

BUS 562
New Product Development
Spring 2018 CRN 2435

Instructor

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Course Description

Almost all companies need to grow their revenue over time by developing new products and services and expanding into new markets. Often, new product development shapes a company's future. Based on the product life cycle concept, innovation and new product development are essential to the long term success of almost any organization. Product development may involve pioneer efforts and new-to-the world products, new products added to a firm's existing product lines, replacement products, or improvements to existing products.

Marketing plays a key role in the new product process by identifying and evaluating new product ideas and working with R&D and others in every stage of the new product development process. Product/Brand managers are key marketing positions often responsible for managing existing products through the product life cycle and making additions or improvements to the product line. New product managers are typically responsible for developing new products from idea generation to launch and success in the marketplace.

This course focuses primarily on new product management and it will follow along each of the steps of a typical new product development process. Although many different functions within a company are involved with new product development like R&D, manufacturing, finance, and etc. the primary responsibility usually falls on marketing. Thus, the focus of this course will be limited primarily to marketing-related involvement and activities. This course is an MBA marketing elective and can count toward a marketing emphasis. BUS 665 or an equivalent core marketing class is a required prerequisite.

Course Objectives

After successfully completing this course, the student will have demonstrated:

- A. The ability to make new product decisions during each stage of the new product development process
- B. An understanding and utilization of the Stage-Gate system in new product development decisions
- C. The ability to make the necessary marketing strategy and marketing mix decisions in order to successfully launch a new product
- D. An ability to take a real product idea and make the necessary decisions from idea generation to successful launch in the marketplace.

- E. An in depth knowledge, beyond that covered in the class, of two aspects of product development of interest to the student.

Required Textbook

New Products Management by Merle Crawford and Anthony Di Benedetto, 11th edition, 2015, McGraw-Hill

Course Requirements

As a marketing elective, this course focuses in more detail on one key aspect of the marketing mix, the product, and specifically developing new products or services. However, you must have an understanding of marketing strategy and the marketing mix to apply marketing principles in this course. This is intended to be primarily an applied learning experience and much of your work in this course will be working in new product development teams to develop a new product plan for a new product idea that will require understanding of and decision-making in each step of the new product planning process. More specifically, the course requirements include:

- A. **Team New Product Development Plan** – This represents the major applied activity in the course. Each team will, in essence, follow the new product development process and make necessary decisions and submit recommendations as required. There are 14 specific assignments required for this project. Teams will have their own work space and will build their product development plan during the term by using the team’s own private space. Please refer to Instructions for Team New Product Development Term Project.
- B. **Concept Papers** – Each student will prepare two concept papers to share with the class. The purpose of the papers is to try to teach the rest of the class something new and relevant about some aspect of New Product Development beyond the material covered in the class or the textbook. This will require the use of outside reference material, like journal articles, websites, blogs and etc. as the basis for your papers. Please refer to Instructions for Concept Papers.
- C. **Topic related exercises and assignments** – Throughout the term as we cover different topics related to new product development, a number of either team or individual assignments have been made. These exercises might include written assignments, online discussions, or outside activities. These exercises will be discussed during the week they are due. Please refer to the Syllabus where each of these assignments is listed.
- D. **Final Exam** – A comprehensive exam will be required at the end of the term. It will take the form of an essay exam.

Class Schedule

Date	Description
Week 1 March 26 – April 2(Monday)	<p>Topics: Introduction, Product Management, Product Development Process, Lessons for Developing Successful New Products, Introduction to Stage Gate Systems</p> <p>Read: Ch. 1 & 2 in text</p> <p>Read: Week One Lecture Notes</p> <p>Read article: “Stage Gate Systems for New Product Success”</p> <p>Online Introductions</p> <p>Online Discussion: Why is Product Development Important?</p>
Week 2 Apr. 2-8	<p>Topics: Strategic Product Planning, Portfolio Management, Product Innovation Charter</p> <p>Read: Ch. 3 in text</p> <p>Read: Week Two Lecture Notes</p> <p>Read article: “New Problems, New Solutions: Making Portfolio Management More Effective”</p> <p>Online Discussion: Brainstorming major product/service innovations</p>
Week 3 Apr. 9-15	<p>Topics: Current Issues and future trends with Stage Gate Systems.</p> <p>Read : Week Three Lecture Notes</p> <p>Read article: “Perspective: The Stage-Gate Idea-to-Launch Process – Update, What’s New and NexGen Systems”</p> <p>Read article: “Succeeding at New Product Development the P&G Way: A Key Element is using the Innovation Diamond”</p> <p>Individual assignment: Developing a Product Innovation Charter</p>
Week 4 Apr. 16-22	<p>Topics: Discovery and Ideation</p> <p>Read Ch. 4 & 5 in text (Ch. 6 & 7 optional if interested)</p> <p>Read Lecture Notes for Week Four</p> <p>Read article “What is Incorporating Voice of the Customer”</p> <p>Read article “Ideation for Product Innovation. What are the best methods?”</p> <p>Individual assignment: Concept Paper Presentation I Due</p> <p>TEAM Assignment: Idea generation for project (D1) Due</p>
Week 5 Apr. 23-29	<p>Topics: Scoping, Preliminary Investigation, the ATAR model, the Concept Statement, and Concept Testing.</p> <p>Read Ch. 8 & 9 in text (pp. 223-232 optional)</p> <p>Read Lecture Notes for Week Five</p> <p>Read Article “Bulletin Board Focus Groups”</p> <p>Online discussion: Concept Papers</p> <p>TEAM Assignment: Gate 1 Screening (D2) and Profit potential (D3) Due</p>

Week 6 Apr. 30–May 6	<p>Topics: Full Screen Concept Testing with Scoring Model and/or NewProd Model, Sales Forecasts, and Product Protocols.</p> <p>Read Ch. 10, 11 & 12 in text</p> <p>Read Lecture Notes for Week Six</p> <p>TEAM Assignment: Conduct Concept Test (D4) and Product Protocol (D5) Due</p>
Week 7 May 7-14 (Monday)	<p>Topics: Product Use Testing. Marketing Strategy Decisions for New Product Launch</p> <p>Read Ch. 15 & 16 in text</p> <p>Read Lecture Notes for Week Seven</p> <p>Individual Assignment: Concept Paper Presentation 2 Due</p> <p>TEAM Assignment: Final product evaluation (D6), Gate 3 Screening (D7), and Product Use Test (D8) Due</p>
Week 8 May 14-20	<p>Topics: Marketing Mix Decisions for New Product Launch, Market Testing</p> <p>Read Ch. 17 in text</p> <p>Read Lecture Notes for Week Eight</p> <p>Online discussion: Concept Papers</p> <p>TEAM Assignment: Core Marketing Strategies (D9) and Marketing Mix Decisions (D10) for product launch due</p>
Week 9 May 21-27	<p>Topics: Product Launch Plan and Product Launch Management</p> <p>Read Ch. 18 & 19 in text (Ch. 20 optional if interested)</p> <p>Read Lecture Notes for Week Nine</p> <p>Review template “Detailed Product Launch Template”</p> <p>Complete TEAM New Product Development Plan (D14) Due including Market Testing (D11), Rollout plan and Launch Management Plan(D12), and Gate 5 Screening (D13)</p>
Week 10 May 28-June 3	<p>Final Course Comments</p> <p>Online discussion: TEAM Product Development Plans</p> <p>FINAL exam</p>

Grading

Course Components	Points
Team New Product Development Plan D1 Idea Selection 25 pts. D2 Gate 1 Screening 10 pts. D3 Profit projections 20 pts.	275

D4 Concept Test Plan 30 pts. D5 Product Protocol 20 pts. D6 Full Screen 20 pts. D7 Gate 3 Screening 10 pts. D8 Product Use Test Plan 10 pts. D9 Core Marketing Strategies 30 pts. D10 Marketing Mix Decisions 30 pts. D11 Market Test Plan 10 pts. D12 Rollout and Launch Mgmt. 20 pts. D13 Gate 5 Screening 10 pts. D14 Overall final proposal 30 pts.	
Two Concept papers at 50 pts. Each	100
Online class discussions. 2 at 25 pts each (Prod Development Importance and Brainstorming) and 3 at 40 pts each (2 concept papers and final product plans)	170
One Individual Written Assignment, developing a PIC	25
Final Exam	100
Total Points Possible	670

Course letter grade assignment:

Percentage	Points	Grade	Description
92+%	616	A	Consistently excellent work well above expectations
90-91%	603	A-	
88-89%	590	B+	
80-87%	536	B	Achievement normally expected of graduate MBA students
70-79%	469	C	Achievement that is normally below that expected of graduate students
<70%	Below 469	F	Work completed at a level not acceptable for graduate students and/or did not complete enough work to merit passing grade.

Fractional percentages for individual students will be rounded **up** to the next highest whole number. Based upon class performance on individual exams and assignments, I may adjust the above grade distribution for the course down, which can only be to your advantage. I will never raise the grade distribution so you are assured of receiving a grade as defined above if you reach the minimum threshold.

Late assignments/tests are normally not accepted without a penalty. If you are not going to be available for any reason, do the necessary work early if at all possible. Online discussion assignments can **only** be completed during the week assigned. For written late assignments there will be an automatic late penalty of 10% for each day or partial day it is late. This policy applies to both individual written assignments and TEAM assignments. **Anyone who does not turn in or participate online in more than 3 assignments will not receive a passing grade in the class regardless of the number of points accumulated.**

In Progress and Incomplete Policy

In Progress grades are reserved for those directed studies, independent studies, field work courses, senior projects, and graduate culminating activities where the contract at the time of registration specifies a date of completion which is beyond the end of the term of registration. The intent of the IP policy is to provide for individualized study which, in its inception, requires more than the normal term or semester to complete. An IP grade will become an NCR or F, depending upon the grade option, if not cleared within one year following the term of registration.

Incompletes are authorized only when it is impossible for the student to complete the course because of illness or other justifiable cause and only with a formal written petition from the student to the professor. In completing the petition, the student contracts to complete the work specified in the petition. The completed petition must be filed prior to the last day of the term. Petitions are available from the Registrar. Students who receive an INC in a term that ends between September 1 and January 31 must complete their courses by the following May 31. Students who receive an INC in a term that ends between February 1 and April 30 must complete their courses before the following August 31. Students who receive an INC for courses that end between May 1 and August 31 have until the following December 31 to complete their courses. INC grades not completed by the appropriate deadline will become NCR or F grades depending upon the grade option.

INC's are granted in very rare cases so don't count on it as a way to makeup work that you did not do during the term. **If you know that you will not be available for significant periods of time to work on this course, you should not take it.**

Other Issues

- Guidelines for written on-line reports: Single-spaced, 10 or 12-point font using professional business communications.
- **No extra credit work will be offered.**
- Regular and prompt participation in all scheduled on-line discussions is University policy. Online discussions count as an assignment and missed sessions will be reflected in your individual discussion/contribution grade.
- Each student is responsible for performing academic tasks in such a way that honesty is not in question. See the policy in the University Catalog.
- Plagiarism and using other people's work as your own, without proper citation, is not acceptable. If it is determined that plagiarism is involved, the instructor may give zero credit for an assignment or an F for the class, depending upon the circumstances.
- Modification of this syllabus may be made at any time at the professor's discretion. However, so you can plan your time properly, due dates for major assignments and exams will not be changed.