BCIT

BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY
School of Business
Program: Marketing Management
Option: Pro Sales /Entrepreneurship
Course Outline for: MKTG 3338 New Product Development   Date: January 2001

Hours/Week:	4	Total Hours:	40	Term/Level:	4
Lecture:	2	Total Weeks:	10	Credits:	
Lab:	2				

Instructor   **Pete Mitchell**

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Web Site:

Office Hours: as posted outside of office door   *[signature] Feb 7/01.*

Course Description

This course deals with the product/service development process as it exists in ventures of all sizes. The curriculum takes the student through several different industries to transfer the skills necessary to analyze and market new product or service concepts. Emphasis is placed on practical, introductory methods of assessment and implementation, as opposed to abstract development methods or complex product/service engineering methods.

Instructional Approach

The lectures will consist of discussion of key concepts in each subject area. Consistent attendance is a must for success in this course.
Lecture material will be available on the course Web site.

The labs will largely consist of discussions of team case studies on contemporary issues. These issues will emphasize the ability to apply concepts to factual situations. To gain the appropriate level of knowledge in this course the fullest possible participation in case discussions is necessary .

Text(s) and Equipment

Required: there is *NO* required text for this course. Attendance in lecture therefore is

extremely important. Cases and any other written material will be distributed via the course Web site.

Evaluation

Final Examination	30	%
Midterm Exam	30	%
New Product Term Project	20	%
New Product Failure Assignment	10	%
Participation / Attendance	10	%
TOTAL	**100**	**%**

Course Learning Outcomes: At the end of this course, the student will be able to:
- evaluate new product and service concepts in a methodical manner
- prepare a report evaluating new product and service concepts
- identify key issues in regard to prototyping, test marketing, and rollout stages of the new product or service development process
- understand key principles involved in re-evaluating and repositioning existing products or services
- identify and assess potential joint venture partners for new product or service development
- Identify the most advantageous yet feasible financing sources for new product or service development

Course Notes (Policies and Procedures)

- *Assignments*: Late assignments or projects will not be accepted for marking. Assignments must be done on an individual or team basis as specified by the instructor.
- *Attendance*: The attendance policy as outlined in the current BCIT Calendar will be enforced.
- *Course Outline Changes*: The material specified in this course outline may be changed by the instructor. If changes are required, they will be announced in class or on the Web site.
- *Ethics*: BCIT assumes that all students attending the Institute will follow a high standard of ethics. Incidents of cheating or plagiarism may, therefore, result in a grade of zero for the assignment, quiz, test, exam, or project for all parties involved and/or expulsion from the course.
- *Special Note on Plagiarism:* In the interests of both student self development and academic honesty, evidence of plagiarism will be dealt with aggressively. Students who may be identified as having plagiarized material or provided material for those purposes will lose all marks associated with the specific project and are subject to further action at the discretion of the instructor.
- *Illness:* A doctor's note is required for any illness causing you to miss assignments, quizzes, tests, projects or exam. At the discretion of the instructor, you may complete the work missed or have the work prorated (i.e. an average is given according to your performance throughout the course).
- *Makeup Tests, Exams or Quizzes:* There will be no makeup tests, exams or quizzes. If you miss a test, exam or quiz, you will receive zero marks. Exceptions <u>may</u> be made for documented medical reasons or extenuating circumstances. Instructor will require documented proof of absences due to extenuating circumstances.
- *Labs*: Lab attendance is mandatory. Lab exercises are due in the lab period.
- *Other:* To receive credit for <u>ANY</u> marks for the course, students must receive a grade of 50% or greater on the final examination

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BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY
School of Business
Schedule for: MKTG 3338   New Product Development

* This schedule is subject to change at the discretion of the instructor.

Week	Date Week of	LECTURE	Labs / Assignments
Week 1	Jan 1	Introduction Why are New Products Important	Weekly Case Studies
Week 2	Jan 8	New Product Process New Product Failures	Weekly Case Studies
Week 3	Jan 15	Lessons for Success Idea Conception Research and Development	Weekly Case Studies
Week 4	Jan 22	Modeling (Prototypes) Testing and Validation Concept Evaluation	Weekly Case Studies
Week 5	Jan 29	MID TERM EXAM Week 1 – 4 Material	Group Project Work No Labs
Week 6	Feb 5	Strategic Alliances and Joint Ventures Patents, Copyrights, Trademarks, Licensing *New Product Failure Report Due*	Weekly Case Studies
Week 7	Feb 12	Marketing Plans Rollout Campaigns	Weekly Case Studies
Week 8	Feb 19	Financial Plans and Budgets After the Launch – Evaluation	Group Project Work No Labs
Week 9	Feb 26	Repositioning New Product Successful Launches *New Product Term Project Due*	Weekly Case Studies
Week 10	Mar 6	FINAL EXAM WEEK	·

NEW PRODUCT FAILURE ASSIGNMENT
New Product and Service Development
MKTG 3338
January 2001

INSTRUCTOR: Pete Mitchell

TITLE: New Product or Service Failure

VALUE: 10% of Final Grade

DUE: Week 6 **(February 5-9, 2001)**, in your scheduled lab

GROUP SIZE: 3 - 4 students

LENGTH: 5-7 pages, normal report margins and font size (10-11)

1. Form a group of 3-4 people. Every student must work in a group. Failure to work in a group will result in an automatic mark of zero for this assignment.

2. Find a new product or service that had been launched and failed. The report should identify and fully describe why the product or launch failed. What factors lead to its failure? What steps did the company not do correctly? What should they have done and why?

3. The type of company or size is not important. Choose a company where there is enough secondary information available to perform a successful analysis.

4. In the lab during the week of <u>January 15 – 19</u>, you must hand in a typewritten outline of the product or service describing:

   > Who is in the group
   > The name of the product or service
   > Your plan for assessing the failure

5. Select your group carefully. All members will receive the same mark.

6. Cross sets are acceptable. The assignment is due from the member who has the earliest lab in the week.

7. Marks will be based on composition, background research, how the product failed based on the new product process steps discussed in lectures, and your group's strategy recommendations so this wouldn't have happened.

British Columbia Institute of Technology
School of Business, Department of Marketing Management

TERM PROJECT
New Product and Service Development
MKTG 3338
January 2001

INSTRUCTOR: Pete Mitchell

TITLE: Development Plan for a New Product or Service

VALUE: 20% of Final Grade
DUE: Week 9 **(Feb 26 , 2001)**, in your scheduled lab
GROUP SIZE: 3 - 4 students
LENGTH: 12 - 15 pages, normal report margins and font size (10-12); exhibits, if necessary, in separate section

DESCRIPTION:

1. Form a group. All students must work in a group. Failure to work in a group will result in a mark of "Zero" for this assignment. Each group member will receive the same mark, therefore, choose your group members carefully.
2. Conceive of a new product or service (refer to lecture notes on what constitutes a new product or service) that an existing company would reasonably develop in the future.
3. Submit an formal outline to your Instructor in your lab the week of **January 22-25.** The outline must be done on a word processor or typewriter. Handwritten outlines will not be accepted. Failure to hand in an outline by the deadline will result in a mark of "FAIL" for the entire project.
4. The outline should cover the following areas:
   a. name of group members
   b. name of business that you have selected
   c. description of new product or service that you will be choosing
   d. potential target market(s) and rationale as to why this is the target

   I will contact your group if your outline is deficient. You should assume that the outline is satisfactory and continue working on the assignment until you hear otherwise.

5. You cannot select a company that you are doing *any* other type of project for in another course (project lists will be compared between Instructors).

6. Prepare a **NEW PRODUCT / SERVICE DEVELOPMENT PLAN** using the following structure.
   NB: all page lengths are approximate and are to be used as guidelines.

EXECUTIVE SUMMARY
* brief description of new product or service plan and strategy   [1/2 page]

PRODUCT / SERVICE DESCRIPTION
* Description of the new product or service (include pictures, prototype plan, etc.
if necessary). Remember: it's new - your reader has not seen one. Include
features and benefits   [1 page]

* How the product or service fits with the overall strategy of the company
  and existing products or services   [1 page]

COMPETITIVE PROFILE
* Profile of competing products or services with advantages/disadvantages   [1 - 2 pages]

STRATEGIC ALLIANCE / JOINT VENTURE
* Description and rationale for potential joint venture or alliance partners
* If not using one, state reasons why   [1 page]

MARKET LAUNCH - ROLLOUT
* Roll out plan for the product or service, including discussion of: [3 - 5 pages]

    - objectives
    - target market - criteria and profile, buyer behaviour, size, growth, trends
    - test market
    - pricing strategy
    - positioning
    - promotional plan - advertising, media types, etc.
    - distribution and geographic area
    - packaging
    - SWOT analysis

FINANCIAL PLANS
1. Rollout Budget
* including cost structures, promotional budget, wages and sales force
  cost, test market and production costs, initial inventory, freight, packaging, capital
  requirements, margins, etc.
  (i.e. how much will be spent *to launch* and where)   [1 page
                                                                                  . spreadsheet]

2. Pro Forma Income Statement
* Sales projections and budget for new product or service. 3 years into the future,
  by year, first 12 months by month   [1÷ page
                                                                                  sprea:

3. Pro Forma Cash Flow Forecast
* Cash flow forecast for Years 1 - 3, first 12 months by month
* How much cash will this launch cost the company   [1 page
                                                                                 spreadshee(

4. Financial Analysis
- risk assessment, payback period, breakeven analysis   [1 page]

FINANCING
- Description of how the new product or service will be financed, including
  description of sources of financing that are appropriate and feasible and
  the reasoning behind which source(s) you select, estimate of investment required   [1 page]

CONCLUSION
- Tie it all together - ensure reader of benefits of following your strategy to the
  long-term success of the organization
- Contingency plan - what if works too well / not well enough   [1 page]

EXHIBITS
- optional
- any items you feel are necessary to support your case

Marks

Executive Summary	5
Product / Service Description	10
Strategic Alliance / Joint Venture	5
Competitive Profile	10
Market Launch - Rollout	35
Financial Plans	15
Financing	5
Conclusion	5
Composition	10
TOTAL	**100**

NB: The purpose of the course is to provide training in the use of a framework for assessing developing, and implementing a new product or service concept. The primary objective of the term project is to allow you to practice using the framework, rather than pursuing a "pet" interest that you have.

Please pick a product or service where you can easily obtain information on the market for the products or service. **DO NOT** pick an obscure or new industry where there is little or no available market or industry data.

Spelling, grammar and structure will be marked in the Composition section. Ensure that report flows well between different sections and is consistent.

LATE PENALTY: 10 marks per calendar day. Papers will not be accepted on weekends.