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Centre for Entrepreneurship and Innovation
Saïd Business School

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Marketing & Product Development

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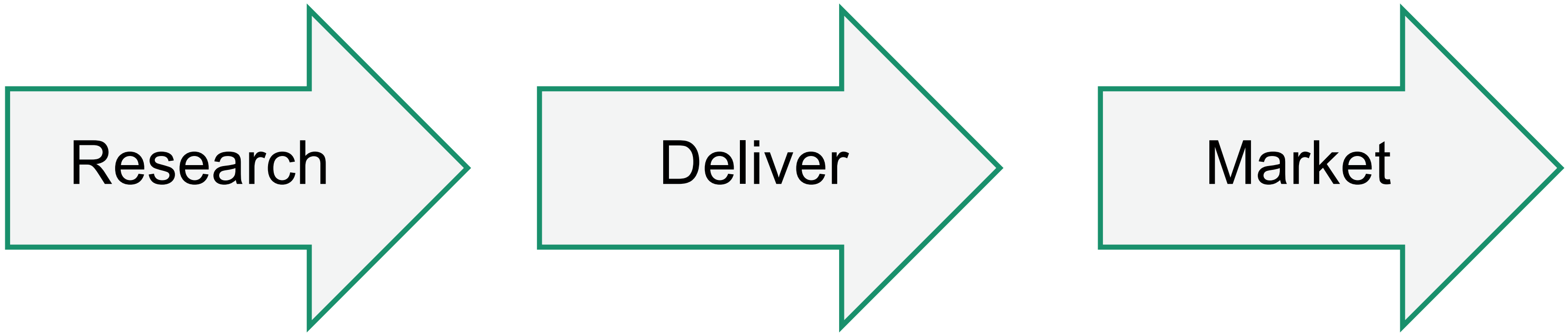
Outcomes from this session



- Grasp the basics of market research
- Know the role of products
- Focus on the right ideas
- Deliver them effectively
- Market them successfully

Market Research

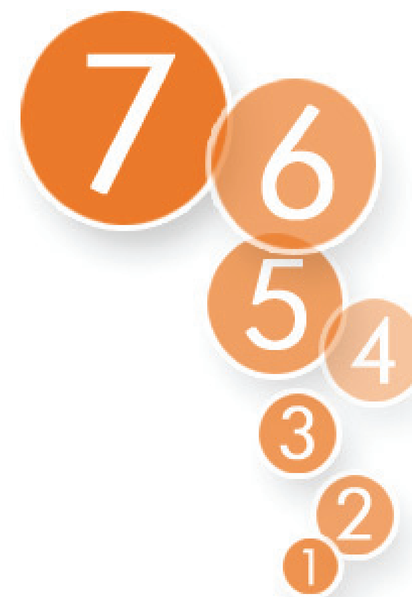
Market Research
> Introduction

- What is it ?
  - ➢ The gathering and analysis of information to qualify or identify opportunities.
- It adds value by..
  - ➢ Pinpointing your customer
  - ➢ Describing their traits
  - ➢ Sizing their propensity to buy
  - ➢ Guiding your pricing approach
  - ➢ Benchmarking with the competition
- All of this <u>qualifies</u> your opportunity.

How should you do it?

- Many of us do it unconsciously
- Market research just applies the framework:
- Let's look at the 7 key steps:

1. *Define the Opportunity*
2. *Set Objectives*
3. *Select Research Approach*
4. *Design the Questionnaire*
5. *Collect the Data*
6. *Analyse*
7. *Apply the Findings*



1 Define the Opportunity

To start with, be clear about what the opportunity or problem is:

- A new product or service ?
- To raise awareness of a current offering ?
- To boost the usage of a well known or publicised product ?

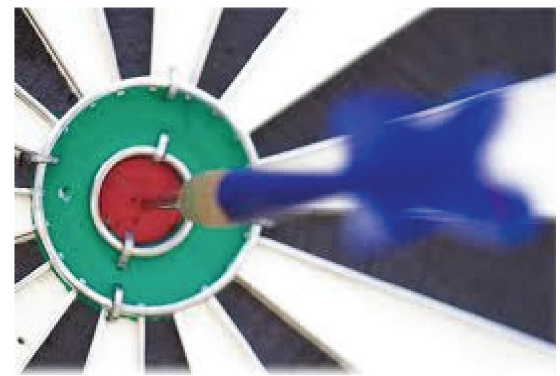
Keep this in mind throughout your research.

Market Research
> The 7 Steps

2 Set Objectives

Be clear about the outcomes you are looking for:

- Exploring a new opportunity ?
- Gauging a potential price point ?
- Testing a packaging strategy ?



Establish a budget and stick to it.

- How much do you need ?
- How much do you have ?
- 2% gross sales is a common proportion

Set a realistic timescale

3 Select Research Approach

There are two types of research:

- Primary, original research
- Secondary research

Base your choice on your objectives and your budget

or..

?

4 Design the Questionnaire

- Keep it clear and simple
- Give instructions for completion
- Start general, become specific
- Keep questions concise
- Make it easy to read

- Use a mix of open ended, multiple choice and closed questions
- Test it before committing major spend
- Avoid questions that are: leading, ambiguous, unanswerable, two questions in one

5 Collect the Data

- Best way to avoid bias is to use professional researchers (more cost)
- An alternative is an online survey (cheaper)

> Try *Survey Monkey* for online surveys

6 Analyse the Data

Firstly it needs to be cleansed:

- Edit
- Collate

Then analyse it:

- Quantify the results
- Separate out the subjective information
- Read between the lines, what does this really mean?

> Use *Excel* for collating and analysing the data

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7 Apply the findings

Now that you understand what the research is telling you, what are you going to do about it ?

- Adjust your product?
- Discard your product?
- Change your marketing activities?
- Alter your prices?

Be careful when you apply these changes – use tests wherever possible

Product Development

Product Development
> Idea Generation

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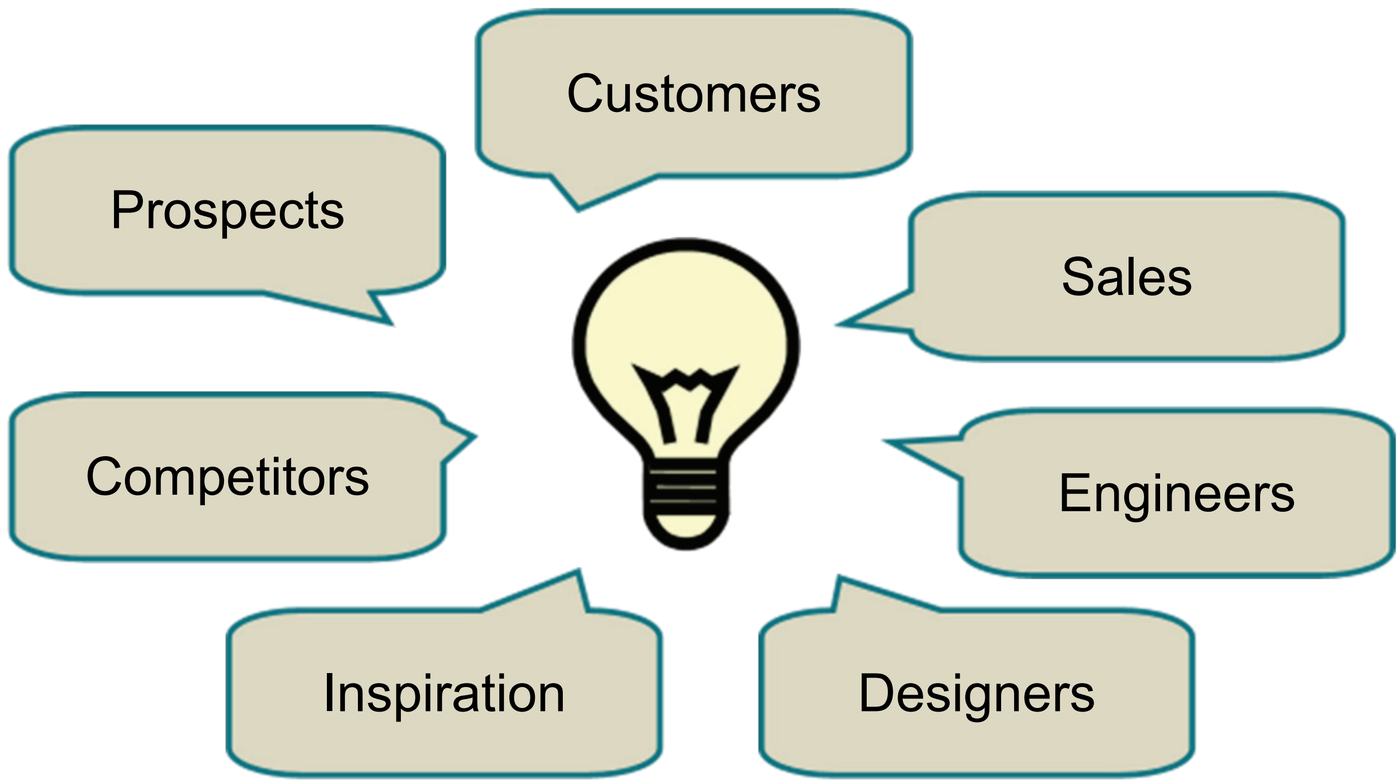


Product Development
> Idea Generation

- Capture <u>all</u> of them
- Make them visible (use a simple tool)
- Get them criticised & reconstructed
- Stay focussed on the “what”
- Don’t get hung up on the “how”

Product Development
> Prioritisation

- Finite resources
- Time to market
- Your own time
- Quality is expected
- Deals are riding on it

> Prioritisation by value

- Step 1: Score the *value* of each idea.

  Apply criteria based on your business goals
  - New revenue ?
  - Revenue retention ?
  - Adoption ?
  - User Experience ?
- Use a simple scale: 1 lowest, 5 highest

- Example

The idea: a desktop search widget

Does it generate new revenue ? No. But it will encourage adoption of my software and will keep existing customers loyal.

New Revenue Score: 0
Revenue Protection Score: 3
Adoption Score: 5

Score for this idea: 8

> Prioritisation

- Step 2: Score the *complexity* of each idea. Tailor these criteria to your business.
    - Infrastructure
    - Time
    - Resources
- Use a simple scale: 1 lowest, 5 highest.

- Example

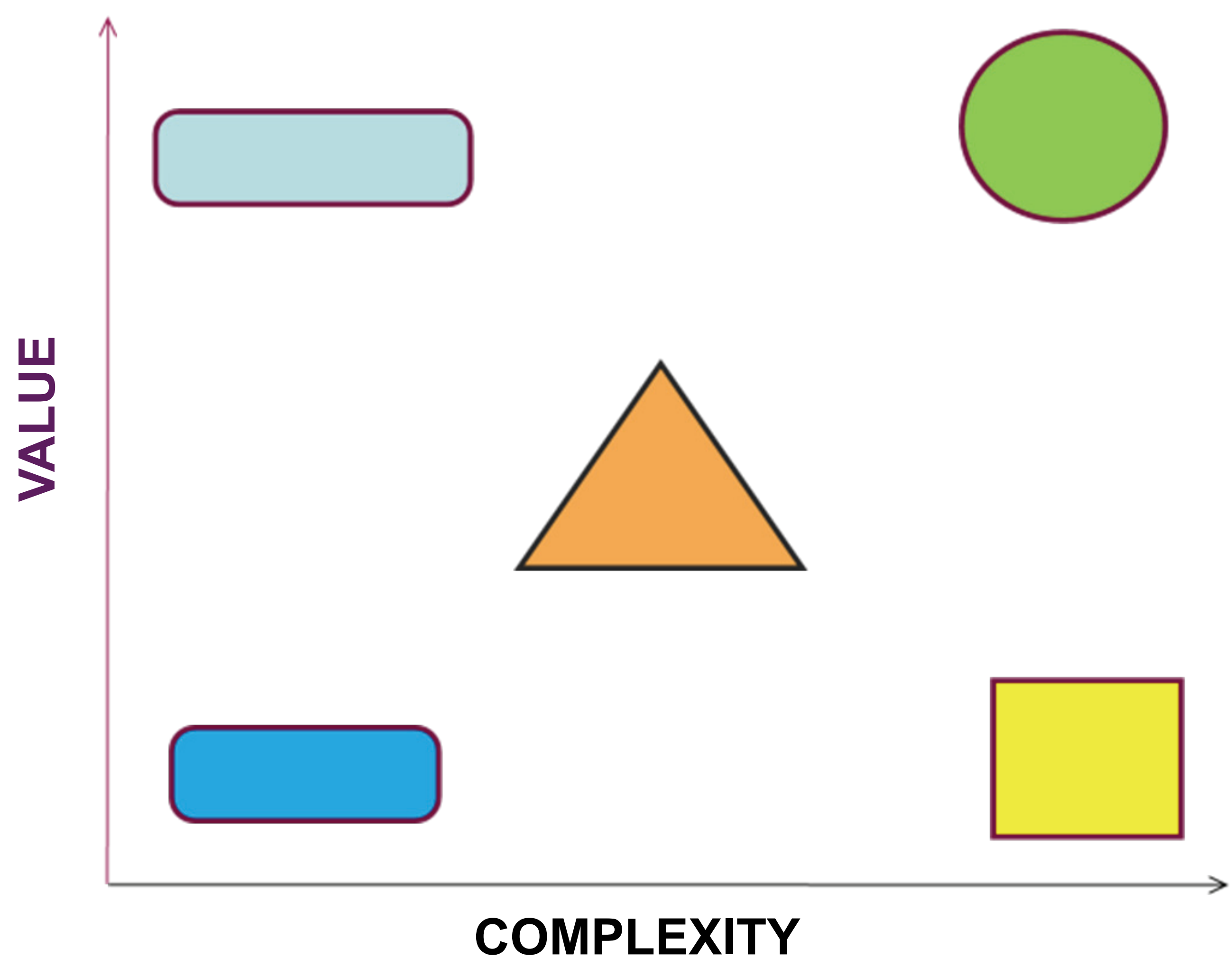
The idea: a desktop search widget

How complex is it? Its pretty straightforward. 3 man weeks of development but only Fred can build this kind of thing. He's maxed out with our next major upgrade. We can mainly use existing infrastructure for most of it

Infrastructure Score: 1
Resources Score: 3
Opportunity Cost Score: 5

Score for this idea: 9

> A simple approach to priorities



Product Development
> Delivery

- Two key development methods:
  - Agile – incremental, iterative
  - Predictive, waterfall - planned
- Pros & Cons
  - The agile approach can adapt to market changes
  - The waterfall approach is suited to delivering major step changes

Stakeholder engagement

- Ideas phase – make sure the right people are involved
- Initiation phase – you're serious about evaluating the initiative in detail
- Commitment – you've sized the effort involved and you're seeking a formal commitment
- Ready For External Eyes – it's been built and tested and is ready to show to a customer
- Ready For Full Launch – you've shown it to some customers, you've tweaked it a bit. Now its ready for a wider launch

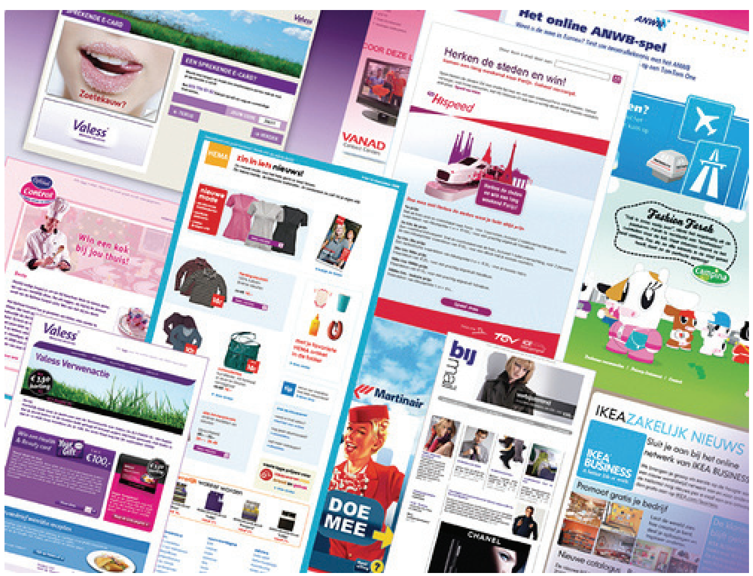
> Summary

- Recognise the three cornerstones:
  - Idea Generation
  - Prioritisation
  - Delivery
- Force yourself to make decisions
- Share your decisions and the reasoning behind them with your stakeholders
- This creates a virtuous circle

Marketing Communications

Marketing Communications
> Introduction

- What is Marketing Communications ?
  - The promotion “bit” of marketing
- How is it done ?
  - Direct marketing – targeted, trackable & measurable.
  - Mass advertising – focus on building and maintaining brand awareness
  - Public Relations (PR) – generating and maximising “free” editorial coverage



Marketing Communications
> Introduction

- What are the tools to use ?
  - Social media
  - Search marketing (online)
  - TV advertising
  - Outdoor display
  - Print advertising
  - Telesales
  - Mailings
  - Face to face selling

Marketing Communications
> PR

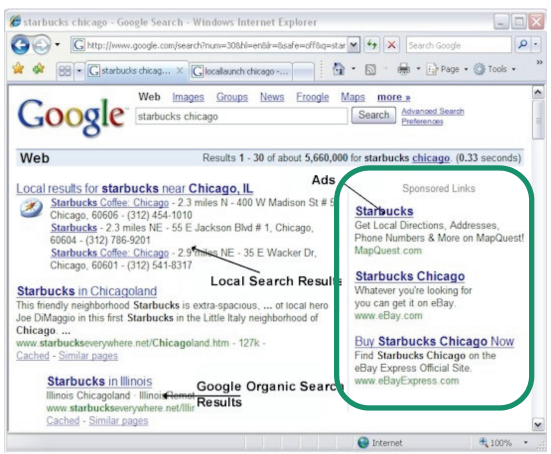
- What's the purpose of PR ?
  - ➢ To get your name known
- An agency can be costly. Start by taking good care of your first customers, this will lead to referrals. Give them more than they expect:
  - Be on time
  - Return their calls promptly
  - Give them more than they were expecting. Get the basics right – return calls, be on time
- Make sure you have a clear and consistent brand identity
- Build up your reputation as an expert in your field
- Do something attention grabbing to attract <u>positive</u> media attention to your business

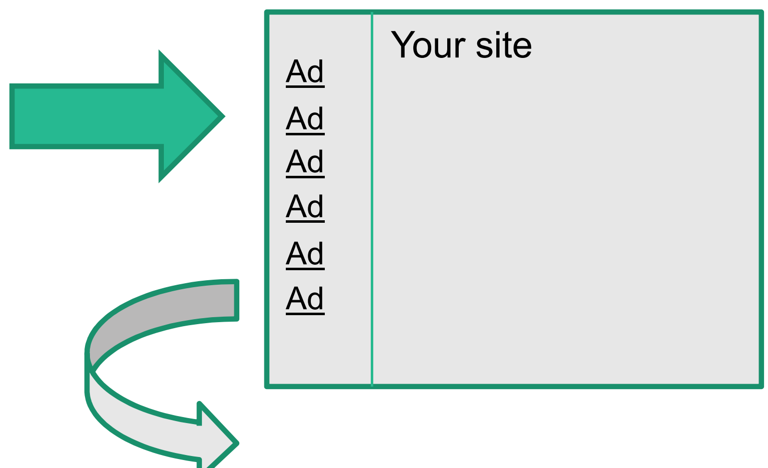
Marketing Communications
> Social Media

- How can Social Media help build your business?
  - Establish a reputation (LinkedIn)
  - Keep customers updated, well served (Twitter)
  - Leverage referrals to drive sales (Facebook)
  - All of this at next to no cost !
- Get signed up and start interacting with your audience

Marketing Communications
> Search & Online Marketing

- Get a website
- Build a web presence
  - Natural page ranking (painstaking, time consuming)
  - Buy traffic (targeted, cost effective)
- Offset your traffic purchases by displaying other people's ads





Stay on top of your spend ! Google has tools to help you with this <

> If coding isn't your thing, a cheap alternative is 1&1 hosting

Thank you and good luck