

# Product Planning and Goal Finding

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## Examples:

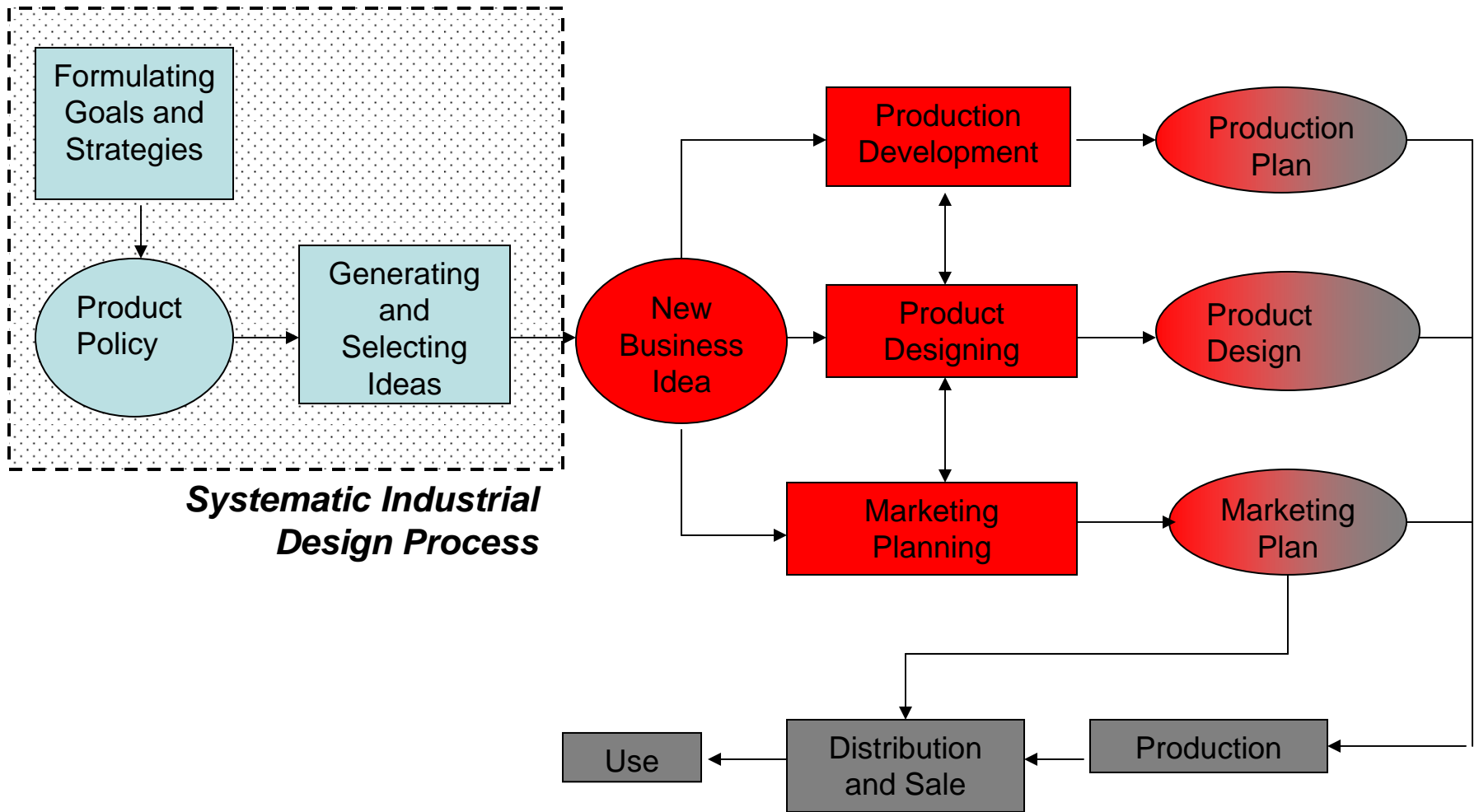
The SWATCH watch is not about time keeping



The SMART Car is not about driving from one place to another.

# Agenda

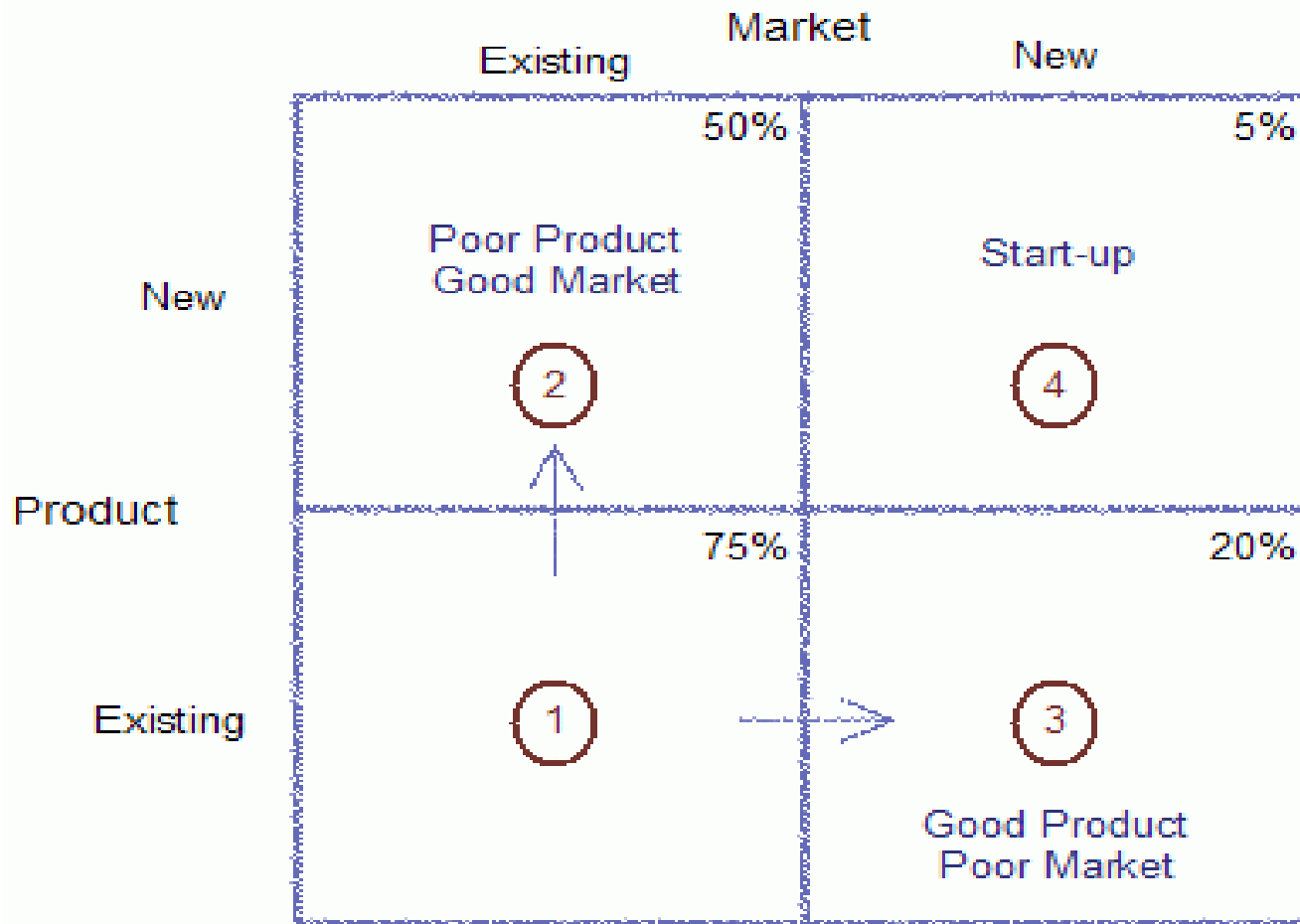
- Product Planning Process and Theory
- Internal and External Analysis
- Strengths, Weakness, Opportunities and Threats (SWOT) Analysis
- Generation of Search Fields (SWOT-matrix)
- Bottleneck Analysis
- Formulation of Product Strategy
- Product Idea Generation and Goal Finding



## *Product Planning Process within the Product Development Process*

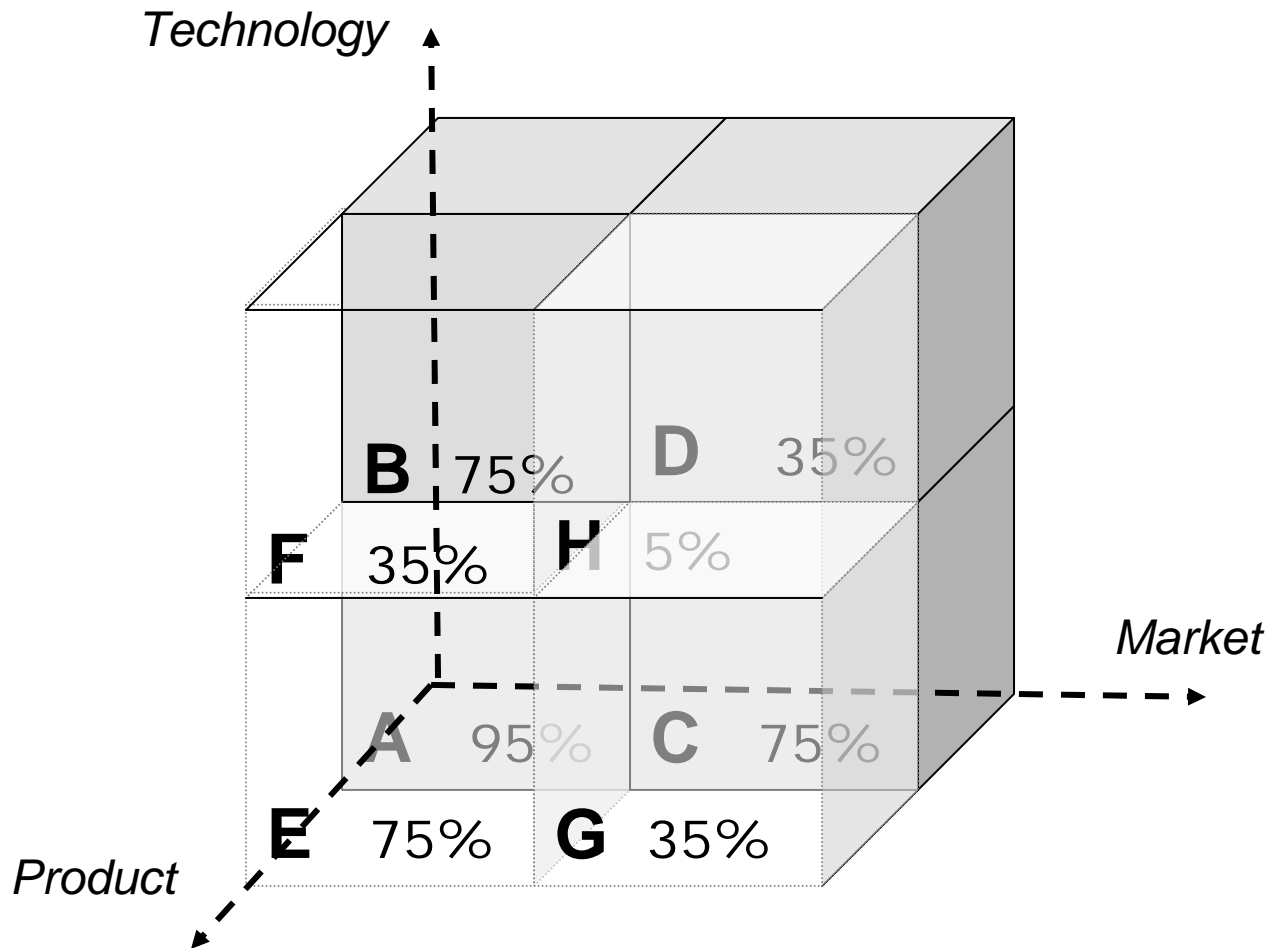
# Product Planning Theory

## Product Marketing & Technology (PMT) mix

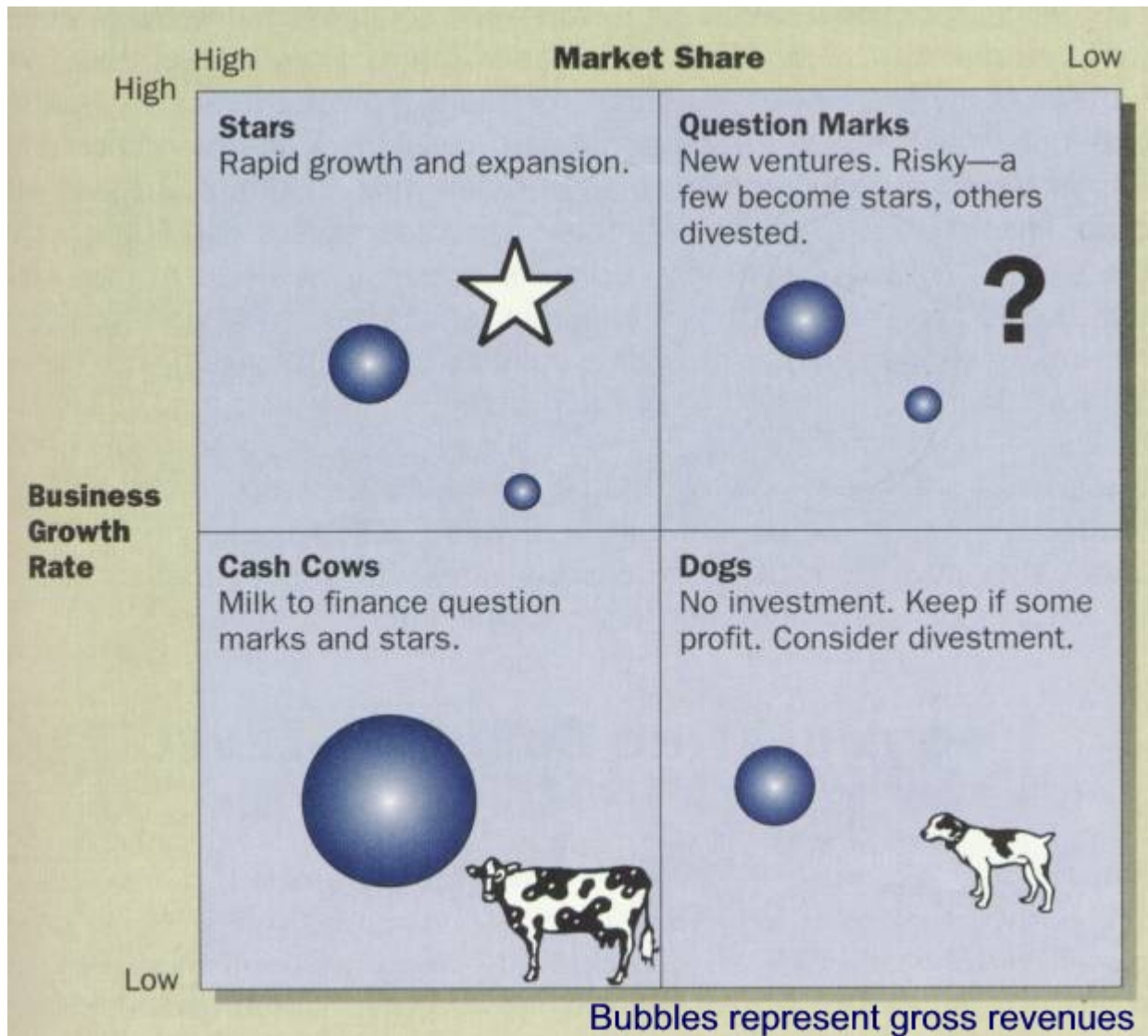


# Background

## Product Marketing & Technology (PMT) mix



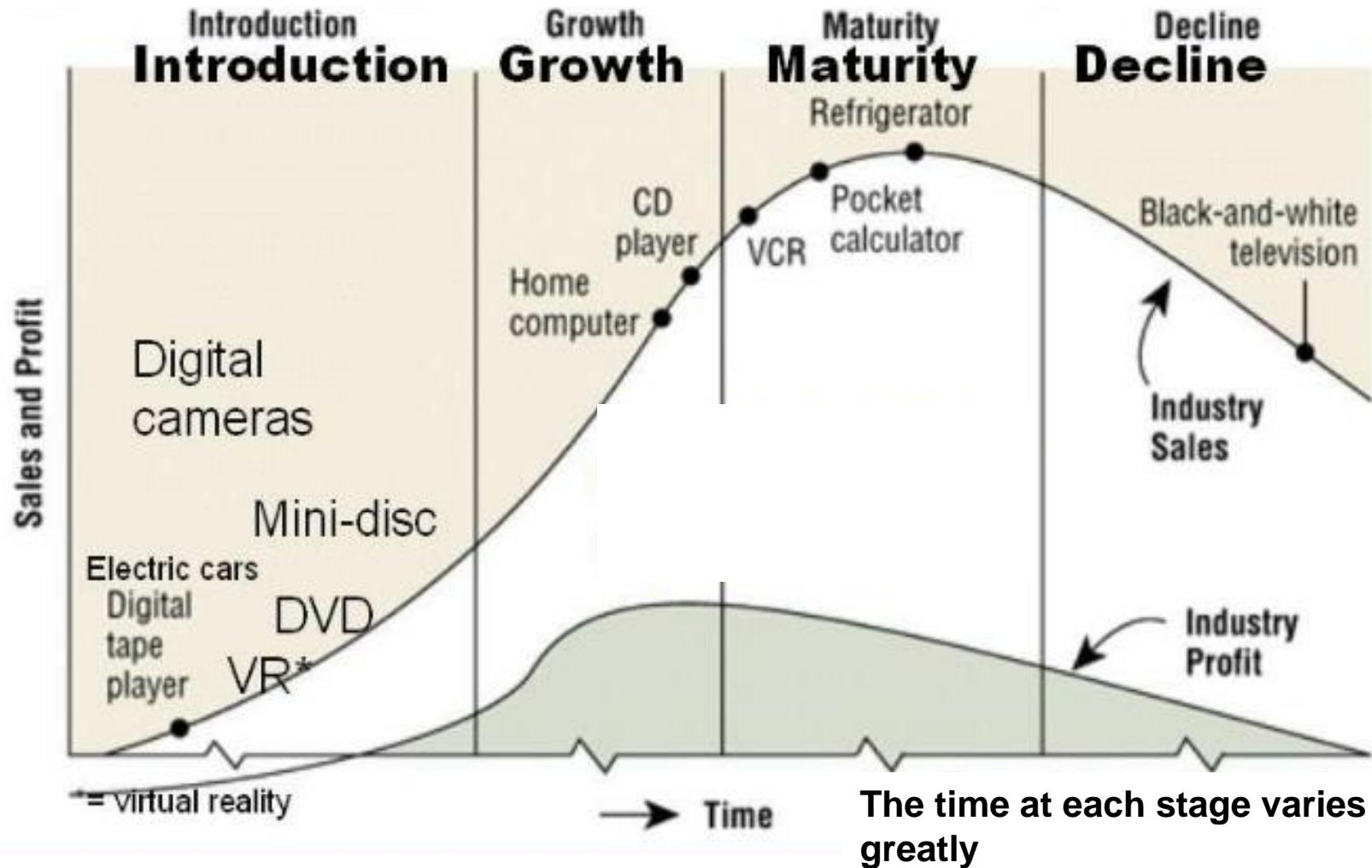
# Background



## Boston Consulting Group (BCG) Matrix

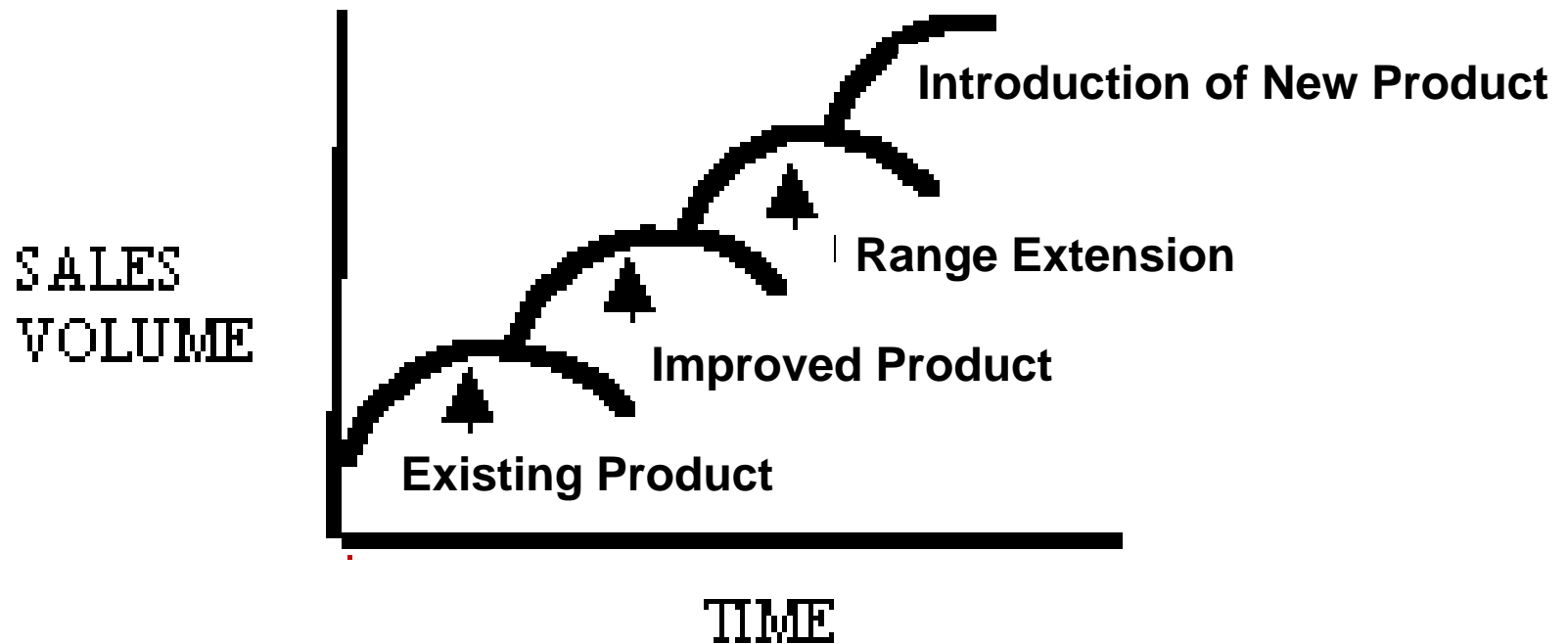
# Background

## Product Life Cycle



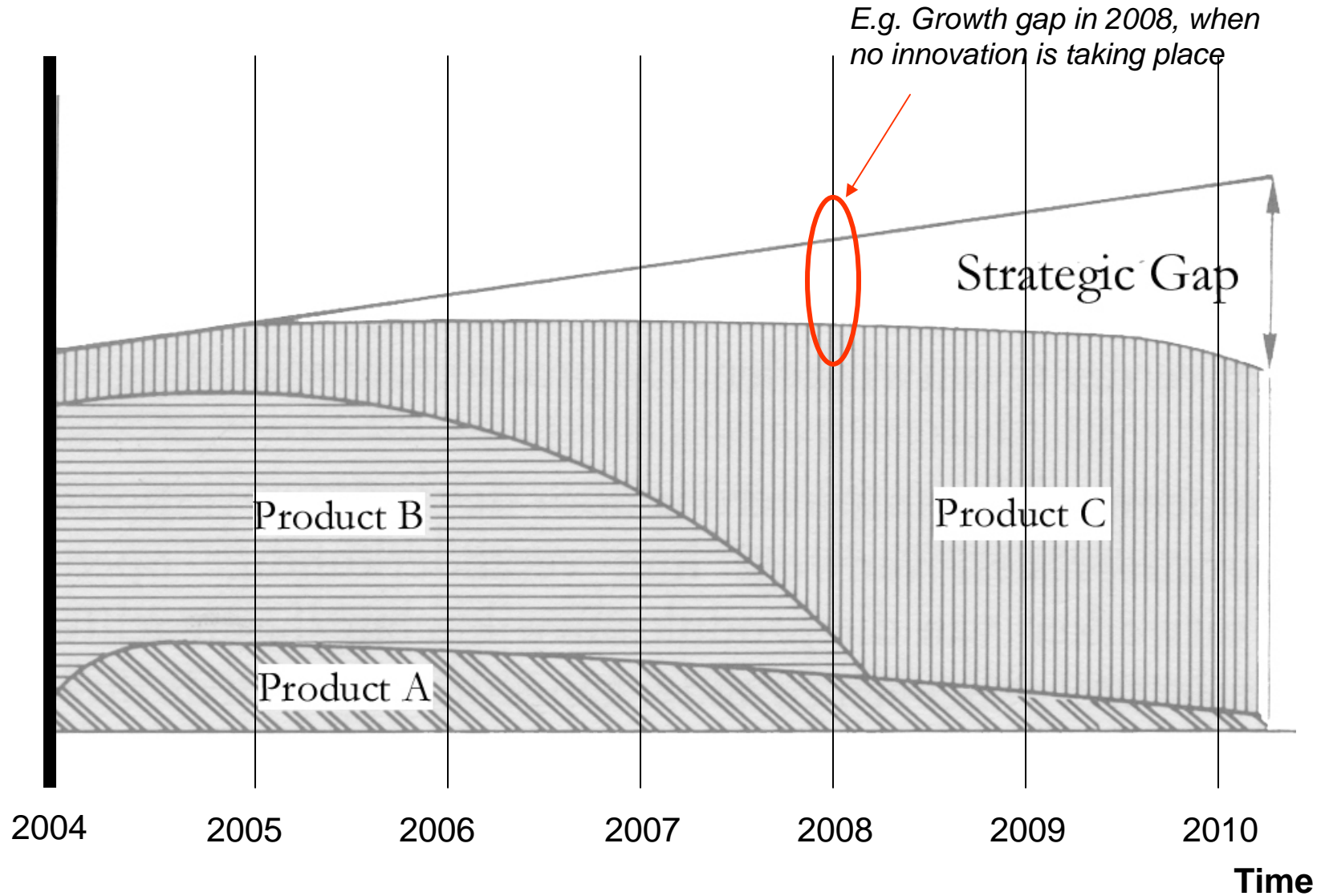
# Background

## Extending the product life-cycle



Sales / Turn-over

# Background



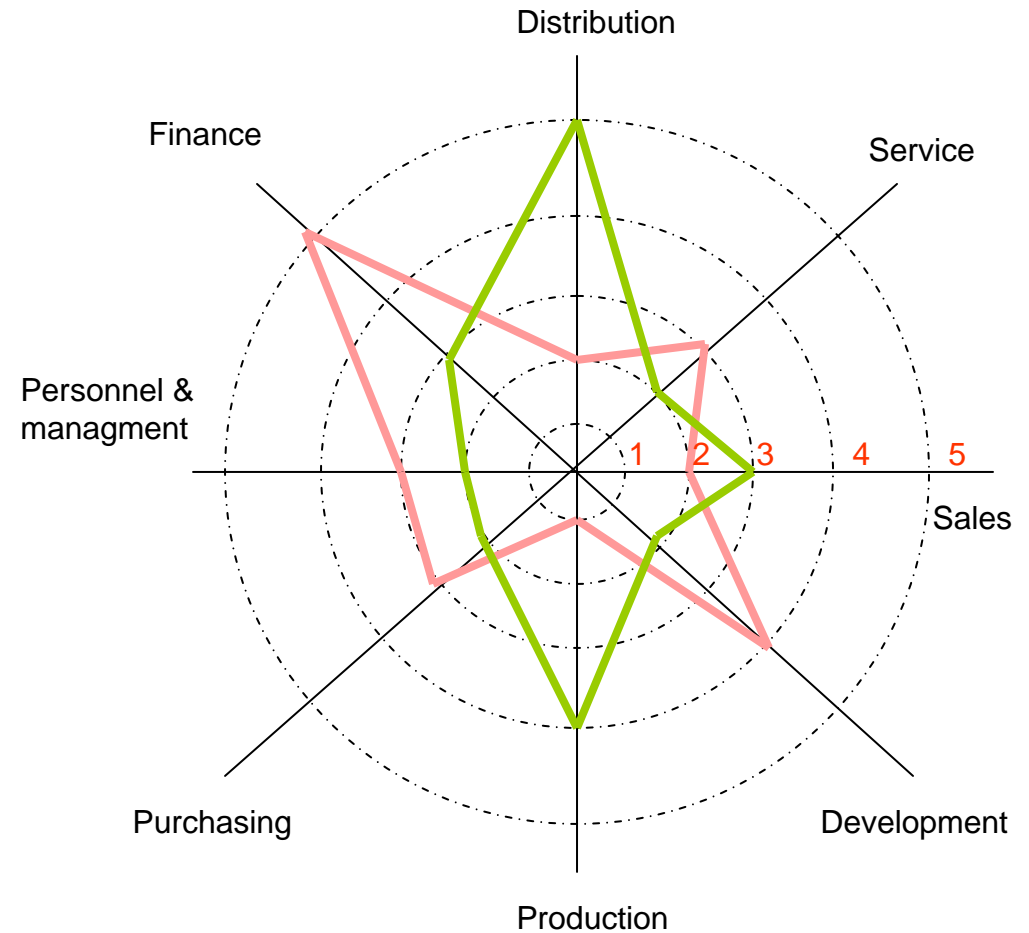
# Internal Analysis

A 'Marketing Memo' forms the basis for a SWOT - Analysis


	Performance					Importance		
	Major Strength	Minor Strength	Neutral	Minor Weakness	Major Weakness	Hi	Med	Low
<b>Marketing</b>								
1. Company reputation	_____	_____	_____	_____	_____	_____	_____	_____
2. Market share	_____	_____	_____	_____	_____	_____	_____	_____
3. Customer satisfaction	_____	_____	_____	_____	_____	_____	_____	_____
4. Customer retention	_____	_____	_____	_____	_____	_____	_____	_____
5. Product quality	_____	_____	_____	_____	_____	_____	_____	_____
6. Service quality	_____	_____	_____	_____	_____	_____	_____	_____
7. Pricing effectiveness	_____	_____	_____	_____	_____	_____	_____	_____
8. Distribution effectiveness	_____	_____	_____	_____	_____	_____	_____	_____
9. Promotion effectiveness	_____	_____	_____	_____	_____	_____	_____	_____
10. Sales force effectiveness	_____	_____	_____	_____	_____	_____	_____	_____
11. Innovation effectiveness	_____	_____	_____	_____	_____	_____	_____	_____
12. Geographical coverage	_____	_____	_____	_____	_____	_____	_____	_____
<b>Finance</b>								
13. Cost or availability of capital	_____	_____	_____	_____	_____	_____	_____	_____
14. Cash flow	_____	_____	_____	_____	_____	_____	_____	_____
15. Financial stability	_____	_____	_____	_____	_____	_____	_____	_____
<b>Manufacturing</b>								
16. Facilities	_____	_____	_____	_____	_____	_____	_____	_____
17. Economies of scale	_____	_____	_____	_____	_____	_____	_____	_____
18. Capacity	_____	_____	_____	_____	_____	_____	_____	_____
19. Able, dedicated workforce	_____	_____	_____	_____	_____	_____	_____	_____
20. Ability to produce on time	_____	_____	_____	_____	_____	_____	_____	_____
21. Technical manufacturing skill	_____	_____	_____	_____	_____	_____	_____	_____
<b>Organization</b>								
22. Visionary, capable leadership	_____	_____	_____	_____	_____	_____	_____	_____
23. Dedicated employees	_____	_____	_____	_____	_____	_____	_____	_____
24. Entrepreneurial orientation	_____	_____	_____	_____	_____	_____	_____	_____
25. Flexible or responsive	_____	_____	_____	_____	_____	_____	_____	_____

# Internal Analysis

5																			
4																			
3																			
2																			
1																			
Value	Purchasing	Production	Sales	Development	Service	Distribution	Finance	Personnel + Man.											
Function																			



*Company Profile*

 = Profile of a company, who produces baby /children products

# External Analysis

External analysis comprises of the following:

- Analysis of own markets and needs, inclusive of competition and competitive products
- Assessment of social- economic developments
- Analysis of cultural and political developments.

# SWOT-Matrix and Search Fields

<b>Opportunities</b>          <b>Strength</b>	Growth in birth rate is predicted for the near future	Healthy economy with many job opportunities	Oil prices have been declining	Encouragement for house wives to take up part-time jobs in industry	Prices of cars have increased
Reasonably strong purchasing knowledge					
Strong design and development culture and capabilities		€1			
Good After-sales service					
Strong financial backing from stakeholders				€2	
Reasonably dedicated team of management and stakeholders					

# Elaboration of Search Fields

## Example €1:

As there are more job opportunities, more families will be able to earn a double income, while seeking more efficient ways of taking care of their young children because of time constraints. They also have more money to spend on better products

## Example €2:

Introduction of special schemes, comprising of subsidies, special promotions, when committing to purchase or have purchased certain products from the company

# Bottleneck Analysis

Evaluate the 'Search Fields' based on weaknesses of the company and external threats

## Example €2:

Introduction of special schemes, comprising of subsidies, special promotions, when committing to purchase or have purchased certain products from the company

### Threats

Stake holders may withdraw in the future

### Weaknesses

Inefficient sales and distribution network, complemented with weak production capabilities may delay the operation of the schemes.

# Strategy Formulation

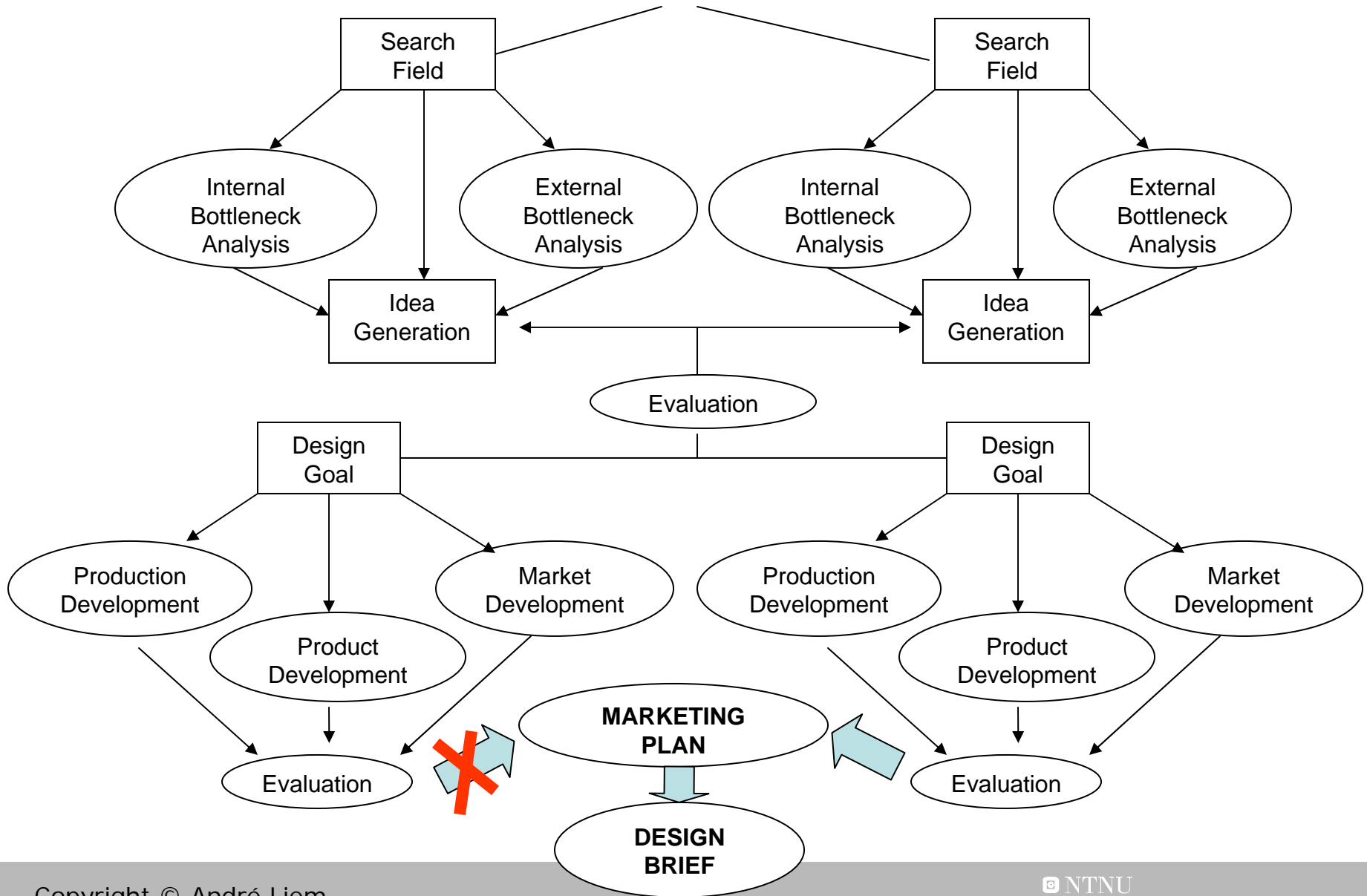
- Based on selected search field a company's product strategy has to be formulated
- The product strategy should be subject to the overall company strategy
- Overall company strategy can be generally classified into the following three directions for strategic thinking:
  - Overall cost leadership
  - Differentiation
  - Focus

# Product Strategy Formulation

## Example:

Based on an over-arching strategy of cost leadership, the company should develop a total 'Child-Care' scheme to encourage house wives to take up part-time employment. Tangible products supporting the scheme should be easy to produce, low costs and easy to distribute.

# Product Idea Generation and Goal Finding



# Example of Collaborative Projects

The collaborative projects can be classified into three categories of strategic design projects:

- where SME's were strategically analysed to develop new design goals
- where a specific business unit was subjected to strategic analysis
- where a specific problem formed the basis for strategic analysis and design.

## CASE STUDY:

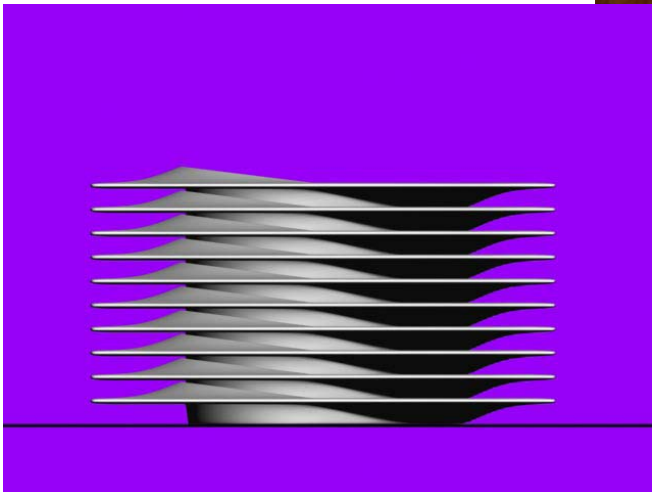
## Øyo (Norwegian manufacturer of handheld household and building tools)

Where a SME's were strategically analyzed to develop new design goals



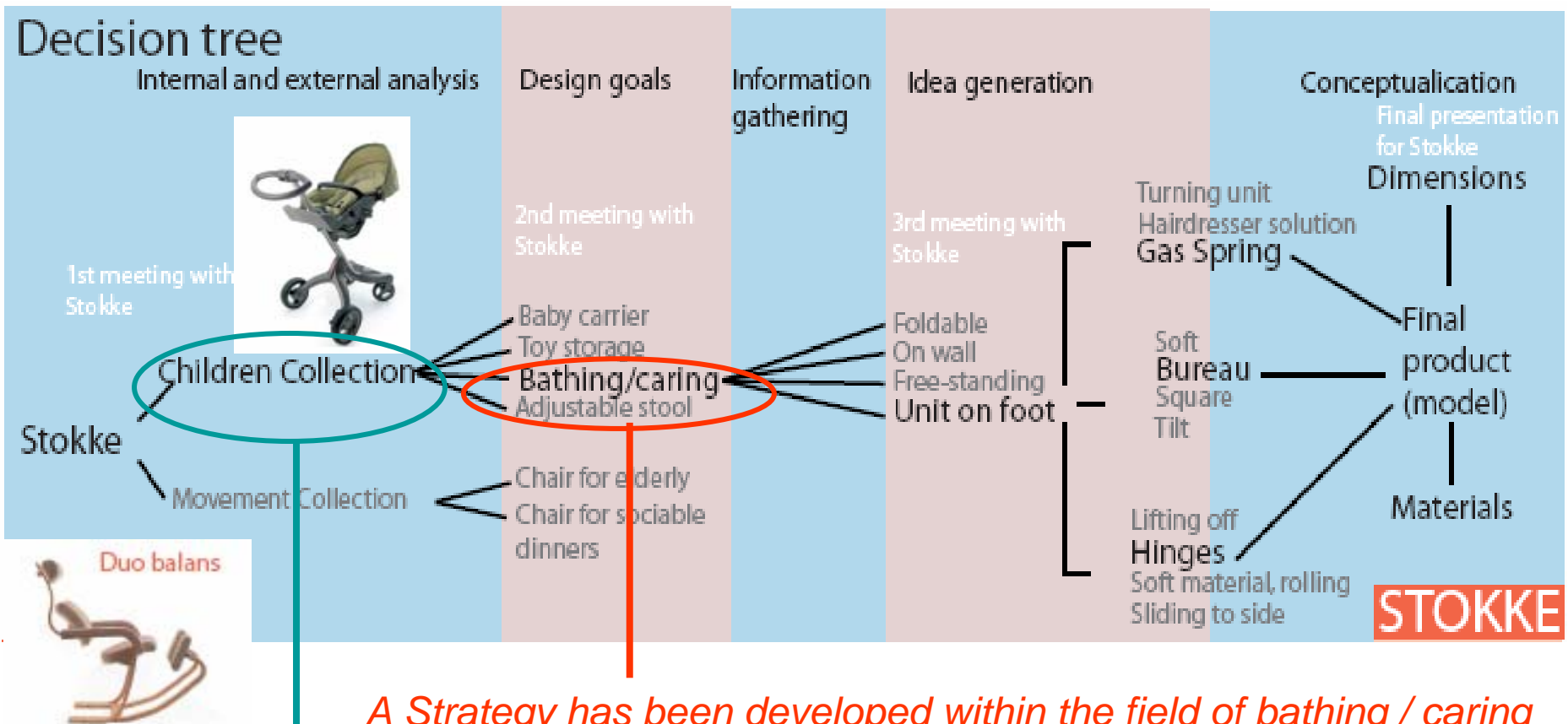
# CASE STUDY: Figgjo (Norwegian manufacturer of Industrial Porcelain)

Where a SME's were strategically analyzed to develop new design goals



# CASE STUDY: STOKKE

A Strategic Design project, where instead of a company a business unit has been subjected to strategic analysis.

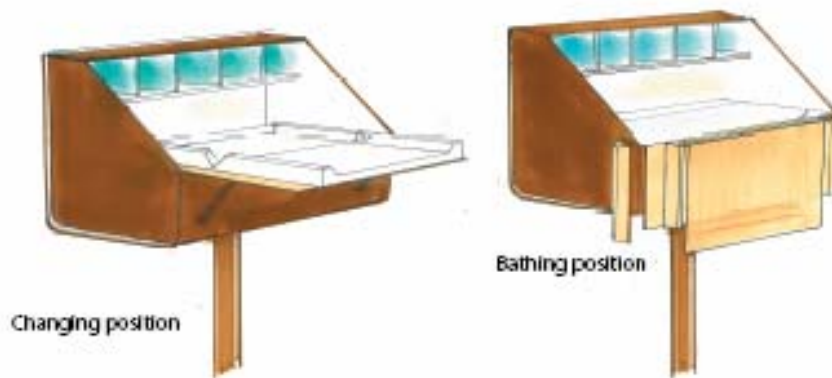


*A Strategy has been developed within the field of bathing / caring*

*Strategy Formulation is based on the business segment children's collection*

# CASE STUDY: STOKKE AS

A Strategic Design project, where instead of a company a business unit has been subjected to strategic analysis.



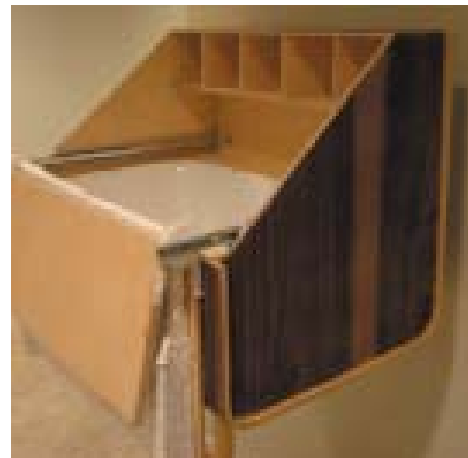
The first thing one do is to open the unit, and the part slides in as you open



Filling water is done by flipping the inner part of the changing part



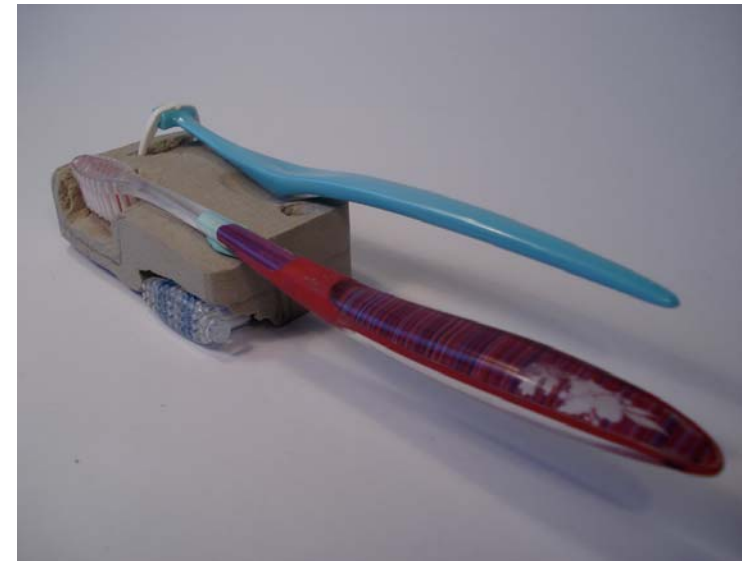
Changing and undressing.



*(Part of a scenario analysis)*

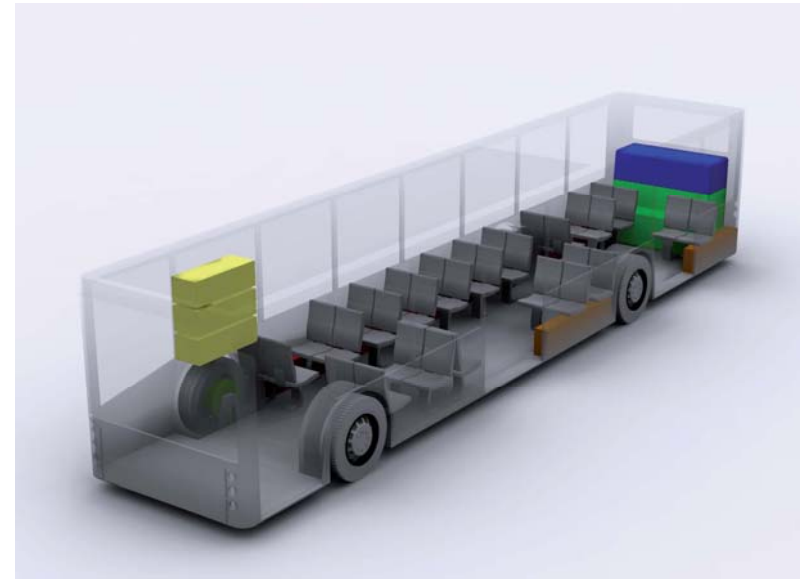
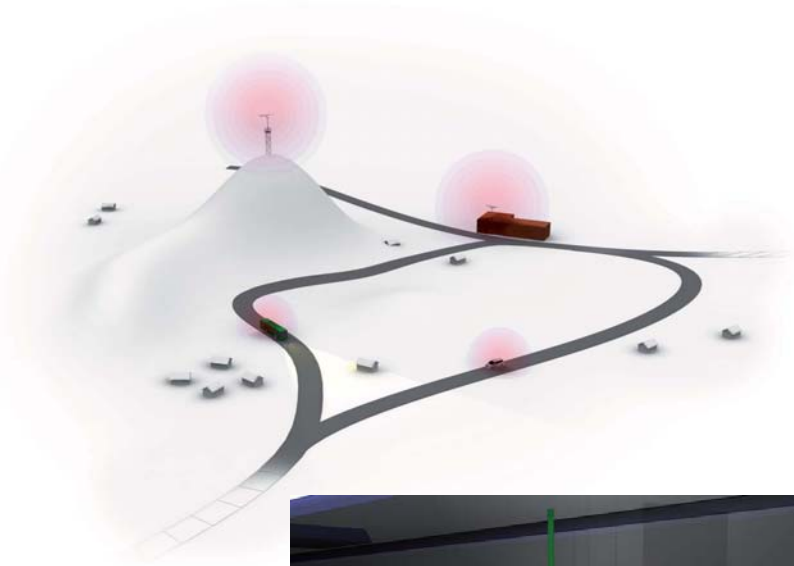
# CASE STUDY: Jordan AS

A Strategic Design project, where instead of a company a business unit has been subjected to strategic analysis. Business Unit is Personal Oral Care



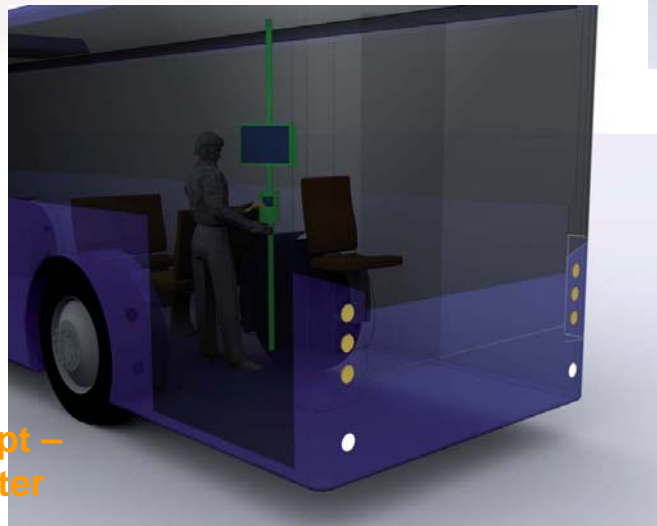
# CASE STUDY: Vestbussen AS

A Strategic Design Project based on a specific Transportation Problem



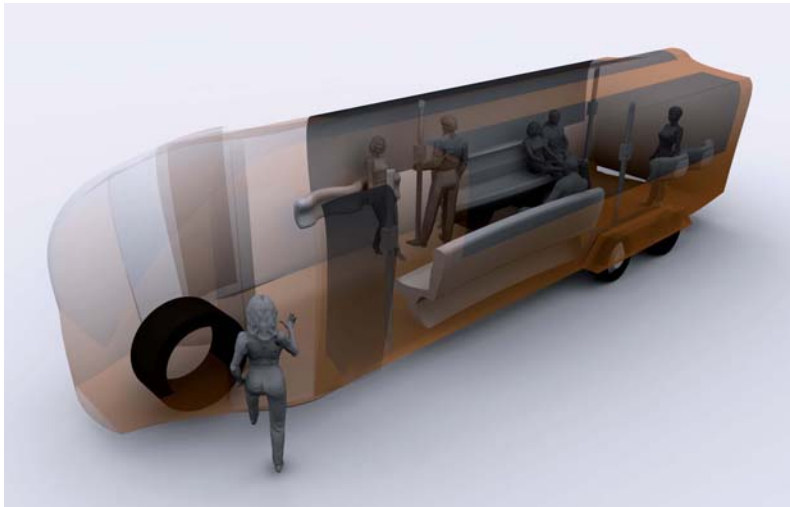
15 Years Concept –  
Modularised Bus

5 Years Concept –  
Enhanced Center

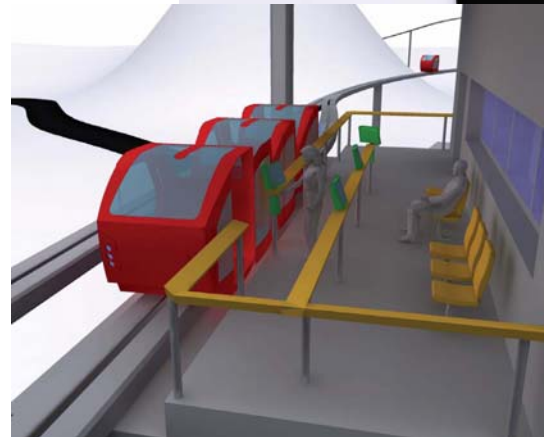


# CASE STUDY: Vestbussen AS

A Strategic Design Project based on Transportation



25 Years Concept –  
Commuter's Lounge



40 Years  
Concept –  
Personal Rapid  
Transport