



School of Marketing & International Business

MCA & BCA (Hons)

MARK 402

Consumers, Technology and Product Development

Course Outline

Trimester 2, 2005

Objectives

- (1) To build the conceptual understanding and strengthen the critical skills of students through an examination of the literatures on new product development, diffusion of innovations, consumer behaviour, and technological innovation.
- (2) To foster student understanding of marketing management issues relating to new product development processes from idea generation through to commercialisation, and factors affecting success and failure of new product initiatives within organisations.
- (3) To develop student ability in evaluating the viability of new product and service ideas, including concept testing and commercial assessment.
- (4) To consider innovation, buyer behaviour and technology themes across industry types including fast-moving consumer goods, consumer durable, financial services, other services, and business to business.

Course format and workload

The course comprises seminar and discussion sessions, set readings, and assigned course work to assist learning and assessment. Sessions meet in **Th. 1:40 – 4:30 pm**.

Students are expected to spend around 12-14 hours per week **on average** in classes, preparation and assignments for MARK 402. The exact amount of time will vary depending on student capabilities and backgrounds, but an indicative balance is as follows:

	<u>Hours</u>
Class time	3
Reading & study	2 - 3
Assignment prep'	2
Course projects	4 - 5

Any student deviating significantly from these norms (apart from normal pressure points associated with the major assignment deadlines) should reassess the balance of their workload and, if necessary, discuss it with the course teachers.

Course Readings

Copies of journal articles and chapters from selected textbooks will be provided. The chapters will be taken from the following textbooks:

- New Products Management, 7th ed., Crawford, C. M. and C. A. Di Benedetto (2000) **(CDiB)**
 - *Winning at New Products* (2nd ed.), authored by Robert Cooper **(RC)**;
 - *New Product Development* by Moore and Pessimier **(MP)**, and
 - Product Design and Development Ulrich and Eppinger **(UE)**.
- Other papers from professional journals will also be handed out. You are expected to have fully read and prepared notes for discussion on the readings assigned each week, as well as completing individual literature searches in the library.

As far as the class session is concerned, you need only focus on the assigned readings. **Refer to Appendix D for guidelines on preparing for class discussion.**

Method of assessment

MARK 402 is 70% internally assessed based on a written essay, an article critique, some case/exercises, and a major project assignment. Work on the major assignment is turned in at two points during the semester. There is a brief mid-semester progress report (verbal and written) and a final report (verbal and written) due at the end of the semester. The remaining 30% are from the final examination. While class participation is not formally graded, remembered that “classes” of Honours are awarded based on an overall “quality of mind” judgment by the examiners. In this respect, the honour paper teachers will take the adequacy of preparation and quality of participation in class discussions into account.

Mark allocations for each assessment component are:

Written essay (described below)	10%
Case/exercises (described below)	15%
Article presentation and discussion (described below – 7.5% each)	15%
Final Product/Service presentation & report (described below)	
Verbal	5%
Written	30%
Final exam (described later in term)	30%
TOTAL	100%

Essay

For the essay (see Appendix A), you should be looking for readings that go beyond those assigned for class. **The references of textbook chapters and assigned readings handed out will give you some pointers towards other sources**, but only a start. Data base searches also are a source for other citations, and the citations in those articles point to additional sources, etc. Details of the essay are described in Appendix A.

Cases/exercises

Four case/exercises are due during the term. The objective of these exercises is to introduce analysis tools that you will need for the major project. The four exercises provide examples of the following techniques:

1. Basic budgeting, margins, and forecasting, (2pts)
2. Scoring models for evaluating projects, (4 pts)
3. Conjoint measurement for screening product profiles, (4 pts)
4. A more advanced budgeting model. (5 pts)

Each of the exercises illustrates the use of a technique that you should work into your project write-up. Exercises are due throughout the semester on dates indicated in the syllabus. Exercises turned in late will be docked 1 pt. Incomplete exercises will also be docked 1 pt.

The exercises are due the week following the day the class day they are handed out. The first (basic budgeting) exercise will be due July 28.

Article Critique

For the first article critique (see Appendix B), you will be assigned an article for your first critique. For the second article critique, you may use one of the articles not assigned for the first critiques, an article you uncovered for your essay, or you may choose some other article. However, if you choose one of your own, it should be of a quality and level exemplified by those on a list of acceptable articles that will be provided.

The above said, as we progress through the semester, and are discussing a topic and assigned readings; if you have read some material in connection with the assignments that is relevant to the discussion, then I would expect that you would share that with the class.

Article critique presentations will be made throughout the semester on assigned dates. Missed presentations will be docked 2 pts.

Major Project

Each student will do a major project during the semester that involves developing (at a conceptual level) a new product. That is, the idea is to describe what you would be doing at each stage in the development of a product. There are no outright restrictions on what product (or services) you choose for your project, but some ideas are less likely to result in a successful write-up than others. The instructor reserves the right to wave you off a project idea on the basis of your initial report. The project and reports are described in Appendix C.

Email

It is **required** that you have an email account and that you periodically check your Email during the week before class. Materials for some assignments will be provide only by Email and occasionally important messages will be sent regarding class meetings and other topics.

Teaching of MARK 402

The course teacher is:

Professor James Wiley (Rutherford 1106, Phone 463-5725)

Email: James.Wiley@vuw.ac.nz

Students can discuss matters at any reasonable time. Depending on class size, it may be necessary to split the class into two groups for computer labs and presentations. If this proves necessary, some meetings will have to occur outside of normal class time.

How to Reach Me:

Feel free to drop-in anytime you have a question. The main caveat is that those who have an appointment have priority, even over questions that would “just take a few minutes to answer.” (You would agree were you the person who had made the appointment). You also can contact me by telephone at x 5725.

The best way to get feedback that requires some thought, however, is to contact me by Email at james.wiley@vuw.ac.nz. There are at least two good reasons for using Email. First, I can give the answer some more thought than is possible when an immediate response is required. Secondly, there is a very good chance that if you have the question, then several others may have the same question. If it seems likely that your question is one that others may have, I can try to come up with a more general answer and distribute it to the entire class. For example, I have added some material to this update from an Email response to a student's question.

Appendix A

Write an essay of no more than 2500 words selecting from the topics below. Keep in mind that the purpose of an essay is for you to develop *your own argument* regarding the essay topic. However, your essay must show evidence of independent library research and some reading (at least six salient references) around the topic under discussion. The due date for this essay is beginning of class July 21.

Due date for essay: Beginning of class July 21

Essay Topics

Your essay must address one of the following three broad positions.

- 1a In the case of consumer technology products, some stages on the NPD process should be (a) done in a different order, or (b) eliminated. Pick *one* and develop an argument *supporting* the position.
2. It is said that the Internet will have great impact on the NPD process.
 - a. Discuss *how* the Internet may impact the process of developing “new-to-the-world” products, or
 - b. Discuss *how* the Internet may impact the process of developing technology products targeted toward business consumers.
2. “Most of the material in textbooks and articles applies to large multi-national firms. It therefore has little relevance to the small firms that largely characterise the New Zealand economy.” Discuss.

A good way to start is to make an outline of the essay structure, for example, using Word outline. That gives you a check on logical flow. You should be able to tell from the outline whether the paragraphs are in the proper order and whether one leads to the next in a logical fashion.

The SMIB website has guidelines for written material submitted in SMIB. All written submissions in this course should follow the guidelines!

Appendix B Article Critique

An important element of Honour papers is the ability to select and critique an article on a relevant topic (for example, relevant to your Honours thesis, or to New Product Development). You will do two article critiques during the semester. The instructor will assign your first presentation article and also will assign dates for the presentations (with the aim of making the topics of the papers relevant to the topics to be discussed in class).

For the second critique, you are to select an article on a topic of interest to you. Articles selected that are not taken from the list provided should be serious ones worthy of critique. Good candidates for articles may be found in the *Journal of Product Innovation Management* (HF 5415.153 J891), *Journal of Marketing*, *European Journal of Marketing*, *Journal of Consumer Research*, and many other journals of equal quality.

Examples of topics relevant to technology and NPD include:

- Identifying consumer needs and wants,
- Consumer adoption processes (end-user or business),
- Opportunity Identification,
- Diffusion of innovations,
- Ideation
- Concept development
- Concept evaluation
- Product design
- Determinants of the success of new product development programs
- Differences between new product development processes between:
 - Large firms vs. small firms,
 - Goods vs. services,
 - Consumer durables vs. non durables,
 - Different types of services, e.g., financial, health, recreation, entertainment, etc.,
 - B2B vs. B2C
 - Hi tech products vs. low tech,
 - Large markets vs. small markets.
 - New Zealand vs. other countries.
- Forecasting demand for new products
- Management of product launch.

Other topics may be acceptable provide they relate to the topic of the course.

You must confirm which article you will use for your second presentation on, or before, September 1. Claim to an article will be on first choose, first get basis. If two or more people simultaneously indicate they want to do an article, the article will be assigned on a random basis.

Critique does not necessarily mean that you have to be negative. You may agree with an article. However, there are usually limits to what an article says, or to its applicability, and these may be pointed out.

When developing your presentation, imagine that you are working in the NPD group of a company. You and your colleagues are NPD professionals. It is common among many professional groups to have “journal clubs.” Typically, journal clubs meet every few weeks and one member of the group presents a paper that he or she thinks the other members would find professionally useful or interesting. Your job as the presenter, then, is not merely to present the content of the paper, but to communicate to your colleagues what you think they should get from the material. Alternatively, think of yourself as a “change agent.” Think in terms of picking an article that you think might move your work colleagues in the direction you want. Presumably, this would be in the direction of more effectively developing new products. Then think in terms of writing a memo to them explaining why they should read the article and what you think they should get out of it.

You should use overheads and handouts as part of your presentation. The handouts should include a maximum one-page synopsis of the article. Note: if your presentation involves discussing tables with more than five columns or rows, include the table as a handout.

Appendix C Major Project

You are to prepare a report which:

- Identifies a target market.
- Provides an estimate of the size of the target market.
- Suggests unfulfilled wants, or unsolved problems, of the target market.
- Identifies a new product or service idea that might fulfil the want(s) or solve the problem(s).
- Develops a core benefit proposition for the idea and express the idea in concept form, or as a set of product concepts,
- Evaluates the concept for commercial viability. The concept may be your own idea, and idea suggested by others, or on behalf of a company. However, it may not be an existing product, or one for which a new product development case already exists.
- The project must describe procedures for evaluating the attractiveness of the concept from the perspective of a target customer's viewpoint.
- It must provide a decision tool (in the form of a spreadsheet) that may be used to forecast demand for the new product or service and evaluate its economic viability.
- It must outline the major steps to take this or a similar new product or service concept through to a final go/no go decision (including steps that provide information required by the decision tool), and report the results of a preliminary investigation,
- Provide a decision tool to facilitate a go/no go decision at least one stage of a NPD process, and
- Provide recommendations on the critical success factors likely to impact on the ultimate outcome of your chosen idea, highlighting in particular the key elements of launch plan.

The Project consists of an Initial Report and the Final Write-up.

Initial Report

The initial report consists of a short verbal presentation followed by a written report. The verbal part consists of a **3.5-minute presentation** describing the good or service. The presentation will not be marked directly. However, 1 pt. will be deducted from the final verbal presentation grade if the initial presentation deviates from 3.5 minutes by more than 15 seconds. Another point will be deducted if the following points are not covered during the presentation.

- *Do not read your presentation* (either written out in detail or off detail notes). For short presentations, such as required for this course, you should be able to present using overheads or Power Point slides that consist of key words. Do not read off the slides. They should provide talking points only. You should practice your presentation so that you may do it working off the talking points. A point may be deducted from the written portion score if you read your presentation.¹
- The presentation will cover: (1) a description of the assumed target market, including (2) an initial estimate of its size, its (3) hypothesised unfulfilled needs or unsolved problems, (4) the core benefit proposition, and (5) the concept(s) that will deliver the benefits.

The objective of the presentation is to inform your colleagues of the nature of your project. I hope that your colleagues will let you know of information they come across that might be relevant to your project (and that you will do the same for them).

¹ Therefore, it would be possible to lose 3 (of 5) points from the verbal part of your final presentation grade should the initial presentation take too little or too much time, it is incomplete, and you are reading the presentation. You can assure you are within time limits by practicing. Only extreme carelessness results in an incomplete presentation. The most likely reason for losing a point is that you read your presentation. If you practice, you will not need to read.

The write-up will not be directly graded, but the write-up will be returned with comments. The material in the initial write-up will appear in the final write-up, presumably in a form that responds to comments. The write-up identifies the new product or service idea to be evaluated. It also should include:

- All the items covered in the verbal presentation, possibly with additional detail.
- Identification of competing products or services.
- Identification of potentially competing firms.
- Discussion of potential distribution channels.

In unusually cases, the instructor may suggest that the product or service discussed in the initial write-up may be problematic from the standpoint of writing a good project report. For example, it may be the sort of product or service for which it would be extremely difficult to come up with a forecast of demand. Due dates for the initial report (verbal and written) is:

Initial project
Presentation due: July 28
Write-up due beginning of class July 28

In fairness to other students, 5% will be deducted from the final written report if the initial write-up is turned in late. Note that the initial write-up requirements are pretty basic. There should be no reason for turning in the initial report late.

Final Report

The final report consists of a verbal presentation and the final written document describing the project.

The **verbal presentation** is a 10-minute report. The report covers all the material covered in the initial report (presumably upgraded and revised on the basis of insights, reading, and work done during the second half of the semester). It also should go through the development process stage by stage and describe what information will be needed at each stage, how it will be gathered, and how it will be used to make the go/no-go decision at that stage. It should also include specific performance criteria for the product's performance at the end of the first year and procedures that will be used to collect the required information.

Note: do not read your presentation: work off slides that have only talking points. Practice your talk. You have to cover a considerable amount of material, but it is possible to cover it all if you organise it carefully and practice enough to follow your own organisation. Two points will be deducted if the presentation differs from 10 minutes by ± 30 seconds. An additional evaluation sheet describing other evaluative criteria will be distributed before the presentation date.

The **write-up** describes a staged NPD development process of the good or service. It will describe what is to be done during the respective stages, e.g., what type of research should be conducted (taste test, in-home use test, survey, simulated test market, experiment, etc.), what information should be collected (what questions to ask), and how you would analyse the information to reach a go/no-go decision. At minimum, you want to gather information that allows you to estimate trial rate, set a price, estimate costs, and estimate dealer acceptance for the product. Information regarding these issues may be collected at different stages, but the earlier the stage the better (even if it will be less accurate). Where initial estimates are made at early stages, it is of course feasible to collect better information at later stages.

You do not have to actually do the research. You merely need to describe how you would gather it. For example, describe the population of people you would select respondents from and how you would select them. Describe the questions that you would ask and how you would go about doing the asking (focus group, survey, experiment, etc)

However, during the semester you should collect actual information to expand on your initial estimates of market potential, and speculations regarding potential competitors, channels, etc. The results of these efforts will appear in both the final verbal and written reports.

An additional handout specifying what should be in the final report will be distributed later in the term.

Final Project presentation: Sept 22ⁱⁱ

Final Project write-up: Sept. 29

ⁱⁱ Depending on class size, some presentations may have to be done on other days of the week of Sept 19.

Appendix D Class Preparation

Regarding the assigned readings, aside from reading and understanding the material you should do the following other things.

- Be prepared to provide answers to the questions attached to each reading in the handout set. In answering the question, you should not simply read the part of the article or chapter that answers the question. You may rely on notes to answer the questions, but try to put the answer in your own words. Don't simply copy the material to notes and then read the notes.
- As you work through the readings:
 - Try to come up with examples from your own experience that illustrate points in the article.
 - Especially if New Zealand is not your native country, try to come up with illustrations from your native country, or the country with which you are most familiar.
 - If you have a specific interest, such as e-business, agriculture, or whatever, try to come up with illustrations from that area.
 - If the illustrations are somewhat dated, as they often are, try to come up with illustrations that are more current.
 - Continually ask yourself the following questions:
 - a) "Suppose I was a manager [in a specific industry] and I was in the process of developing a new product: How **specifically** could I use the material in the article? That is, in what settings would it be relevant and useful? What tasks would I do differently having the information? Exactly what would I do differently on the basis of the information in the article?"
 - b) "Suppose I was an academic researcher specialising in NPD: Given what I know up to this point, what would be the **logical next research steps** that would follow from the article? That is, "where might we go from here"?"
 - Relate the current reading to previous ones and to previous class discussion.

The above are ways for you to test your understanding of the material in the articles and chapters and to fit the material into your own experience.

Faculty of Commerce and Administration Offices

Railway West Wing (RWW) - FCA Student Administration Office

The Student Administration Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications.

Easterfield (EA) - FCA/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce & Administration and Law is situated in the Easterfield Building - it includes the ground floor reception desk (EA005) and offices 125a to 131 (Level 1). The office, will be open from 9:00 am to 5:00 pm during Trimester 2, offers the following:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- FCA Student Administration forms (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

Please note:

There will be a Student Administration Adviser, from the RWW office, based in EA005 from Monday 27 June to Friday 1 July (9:00 am to 5:00 pm) and from Monday 4 July to Friday 22 July (11:00 am to 1:00 pm).

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly those regarding assessment and course of study requirements, and formal academic grievance procedures.

Student Conduct and Staff Conduct

The Statute on Student Conduct together with the Policy on Staff Conduct ensure that members of the University community are able to work, learn, study and participate in the academic and social aspects of the University's life in an atmosphere of safety and respect. The Statute on Student Conduct contains information on what conduct is prohibited and what steps can be taken if there is a complaint. For queries about complaint procedures under the Statute on Student Conduct, contact the Facilitator and Disputes Advisor. This Statute is available in the Faculty Student Administration Office or on the website at: www.vuw.ac.nz/policy/StudentConduct.

The policy on Staff Conduct can be found on the VUW website at: www.vuw.ac.nz/policy/StaffConduct.

Academic Grievances

If you have any academic problems with your course you should talk to the tutor or lecturer concerned or, if you are not satisfied with the result of that meeting, see the Head of School or the Associate Dean (Students) of your Faculty. Class representatives are available to assist you with this process. If, after trying the above channels, you are still unsatisfied, formal grievance procedures can be invoked. These are set out in the Academic Grievances Policy which is published on the VUW website:

www.vuw.ac.nz/policy/AcademicGrievances.

Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means **no cheating**. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. Plagiarism is **prohibited** at Victoria.

The University defines plagiarism as follows:

Plagiarism is presenting someone else's work as if it were your own, whether you mean to or not.

'Someone else's work' means anything that is not your own idea, even if it is presented in your own style. It includes material from books, journals or any other printed source, the work of other students or staff, information from the Internet, software programmes and other electronic material, designs and ideas. It also includes the organization or structuring of any such material.

Plagiarism is not worth the risk.

Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct (www.vuw.ac.nz/policy/studentconduct) and may be penalized severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- suspension from class or university
- cancellation of your mark for an assessment or a fail grade for the course.

Find out more about plagiarism and how to avoid it, on the University's website at: www.vuw.ac.nz/home/studying/plagiarism.html.

Students with Disabilities

The University has a policy of reasonable accommodation of the needs of students with disabilities. The policy aims to give students with disabilities an equal opportunity with all other students to demonstrate their abilities. If you have a disability, impairment or chronic medical condition (temporary, permanent or recurring) that may impact on your ability to participate, learn and/or achieve in lectures and tutorials or in meeting the course requirements, then please contact the Course Coordinator as early in the course as possible. Alternatively you may wish to approach a Student Adviser from Disability Support Services to confidentially discuss your individual needs and the options and support that are available. Disability Support Services are located on Level 1, Robert Stout Building, or phoning 463-6070, email: disability@vuw.ac.nz. The name of your School's Disability Liaison Person can be obtained from the Administrative Assistant or the School Prospectus.

Student Support

Staff at Victoria want students' learning experiences at the University to be positive. If your academic progress is causing you concern, please contact the relevant Course Coordinator, or Associate Dean who will either help you directly or put you in contact with someone who can.

The Student Services Group is also available to provide a variety of support and services. Find out more at www.vuw.ac.nz/st_services/ or email student-services@vuw.ac.nz.

VUWSA employs two Education Coordinators who deal with academic problems and

provide support, advice and advocacy services, as well as organising class representatives and faculty delegates. The Education Office is located on the ground floor, Student Union Building, phone 463 6983 or 463 6984, email education@vuwsa.org.nz.

Maori and Pacific Mentoring programme (Manaaki Pihipihinga)

This is a free programme of mentoring for Maori and Pacific students doing first year courses within the Faculty of Commerce and Administration. Weekly one hour mentoring sessions: drafting and editing assignments/discussing any questions that you might have from tutorials or lectures and going over every aspect of essay writing, either in small group sessions or on a one-to-one basis.

This includes:

- A computer suite hooked up to cyber commons for students to use to produce their assignments.
- Regular skill-based workshops with a learning adviser from Student Learning Support Services.
- Networking with other Maori and Pacific support groups throughout the university.

For more information please contact:

Melissa Dunlop, Programme Coordinator

Ph: 463 6015 or Email: Maori-Pacific-Mentoring@vuw.ac.nz