
UNIVERSITY OF GUELPH

DEPARTMENT OF MARKETING AND CONSUMER STUDIES

MANAGEMENT IN PRODUCT DEVELOPMENT

MCS *4040

FALL 2010 COURSE OUTLINE

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COURSE DESCRIPTION

The major components of this course are new product strategy formulation, the role of technical and market research, the analysis of opportunities, management of development processes, product launches, government and regulatory controls.

This course is designed to inform students on the innovation process and the development of new products within an evolving consumer environment. The course is based on the belief that formal market research approach is superior to informal planning for new product introduction.

Specific modules covered in this course include:

- opportunity identification
- concept generation
- concept evaluation
- product design
- sales forecasting, and
- product launch

Each student will also have the opportunity to apply concepts and techniques through class discussion, assignments, and a major project.

COURSE OBJECTIVES

By the end of the course, students will be able to:

- Understand the concepts and techniques necessary to successfully launch a new product
- Identify and evaluate market opportunities using primary and secondary market research
- Perform a variety of market research approaches with the intent of creating new products based on customer insight, and

- Effectively communicate new product idea in a well-written business plan with realistic financial projections.

READING MATERIAL AND SOFTWARE PACKAGES

1. Case Booklet: available in the University bookstore in the MacNaughton Building.
2. Software: Marketing Engineering and SPSS available in computer lab MAC 311a.

EVALUATION

The specific points of evaluation, and their associated weights for grading, are as follows:

Evaluation Element	Due Date(s)	Weight
Contribution	Weekly	30
Assignment 1	September 29 th	10
Assignment 2	October 11 th	15
Business Plan (includes presentation)	November 3 rd	25
Final Exam	December 17 th	20
TOTAL		100

CLASS CONTRIBUTION

I expect you to be prepared for class. Assigned cases and readings should be reviewed in detail, and you should be ready to discuss each of them. Discussion questions will be given for each class to help you prepare. I expect you to be actively engaged in the discussion – to contribute regularly and to take a leadership role in moving the discussion forward. I believe we are all equally responsible for the quality of the discussion, and that the value of the course depends on the individual contributions of each participant.

BUSINESS PLAN COMPETITION

Each student will participate in a business plan proposal competition. Business plans will be presented in class where students will have the opportunity to vote for one team to represent their section. Students are not permitted to vote for their own team. The winning team from each section will present their business plan to a panel of judges consisting of internal and external judges (e.g., professors and executives from reputable organizations). The panel of judges will determine the winning student team. A financial award of \$500 will be given to the winning team. This award has been established to encourage students to present their best work.

The competition is used as a launching pad for students to encourage participation in campus-wide, provincial, national, and international business plan competitions.

UNIVERSITY GRADING SCHEME

This course follows the University grading scheme outlined in the University Calendar:

A+	90 – 100%	Excellent: An outstanding performance in which the student demonstrates
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A	85 – 89%	a superior grasp of the subject matter, and an ability to go beyond the given material in a critical and constructive manner. The student demonstrates a high degree of creative and/or logical thinking, a superior ability to organize, to analyze, and to integrate ideas, and a thorough familiarity with the appropriate literature and techniques.
A-	80 – 84%	
B+	77-79%	Good: A more than adequate performance in which the student demonstrates a thorough grasp of the subject matter, and an ability to organize and examine the material in a critical and constructive manner.
B	73-76%	
B-	70-72%	The student demonstrates a good understanding of the relevant issues and a familiarity with the appropriate literature and techniques.
C+	67-69%	Acceptable: An adequate performance in which the student demonstrates a generally adequate grasp of the subject matter and a moderate ability to examine the material in a critical and constructive manner. The student displays an adequate understanding of the relevant issues, and a general familiarity with the appropriate literature and techniques.
C	63-66%	
C-	60-62%	
D+	57-59%	Minimally acceptable: A barely adequate performance in which the student demonstrates a familiarity with the subject matter, but whose attempts to examine the material in a critical and constructive manner is only partially successful. The student displays some understanding of the relevant issues, and some familiarity with the appropriate literature and techniques.
D	53-56%	
D-	50-52%	
F	0-49%	An inadequate performance.

* http://www.uoguelph.ca/undergrad_calendar/index.shtml

ACADEMIC INTEGRITY

University of Guelph places emphasis on academic integrity. Visit the Learning Commons URL for the web site on Academic Integrity: <http://www.webapps.ccs.uoguelph.ca/lc/AcademicIntegrity>.

TENTATIVE COURSE SCHEDULE

WEEK	CLASS	MODULE	READING ASSIGNMENT
1	Monday, September 13th	Introduction	Pick groups (4 - 5 students) Handout survey – for use in class on Sept. 22
	Wednesday, September 15th	Overview of New Product Development	1. “Product development: A Customer-Driven Approach; Business Fundamentals: New Product Development;” Harvard Business School Press, pages 25-46. 2. Writing a Business Plan: The Basics HBS Press, Harvard Business School Press, pages 1 to 23. 3. Introductory Note on the Case Method, by John S. Haywood-Farmer *Assignment 1 distributed today *Pictures taken in-class
2	Monday, September 20 th	Opportunity Identification	1. “Knowing a Winning Business Idea When You See One”, Harvard Business Review on Innovation, 2. “Creating Breakthrough Products Innovation From Product Planning to Program Approval” by Jonathan Cagan and Craig Vogel, Chapters 1 & 2 (skim)
	Wednesday, September 22 nd		Case: Business Plan for Room For Dessert
3	Monday, September 27 th	Concept Generation	SPSS lab – Factor Analysis and Perceptual Mapping
	Wednesday, September 29 th		SPSS lab continued – Factor Analysis Assignment 2 distributed today
	Monday, October 4 th	Concept Evaluation	Case: Bayernwerk A.G. (A): Responding to Deregulation
4	Wednesday, October 6 th	Product Design and Development	1. The Top Ten Product Mistakes – And How To Avoid Them, by Martin Cagan, Ivey Business Journal, January/February 2006 Case: Bayernwerk A.G. (B) Distributed in class on Monday, October 4 th .
	Monday, October 11 th		HOLIDAY
5	Wednesday,		Case: Design Thinking and Innovation at Apple

	October 13 th		
	Monday, October 18 th	Product Launch - Segmentation, Targeting, and Positioning	Case: Vincor: Project Twist
6	Wednesday, October 20 th		Case: McDonald's and The Hotel Industry
	Monday, October 25 th	Product Launch – Financial Projections	1. Writing a Business Plan: The Basics HBS Press, Harvard Business School Press, Pages 24 to 35
7	Wednesday, October 27 th		1. A Note on Valuation For Venture Capital
	Monday, November 1 st		Case: Lewis & Company
8	Wednesday, Nov. 3 rd	GUEST SPEAKER CLASS: MINS 300 TIME: 5:30pm – 6:50pm	Julie Aurora
	Monday, Nov. 8 th	GUEST SPEAKER	Sean Holliday
9	Wednesday, Nov. 10 th	Post launch – managing your product	Kraft Foods: The Coffee Pod Launch (A)
	Monday, Nov. 15 th		Kraft Foods: The Coffee Pod Launch (B)
10	Wednesday, Nov. 17 th	GUEST SPEAKER	Tim Lee
	Monday, Nov. 22 th	Presentations	
11	Wednesday, Nov. 24 th	Presentations	
	Monday, Nov. 29 th	Presentations	
12	Wednesday, Dec. 1	Presentations	WINNER ANNOUNCED FROM EACH SECTION
	Thursday, Dec. 2nd	Wrap Up and exam review	**COMPETITION MINS 300, 5:30 – 7:00pm

CLASS PREPARATION

SESSION 1: OVERVIEW OF NEW PRODUCT DEVELOPMENT PROCESS

READINGS

1. "Product development: A Customer-Driven Approach; Business Fundamentals: New Product Development;" Harvard Business School Press, pages 25-46.
2. Writing a Business Plan: The Basics; HBS Press; Harvard Business School Press; pages 1 to 23.
3. Introductory Note on the Case Method, by John S. Haywood-Farmer.

DISCUSSION QUESTIONS

1. What analytic tools are available to help managers evaluate new product concepts? Which tool do you prefer and why?
2. Compare the approaches to product development in Figures 1 and 2. Which stages in the product development process receive disproportionate time and resources?
3. An alumnus from the University of Guelph is interested in launching a new student calendar. Assume the alumnus will first launch the new calendar at the University of Guelph. Estimate the demand for the new student calendar using one of the customer-driven approaches listed on page 28 of "Product development: A Customer-Driven Approach; Business Fundamentals: New Product Development". Be prepared to share your demand estimate in class.