



Notes/Insights/Minutes

ISBM New Offering Realization Consortium

Tuesday, January 23, 2007

Hyatt Regency Pittsburgh International Airport

These are notes transcribed from the “Flip Charts” we assembled throughout the meeting – R. Oliva

Why participants Attended the Meeting...

From Abbie Griffin: “Wouldn’t it be great if we could create a balanced portfolio of innovation practices – and put it into the DNA of our firms”.

Several participants – new to marketing, looking to learn about this all important front end process.

“Our CEO decided we needed to be more innovative.”

“We have made the decision to grow”.

“We are managing in the ‘now’”, “We need to moving toward a future view, enough to visualize ‘the next need.’”

“Our firm was innovative many years ago – now this is a weak link in our process.”

“We’re looking to bring 3 of our business together to serve customers needs more fully – and need to listen to the ‘voice of the architect’ with better ears.”

“We’ve produced a lot of ‘good stuff’ – with no customer for it.”

“We want to better ‘engage customer input.’”

“We need better tools for understanding customer needs, and building truly differentiated offerings.”

Tools and Techniques for Better Customer Understanding Surfaced at the Meeting:

ZMET – from Harvard Professor, Gerald Zaltman, and Jerry Olson – Penn State

- References include “How Customers Think”, Gerald Zaltman, Harvard Business School Press, 2003 and
- Marketing Science Institute paper – Report # 93-114: “Seeing the Voice of the Customer: The Zaltman Metaphor Elicitation Technique”, Gerald Zaltman and Robin A. Higie; 43 pages; 1993.

“Describes the development and implementation of a new research tool that helps companies obtain a deeper understanding of metaphors, constructs, and mental models that drive customer’s thinking and behavior.”

Ethnography: (Possible reference might be Ethnography, Step-by Step, By D. Fetterman, Sage Publications, 1997)

RFID and as scanner data in business-to-business market applications.

Taking people to the field for “experiential learning”.

Must reading: the PDMA Tool books – 1 & 2, (3 to be arriving soon) – a must for every new offering development bookshelf. Available through the Product Development and Management Association.

Needed: new tools and techniques for getting the time to extract knowledge from data.

Construction of an “assumptions inventory”.

An approach: seek the “non-obvious customer” – the one in trouble – the one giving you pain, the one hurting the most.

Reference on approach taken by Kurt Swogger at Dow Chemical.

PDMA Visions Magazine, July 2003, Volume 27, #3, “Dow Chemical Achieves Major Transformation of PO&E”

- R&D Group personality oriented approach improves NPD results, by Greg Stevens, President of WinOvations, Inc., James Burley, Professor of Marketing, Central Michigan University, and Kurt Swogger, Vice President, Polyolefins & Elastomers R&D, The Dow Chemical Company.

An ISBM/Abbie Griffin “must read”:

“Customer Visits: Building a Better Market Focus”, by Edward F. McQuarrie, April, 1998, Sage Publications.

Note: This book is out of print, and currently unavailable – Abbie Griffin and Ralph Oliva are in touch with Professor McQuarrie and working on a way to make this book available to ISBM NPD Consortium Members.

Frameworks for thinking – putting the right people on the job, including (after Kurt Swogger):

- Starters – come up with the idea
- Developers – reduce the idea to practice
- Finishers – figure out how to make money – apply it to existing products, and apply it everywhere
- Optimizers – squeeze out the cost over time.

Kurt has used Myers-Briggs to help identify these important personality types.

An important approach. Getting people to tell stories, and getting them to learn from stories.

Resources:

“The Springboard: How story Telling Ignites Action in Knowledge–Era Organizations”, by Steven Denning.

Storytelling in Organizations: Why Storytelling is Transforming 21st Century Organizations, John Sealy Brown, Steven Denning, Katalina Groh, and Lawrence Prusak: August 2004.

“Leaders Guide to Storytelling: Mastering the Art in Discipline of Business Narrative” by Steven Denning, April, 2005.

“Telling Tales,” by Stephen Denning, – Harvard Business Review, May, 2004, HBR Reprint R0405H – The Six or Seven Types of Stories that are Important.

Resources: Google the Journal of Product Innovation Management – and look for articles by C.A. Zien, and S. Buckler, as well as R. Mascitelli.

Good book: “The Human Side of Managing Technological Innovation”, collection of readings – 2nd edition, edited by Ralph Katz, Oxford University Press, July 2003.

A tool for online brainstorming: Idealist, and online ideation and problem solving tool developed by Applied Marketing Science, Inc. in conjunction with researchers at the MIT Sloan School of Management. Google “Idealist”.

Interesting book: “Orbiting the Giant Hairball: A Corporate Fool’s Guide to Surviving with Grace”, by Gordon MacKenzie, April 1998.

Final thoughts – New Offering Development Consortium wrap up session

From Abbie Griffin:

- It’s the people – there are tradable aspects to this as well as non-tradable aspects.
- It’s the value chain – look “way up, way down, across”
- It’s the details – moving beyond ideation to getting it done.
- It’s about allocating the right time to do this. Some firms consider this a “pre-project process” – that’s not the right way to do it – it needs to be an ongoing process in the DNA of the firm. It needs to be done with the view that “there’s always a little going on” vs. coherent projects for the beginning middle and an end.

An idea from DuPont – a “launch success diagnostic” –

Kodak uses a “fitness check”- a competitive assessment survey – to check on performance – this is available for \$150 from the PDMA website.

From Chris Miller: - What is the real success rate – according to Chris, we’re a lot more successful than is often published in the business of getting new offering innovations out the door.

Additional thoughts from Chris:

- We keep ourselves “in the box”.
- We need to get better at pushing the corner office – and assessing the cost of capital time and budget for not innovating.
- It’s often the value chain we’re part of that inhibits our thinking. Changing our role in the value chain can be tricky.

Thoughts on where we move forward with the consortium:

It’s generally thought that we should convene the consortium once again in six months. We’ll work together to do that, focus on times, places, etc. that are convenient.

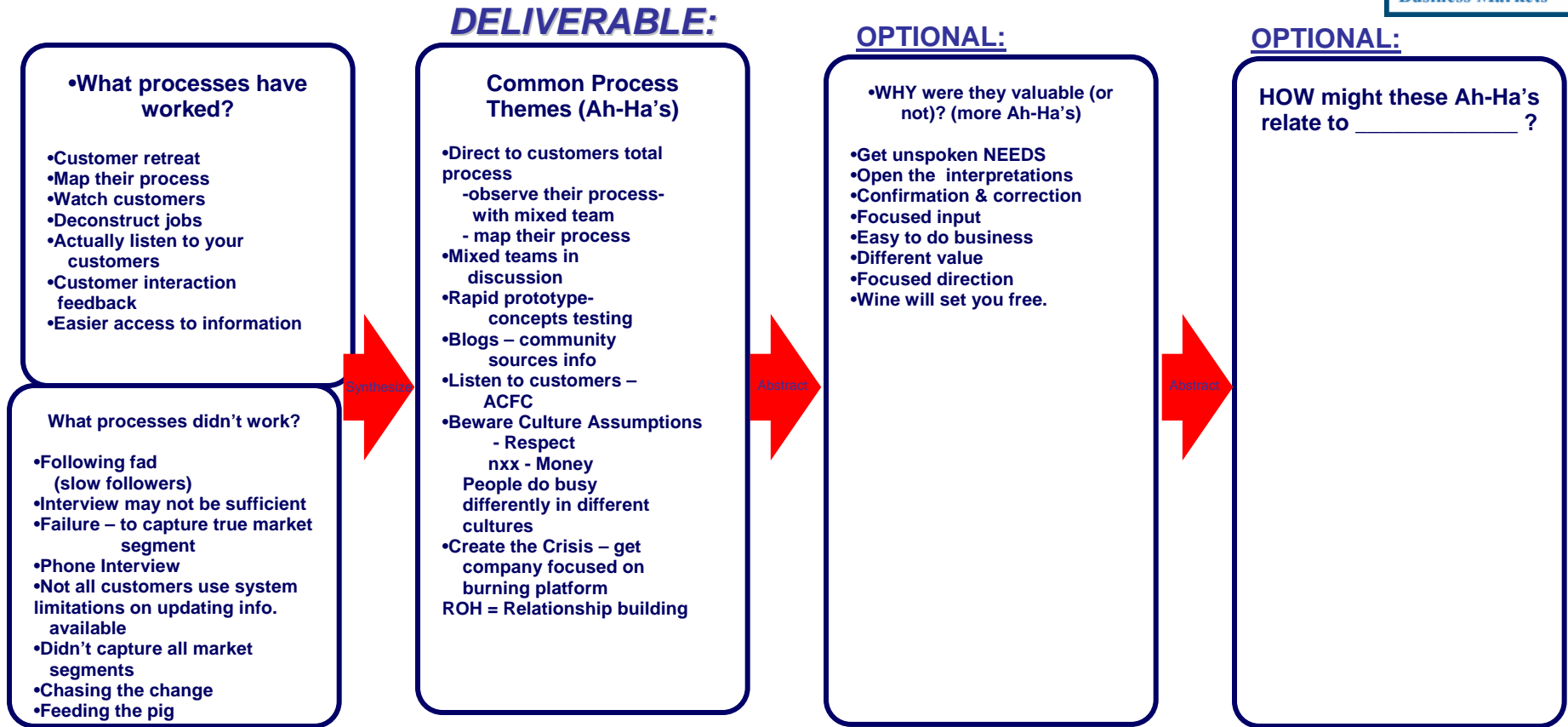
We'd welcome thoughts from the consortium Members on topics of interest.

Best regards,

Ralph

Insights Into Customer Insights

Towards achieving a repeatable, disciplined, systemic, valuable process



NORC: New Offer Realization Consortium
23-Jan 2007

Context:

For this exercise, consider your organizations efforts over the past 5 years in collecting and utilizing customer insights as part of the front end of innovation.

Tasks:

The objective of this workgroup is to uncover potential insights from across B-to-B organizations regarding customer insight work

1. Begin by taking a few minutes, individually to think of the handful of most and least impactful insights your organization has uncovered and acted on in the last 5 years.

2. Jot down specific processes that were used in collecting, translating, or organizing around those insights. Post your thoughts and ideas in the appropriate space (column #1) and discuss as you post
3. **DELIVERABLE:** Look across column #1. Discuss and synthesize into common themes.

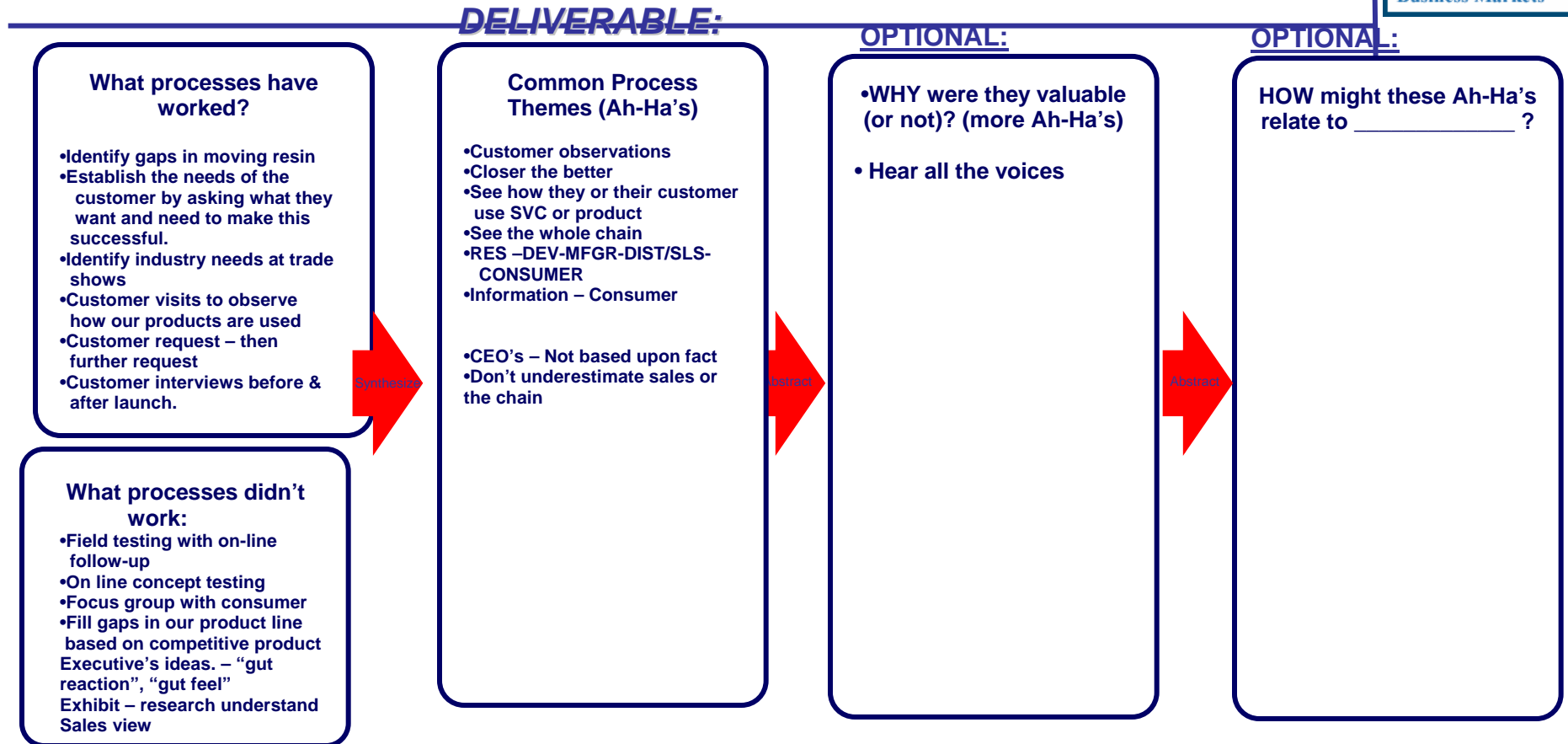
4. **OPTIONAL:** If time allows, discuss as a group why any particular process or approach may have succeeded or failed. Write down any valuable insights that emerge.
5. Again, if time allows, discuss these insights along a particular dimension of innovation and write down any insights that emerge.

Contributors / Firm:

Team Ralph

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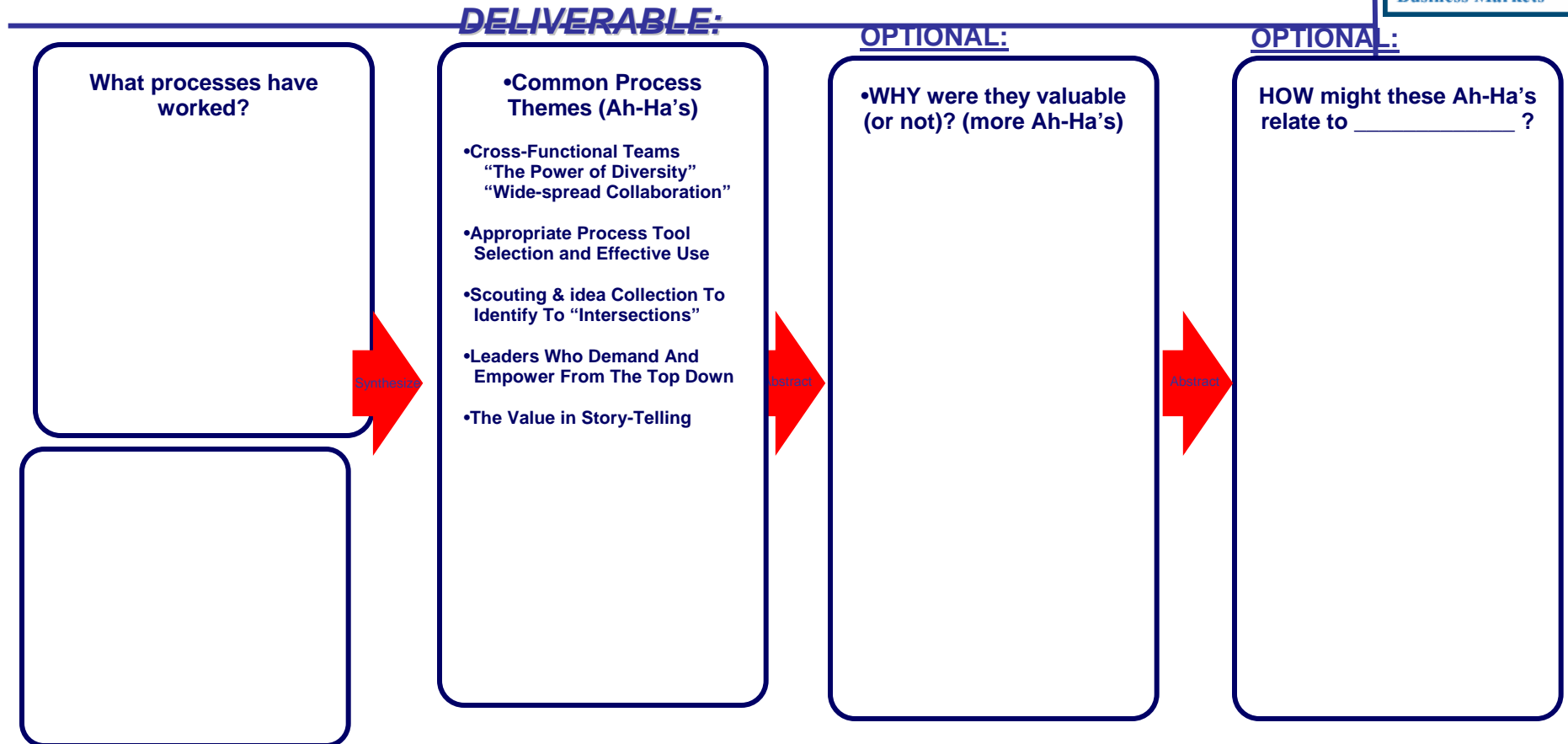
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Team Helene

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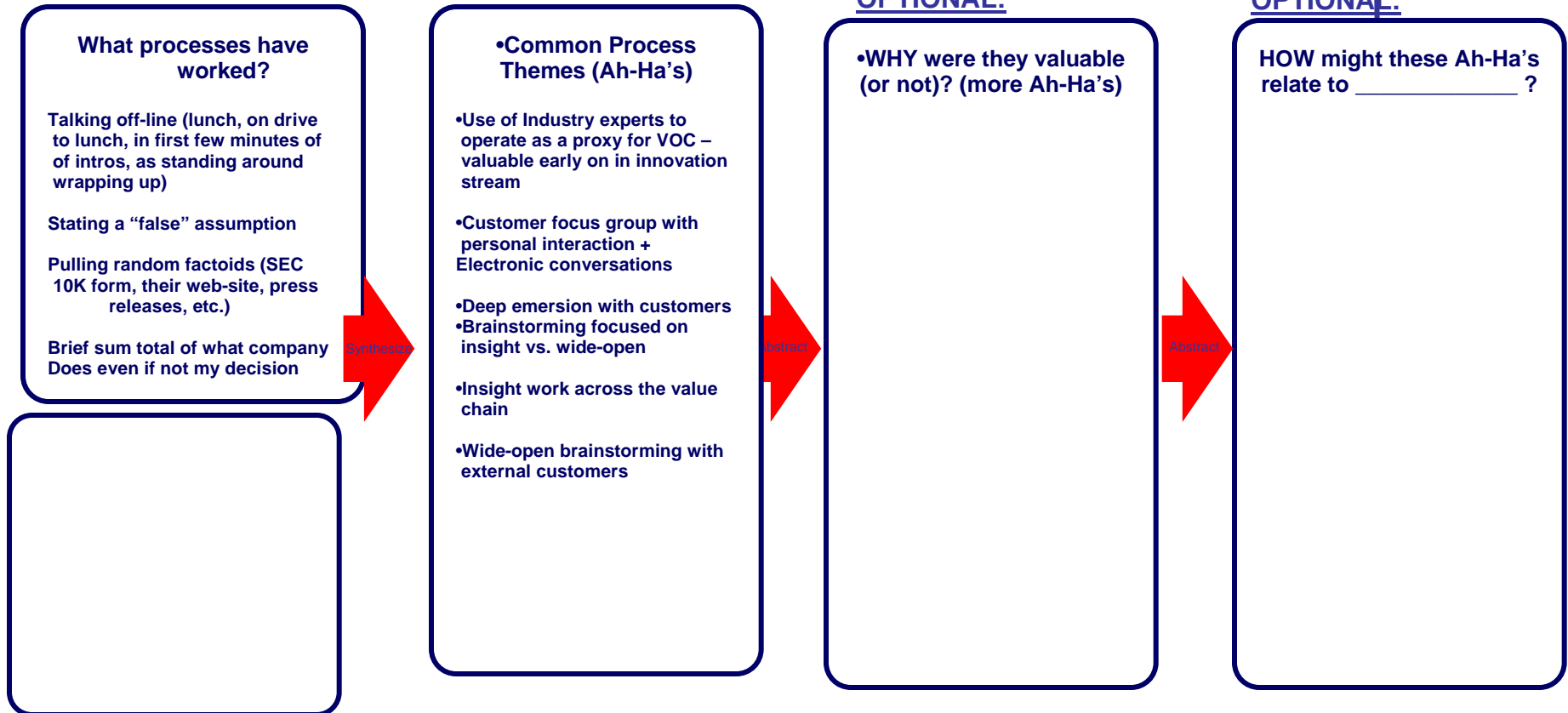
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Team Doug

