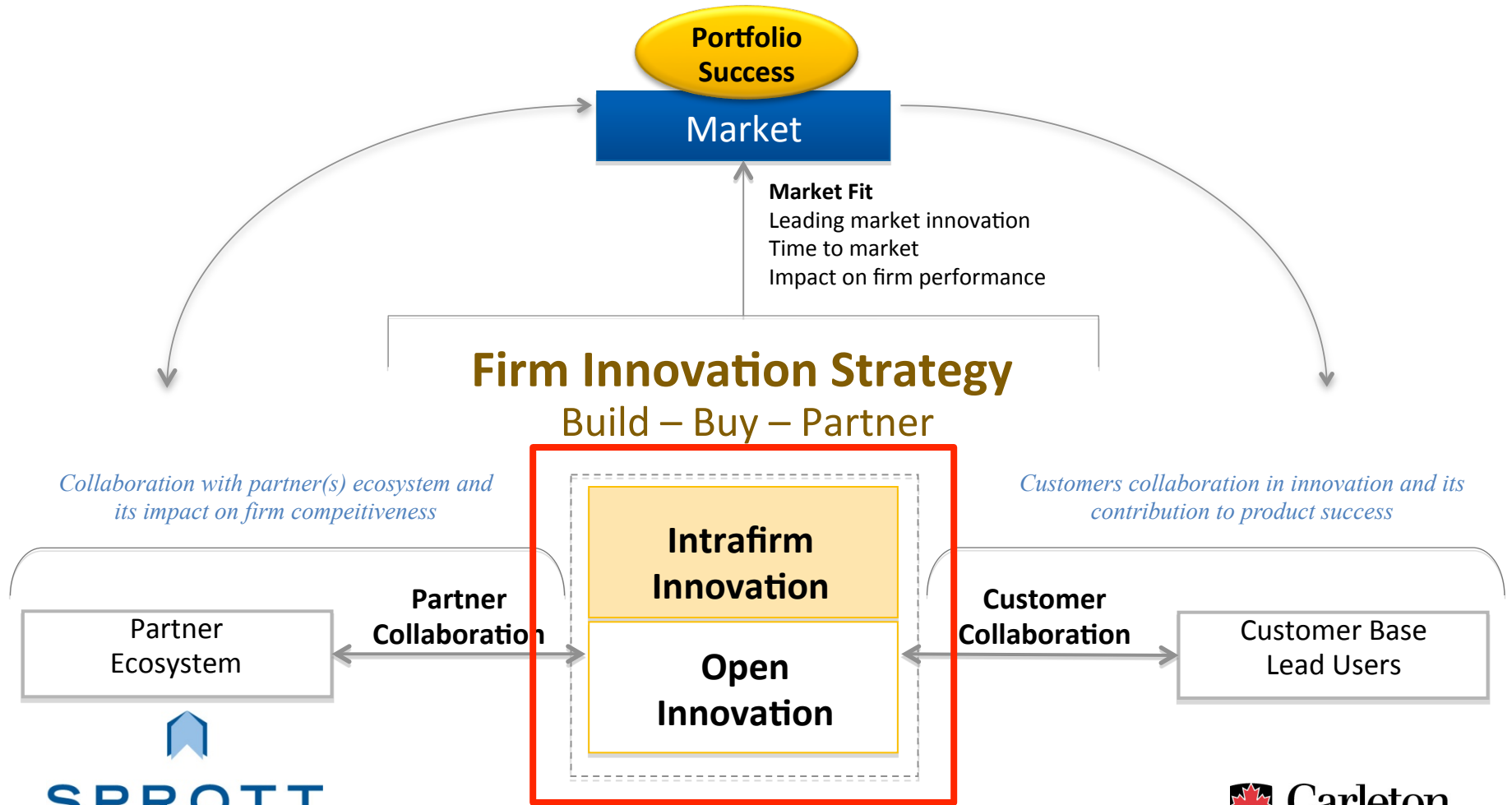
Mindshare

Support

Risk Profile

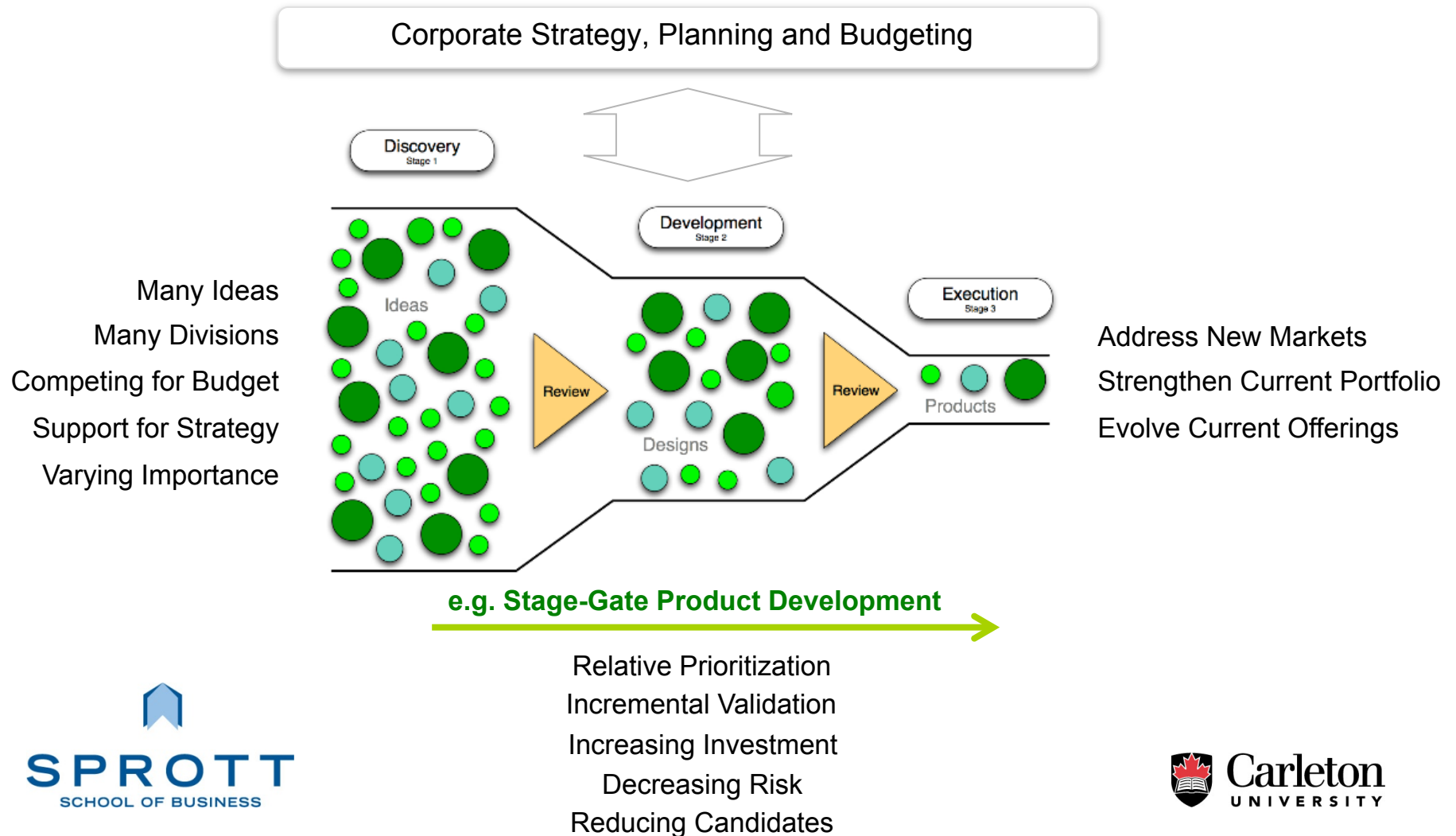
Organizational Inertia

New ideas and innovation through collaboration



hybrid innovation strategy

Getting attention means fitting into the strategic landscape



“Cool” is not enough. What is the path to revenue?

Common Pitfalls

No business case
“Build it and they will come”
“Ivory Tower” design
Technical focus
Over-engineered
Under-funded
No channel
Low market insight
Missing customer validation
Group Think
The Untouchables

Focus on Creating Value (Market and Corporate)

Defining Version 1: What and How Much?

- Uses cases for customer value
- Critical features and functions to compete
- Time to Market

Prove the Concept:

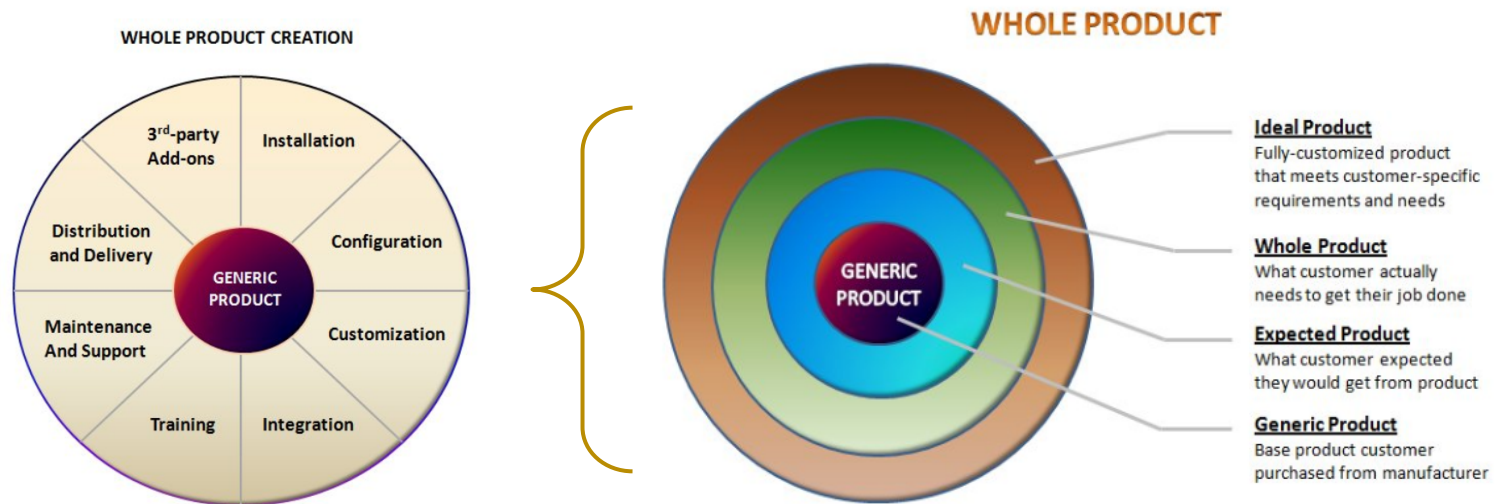
- Do the research
- Work with the market

Winning Your First Business:

- Lead customers and partners
- Invest in early accounts
- Focus on success and references



The Venture Capital Model: Building the Business Case



- Success requires a “whole product” perspective
- Paint the roadmap thinking across the offering’s lifecycle
- Getting funded: customer value, revenue/market opportunity, pragmatic, proof points, relevant, scalable, and confidence in the leader

Lead Customers and Partners

- References are a critical asset with early stage products
- Build the foundation of early customer successes (white glove treatment, hero building)
- Establishing the portfolio of stories about value delivered provides proof points

Building Buzz: Inside and Out

- “Why should we care?” - Be relevant to the larger agenda
 - Demonstrate how the offering links to the business strategy/priorities or else lose mindshare
- Focus the story on demonstrating business/market value
 - Business roles and processes
 - Industry relevant
 - Outcome/benefits focus
- Show up across the business
 - Market the offering internally
 - Get stakeholders outside the business talking about you
 - Ensure clarity of the “value story” that will stand out in the business

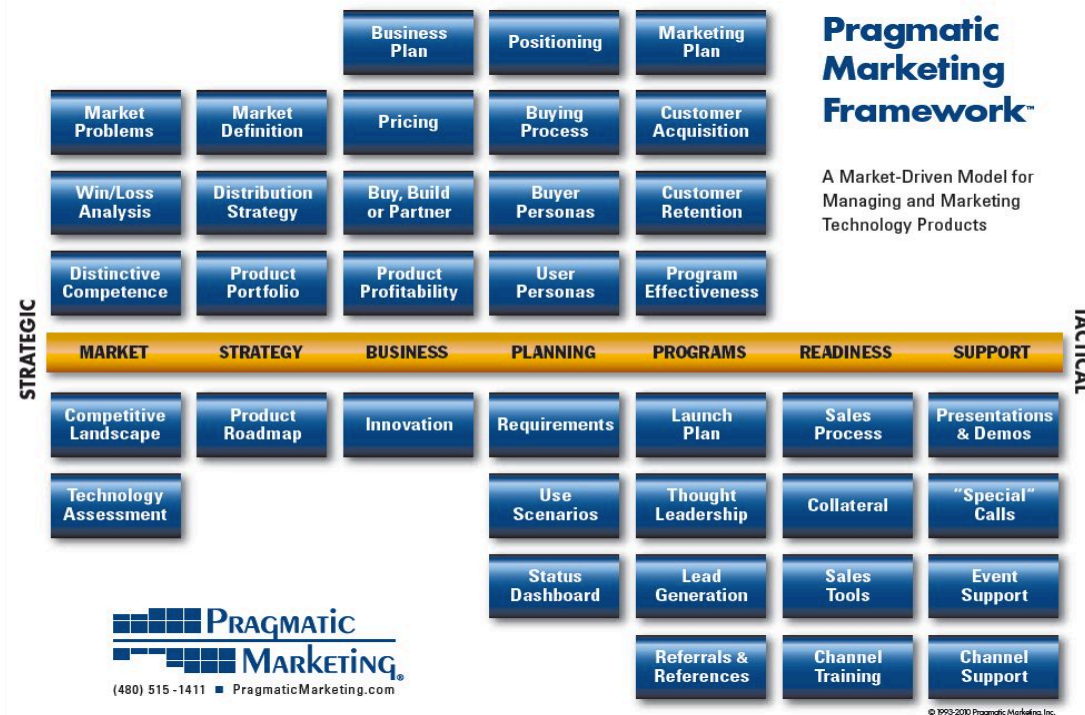
References, Revenues and Revs

- Reach legitimacy through achieving critical mass
 - Multiple accounts
 - Demonstrated value
 - Consistent success and referencibility
- Convert from proof points to a revenue generating engine
 - Showing early success can convert to real sales pipeline and revenue
 - Building mindshare with sales and channel
- Provide repeatable value and pipeline
 - Ability to sell, service and support to the broader market
- Build on learnings from early success to chart offering course (versions, roadmap)

Go-To-Market (GTM) and Channels: Your Lifeblood

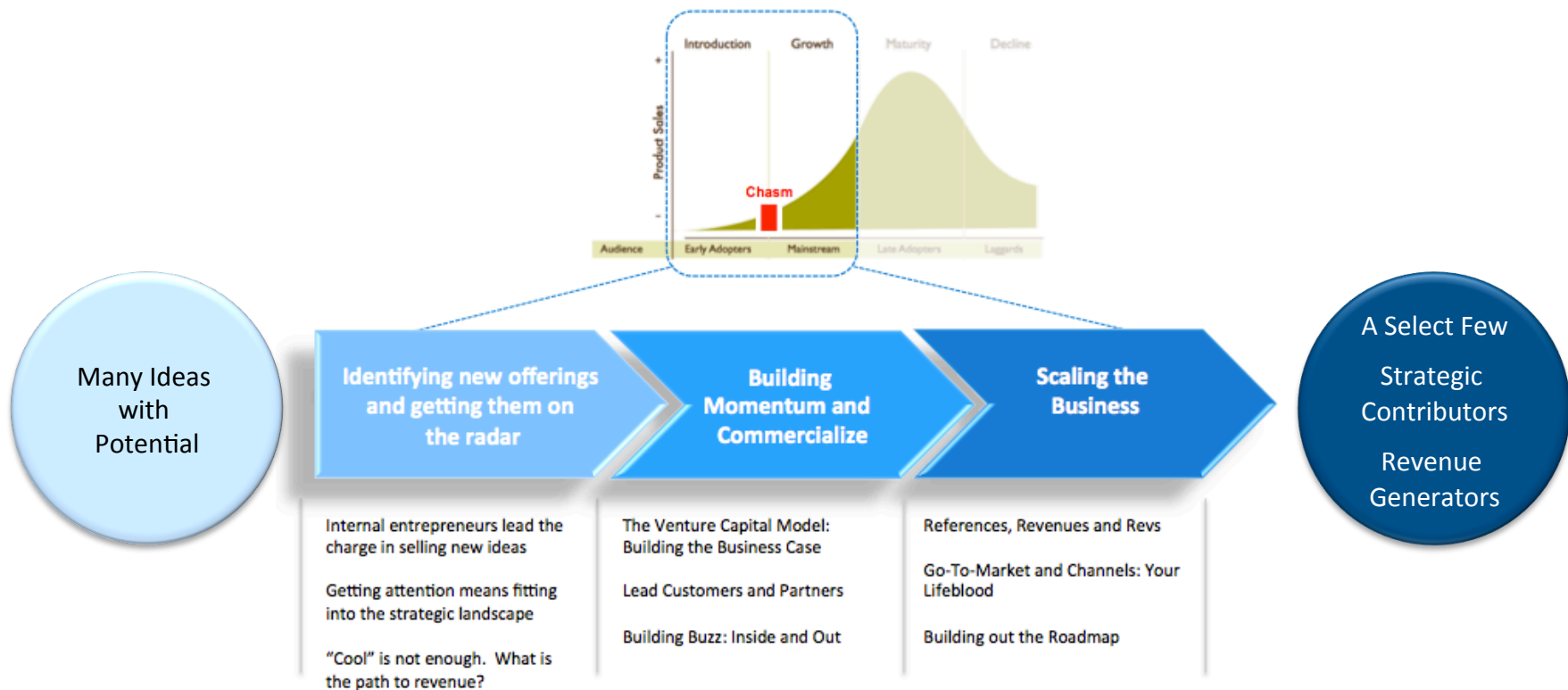
- Without a channel to market, a great offering will not get to the mainstream market
- Direct/Inside Sales, Channel Partners/Resellers, ISVs, OEMs
- The offering is competing for sales force mindshare. Get them excited!
- Put yourself in the shoes of the channel:
 - “Is this real?”
 - “Who do I sell to? Why will they care?”
 - “How do I make money?”
- Provide the sales force/partners with the tools, knowledge and support to sell

Building Out The Roadmap



- Clarity on what's next in the vision
- Staying grounded through the market on the offering and portfolio value
- Balance strategic planning with the focus on tactical execution
- Avoid "build it and they will come" mentality

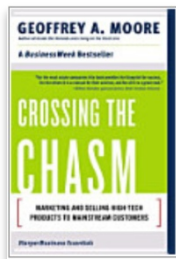
Building new product introduction as a core competency becomes a competitive differentiator...



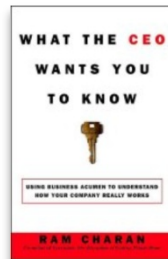
Higher success rates, accelerated time to market, and managing portfolio investment to drive corporate performance

Q&A

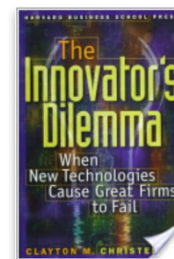
Suggested Primers



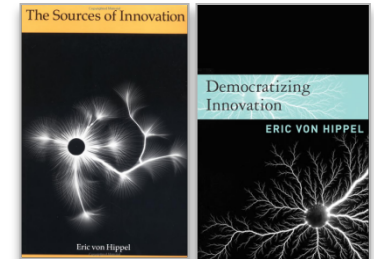
Crossing the Chasm
Geoffrey Moore



What the CEO Wants You To Know
Ram Charan




The Innovator's Dilemma
Clayton Christensen



The Sources of Innovation /
Democratizing Innovation
Eric von Hippel

1. How useful did you find the content of the lecture?

 You may respond at PollEv.com/roberthelal791 when the presenter pushes this poll

 Text a **CODE** to **37607**



Very Useful
374680


Moderately Useful
374709

Not So Much
374713

2. What worked for you? What didn't? Any recommendations? Send me your thoughts to ...



 You may respond at PollEv.com/roberthelal791 when the presenter pushes this poll

 Text **389740** and your message to **37607**

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