MARK5813
New Product & Service Development

Course Outline

Session 1, 2007
1. COURSE STAFF
Lecturer: Gordon Taberner, BA, MA, MA, FRMIA.
Room: JG323
Email: Gordon.Taberner@uts.edu.au
Phone: 9514 3589 – Leave a message

1.1 Communication with Staff
Consultation: Thursday 4:00-4:30PM
If you wish to contact me outside these times, please do so by email or phone.

2. INFORMATION ABOUT THE COURSE

2.1 Teaching times and Locations
Lectures Thursday 1800 – 1930 - CLB2

Workshops These are scheduled for 9 weeks during session (Refer to Class Schedule for dates). Two times are offered:
Thursday 1630 – 1800 - CLB2
Thursday 1930 – 2100 - CLB2

You will attend only ONE workshop in a particular week. Enrolment in a workshop may be done via www.my.unsw.edu.au However, so that each workshop will be approximately the same size, some reallocation may be necessary (once final course numbers are known). This will be finalised in week 2.

2.2 Units of credit
This course is worth 6 UOC

2.3 Relationship of this course to other course offerings
MARK5813 New Product and Service Development is an elective course within the Masters of Commerce program and students must have either MARK5800 Customer and Market Analysis or MARK5801 Marketing Management and Marketing Strategy as a pre-requisite or co-requisite.

2.4 Approach to learning and teaching
From experience I have found that students are more receptive to learning when relevance and realism are present, therefore contextualising theory is important. It is also important for students to be challenged, in terms of being able to defend their ideas, and in some cases, to extend themselves beyond their comfort zone. Many avenues must be presented through which learning can take place to take account of various learning styles, thus work is presented in audio and visual formats, and independent learning opportunities are also provided. An open and supportive environment is encouraged to promote communication and understanding.

3. COURSE AIMS AND OUTCOMES

3.1 Course Aims
New products and services are crucial to successful growth and increased profits in many industries. Our goal is to help you learn how to develop and market new products and services in both the private and public sectors. Whether you are a vice president in charge of a new venture team, a consultant to government, an entrepreneur looking to enter a new market, a market researcher, or a young executive, at some point in your career you will be called upon to make new product or new service decisions. Your tasks may be to decide which market to enter, how to enter it, how to physically design a product/service, or how to
build an image around the product/service. Alternatively you may be asked to set corporate strategy by selecting the mix of products/services your firm offers. In any case, you will want to know what can be done and how to do it.

3.2 Student Learning Outcomes

After finishing the course, you should be able to:

- Follow the basic steps in opportunity identification, design, testing, implementation, and defence;
- Know what questions to ask and which questions can be answered;
- Know how to read and interpret new product market research;
- Enhance your own creativity with research information and idea generating techniques;
- Define the product and put together its marketing mix;
- Test the product/service and marketing mix in pretest and/or test market; and,
- Monitor and refine the product/service and marketing mix as it flows from test market to national introduction.

3.3 Teaching Strategies

Only a portion of the contact time will be taken up with a traditional lecture. The majority of time will be a combination of discussion (large and small group), presentations, exercises, videos and industry speakers. To facilitate discussion during this time, students are expected to have done the assigned reading before attending the class.

In lectures I will cover the major concepts and theories in each topic and provide some examples of how a marketer makes use of these theories, and the implications for their strategies. Students will be involved as much as possible by being asked to provide examples or to provide comments and opinions on various issues. On many occasions, small group discussions will be used to provide an opportunity for students to reflect and exchange views. Guest speakers, and possibly some videos, will be used to illustrate how an organisation uses various aspects of new product development in their day to day operations and their overall strategy.

The aim of the workshops is to provide you with an opportunity to explore a particular concept/issue in new product development in more depth, further improve your oral communication skills by presenting your thought in a structured form to peers and to facilitate more extensive discussion in a relaxed environment. In each workshop, a group of students will present their analysis of an assigned case and are encouraged to involve the class as much as possible, either via activities, questions or exercises. After presentation of the case, another assigned group or groups will then lead discussion arising from the presentation, encouraging all members of the class to share their thoughts. All discussion should take place in a non-threatening environment. The lecturer/tutor will take a minor role in the workshops. They will be there to observe the activities, encourage involvement, make sure things go smoothly and at times, may introduce additional exercises/discussion on further issues.

There is not enough time in lectures and workshops to discuss all pertinent issues in depth. Therefore students are expected to go beyond just what is covered in these classes in order to deepen their knowledge. This can be achieved in a number of ways:

- Reading the respective chapters in the text (this expands on what is covered in lectures), taking notes and thinking of possible applications as you read;
These activities are seen to be key to developing self-learning.

A new product development assignment will be given to reinforce the course material and to provide a realistic example of how new products/services are designed, tested, and launched.

The course will follow a timeline similar to that faced by a firm developing a new product/service. The lectures will present the analysis techniques and evaluate managerial options associated with new products/services. Whenever possible, examples of actual market research and resulting strategy will be used to illustrate the course material. Industry guests will be used to give a practical perspective to the theoretical material.

4. STUDENT RESPONSIBILITIES AND CONDUCT

For information on your responsibilities regarding workload, general conduct and behaviour, and keeping informed, please refer to the School of Marketing’s website: [http://www2.marketing.unsw.edu.au/nps/servlet/portalservice?GI_ID=System.LoggedOutInheritableArea&maxWnd=_Current_Policies](http://www2.marketing.unsw.edu.au/nps/servlet/portalservice?GI_ID=System.LoggedOutInheritableArea&maxWnd=_Current_Policies)

4.1 Attendance and participation

Students are expected to be regular and punctual in attendance at all classes in the courses in which they are enrolled. University regulations indicate that if students attend less than eighty per cent of their possible classes they may be refused final assessment.

4.2 Key Dates

*It is your responsibility to ensure that:*

1. You are recorded by the University as being correctly enrolled in all your courses. The last day for students to discontinue without financial penalty is **Friday March 30** and the last day to discontinue without academic penalty is **Friday 27 April**.

2. You have successfully completed all prerequisite courses. Any work done in courses for which prerequisites have not been fulfilled will be disregarded (unless an exemption has been granted), and no credit given or grade awarded.

3. You organise your affairs to take account of examination and other assessment dates where these are known. Be aware that your final examination may fall at any time during the session’s examination period. The scheduling of examinations is controlled by the University administration. No early examinations are possible. The examination period for Session 1, 2007 falls between **15 June and 3 July**.

4. When the provisional examination timetable is released (**May 8**), ensure that you have no clashes or unreasonable difficulty in attending the scheduled examinations. The final examination timetable is released on **Tuesday 29 May**.

5. You keep the University informed of all changes to your contact details.

6. You make a copy of all work submitted for assessment, and keep returned marked assignments and essays.

A full list of UNSW Key Dates is located at: [https://my.unsw.edu.au/student/resources/KeyDates.html](https://my.unsw.edu.au/student/resources/KeyDates.html)
4.3 Occupational Health and Safety Information for Students

- Tell your lecturer/tutor if you notice anything that may cause an accident? wet floors, leaky ceilings, loose wires etc
- If an alarm sounds, move immediately towards the nearest exit and follow the directions of Campus security officers who monitor all emergencies
- Tell your lecturer/tutor if there is insufficient seating in the lecture theatre/classroom
- In the event of an accident, tell your Lecturer/Tutor or contact Sandy Wong in the Risk Management Unit on 9385 1980
5. LEARNING ASSESSMENT

5.1 Formal Requirements

<table>
<thead>
<tr>
<th>Assessment Component</th>
<th>Due Date</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final Examination</td>
<td>In formal examination period</td>
<td>40</td>
</tr>
<tr>
<td>Mid-session Quiz</td>
<td>5th April (week 6)</td>
<td>10</td>
</tr>
<tr>
<td>Workshop (group)</td>
<td>Throughout session</td>
<td>20</td>
</tr>
<tr>
<td>Case presentation</td>
<td></td>
<td>(10)</td>
</tr>
<tr>
<td>Discussion leader</td>
<td></td>
<td>(10)</td>
</tr>
<tr>
<td>Project (group)</td>
<td></td>
<td>30</td>
</tr>
<tr>
<td>Report</td>
<td>29 May (week 13)</td>
<td>(20)</td>
</tr>
<tr>
<td>Presentation</td>
<td>9 June (week 14)</td>
<td>(10)</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

NOTES:
• You are required to pass the individual component of the course in order to pass the course. This means that if you do not get 25 or more out of 50 for the individual component (i.e., final exam + mid-session quiz), your individual component percentage will become your mark for the course.
• Students must be present for their own group presentations in order to gain presentation marks.

5.2 Assessment Details
i) Final Exam
The final exam will take place in the formal examination period at the end of the session. It will be a 2 hour, closed book exam. It will draw on work covered in lectures, discussions, guest speakers, videos and the project. The structure of the exam will be discussed in the last weeks of the session.
All students are expected to sit for the final exam at the specified time.
If you cannot sit for the final exam, you must lodge a Special Consideration Form with the Registrar (not SoM staff) and you will be notified by the registrar of the decision.
ii) Mid-session Quiz
A multiple choice quiz will take place during class time in **week 6** (5th April). It will be worth 10% of your final mark for this course. Though multiple choice questions are not ideal, they are an effective way of encouraging you to familiarise yourself with the basic concepts covered in class, which, in turn, is needed to progress to a deeper understanding in your project and future work.

iii) Workshop
Each group will be given a number. Student activity in each workshop will be determined on a ballot system.
Each group will be required to complete the following:
1. A presentation
2. Discussion leader role

It should be noted that this segment is worth 20% of the subject mark.

A) Presentation
Groups of approximately 3-4 students (actual number dependent on class size) will be assigned an article to present to the class in a specific week. Articles will be assigned in week 2. The article will be related to a particular topic. The group will present the major issues involved in the article and then lead the class discussion. The presentation should be **theoretically rigorous** and based on original research that goes beyond information provided in lectures and your text. The group will need to get the class involved, for example through exercises, quizzes, use of pictures, ads, role plays, etc. The aim is to make it entertaining as well as instructive. The presentation will run for approximately 20-30 mins, and will be worth 10% of your final mark. **All** group members need to be actively involved in the presentation/workshop. Each group member will receive the same mark unless the lecturer in charge is presented, in writing, why this should not be the case. The decision of the lecturer in charge will be final. The composition of this group may differ, if you wish, to that for the major project.

B) Discussion Leader
In addition to presenting one article in a workshop, each group will be assigned the task of being discussion leader for one or two articles. In order for this to occur, **each group** is expected to have read the article for the week, thought about the article questions and **prepared a list of a couple of extra questions or issues they think would be relevant for the class to discuss.** Before each article presentation, the lecturer/tutor will choose one or two groups (from a random draw) to be discussion leaders for that article. This would mean that, after the article presentation, the discussion group(s) would lead the discussion on issues arising from the presentation and their own pre-prepared questions. This does NOT mean that the discussion groups provide another presentation: they encourage the other members of class to provide their opinions on these issues. The aim is to get all the class involved. Your group’s efforts in being discussion leaders is worth 10% of your final grade. **All** group members need to be actively involved in Leading the Discussion (if you are discussion leader for more than one articles, then it is your total effort over all the articles that counts towards the 10%).

iv) Project
The NPD group project will involve **one presentation and one written report,** outlining the development and market introduction of a “new product”. The project is to be done in groups of up to 4 people. (Students will organise themselves into teams during Week 2, 8 March).
**Objective of new product project**
The objective of the new product development assignment is to provide the opportunity to develop your analytic, problem-solving and social interaction skills in a group setting by applying marketing concepts to a complex business situation.

**Description of new product project**
1. Each group will select a major consumer product manufacturing company, research the corporate objectives, and analyse the current products and their growth potential.

2. Your major task is to identify and develop a **new** product for the company.

3. The end product will be a marketing plan. Key areas to include in the plan are:
   - Evaluation of the strengths, weaknesses, opportunities, and threats (SWOT) of the company.
   - Research and documentation, especially concerning the need for the new product and product acceptance.
   - Physical development of a prototype, packaging, brand name, costs of production and marketing, pricing strategy, distribution strategy, promotion strategy, target market description, and sales forecast.

4. Minutes should be kept for each group meeting, and if requested by the lecturer to provide a copy. Group members will be asked to evaluate their individual performance and that of each group member.

5. The project should be conducted in the context of a new product development team. The written and oral presentations should be directed toward the VP of marketing, CEO, and other key executives. Your objective is to persuade the audience to approve and support the introduction of your product.

**General Guidelines:**
- Always keep a copy of all written work handed in.
- If your group is having problems (either of a technical nature or a teamwork nature) make sure you contact me early in the process.
- Since the best outcomes are achieved when the group consistently and steadily works on the project over the course of the session, each group, in **week 7**, will have a short consultation with the lecturer-in-charge to outline progress to date.
- You are referred to the School of Marketing’s “Guide to Presentations and Assignments” for information on structure, referencing and quotations. The guide is available on the School’s web site [http://www2.marketing.unsw.edu.au/nps/servlet/portalservice?GI_ID=System.LoggedOutInheritableArea&maxWnd=S_Current](http://www2.marketing.unsw.edu.au/nps/servlet/portalservice?GI_ID=System.LoggedOutInheritableArea&maxWnd=S_Current)


The project report is to cover the three key areas covered in the course: **opportunity identification, design and testing,** and **launch strategy**. Writing should be clear and concise. Although writing style is not specifically graded, it will have an effect on the grade. Cogently argued proposals, and clear, concise reports cannot help but impress more than equally comprehensive material which is just jumbled together.

Detailed requirements of the report will be discussed in class and a copy of the marking sheet put on the Web.
Group Contribution
Each member of the group is expected to contribute equally to the completion of the report and presentation. Peer feedback will be obtained after the task is completed. The lecturer reserves the right to adjust individual group member’s marks on the basis of any discrepancies in contribution arising from this feedback.

(B) Guidelines for the Oral Presentation
Each student within the team will take part in the presentation. This is a formal presentation format, ie. presenting your work to a Board of Directors of the company. The Board has NOT read your Marketing Plan. It is your task to sell your concept(s) in the MOST CREATIVE FASHION. Total time allocated will be in the vicinity of 10-15 minutes (to be confirmed when the number of groups is known).

Clear and concise communication is the goal. Other important issues will include structure, focus, maintaining audience interest, and audience participation, clear voice projection, use of visual aids and variety, presentation hand-outs will be taken into consideration when assessing this segment.

All students must contribute & participate in their own group presentation in order to gain the presentation mark.

**Hints on Successful Group work:** Past experience has shown that effective groups are those that are able to:
- meet regularly
- develop and follow a work plan
- divide the work according to each member’s strengths, and as evenly as possible
- encourage open communication, participation and the sharing of ideas, and
- have fun!

5.3 Assignment Submission Procedure
Projects are to be submitted to the lecturer in the lecture of the due date*. Before submitting make sure you have attached the required signed cover sheet.

*Due date 31st of May 2007

5.4 Late submission
The project is due on the date indicated in this outline. Late submission will incur a penalty of 10% of the percentage weight of the assessment component per day after the due date. Extensions will only be granted on medical or compassionate grounds under extreme circumstances, and will not be granted because of work and other commitments. Requests for extensions must be made to the lecturer prior to the due date. Medical certificates or other evidence of extreme misfortune must be attached and must contain information that justifies the extension sought.

5.5 Special Consideration and Supplementary Examinations
Details relating to procedures for special consideration and supplementary exams can be found at:
Note: You only have 3 days from the due date of the assessment/exam in which to lodge a special consideration form.
5.6 Assignment Format
Project reports are to be typed, 12pt Times font, double spaced, 2.5cm margins. Reports must be secured tightly to avoid any pages becoming displaced. Students are expected to attach the cover page provided by the School of Marketing. This can be downloaded from the web http://www2.marketing.unsw.edu.au/contribute2/Marketing/current/documents/SOM_Assignment_coversheet.pdf or collected from the shelves near the essay boxes on the 3rd floor John Goodsell building.

6. Academic Honesty and Plagiarism

Academic honesty
Students and staff are governed by the normal laws which regulate our daily lives. But in addition the University has its own code of rules and conduct. This is because good conduct and academic honesty are fundamental to the mission of the University as an institution devoted to the pursuit of excellence in scholarship and research, and to the service of society. These principles apply not only to students but to the whole University community, including staff engaged in research. They have been developed over many years and are widely supported by staff and students. Staff and students are committed to good conduct and academic honesty and are keen to see that these values and principles are upheld.

The University Council has defined student misconduct as follows (29th August 1994): Student misconduct includes student academic misconduct and also encompasses conduct which impairs the reasonable freedom of other persons to pursue their studies or research or to participate in the life of the University.

It is the responsibility of all students to familiarise themselves with the rules that govern student and academic misconduct. For more information, please see: https://my.unsw.edu.au/student/academiclife/assessment/AcademicMisconductStudentMisconduct.html

Plagiarism
Plagiarism is considered academic misconduct and, as such, will be severely penalised. Plagiarism involves using the work of another person and presenting it as one’s own. Acts of plagiarism include copying parts of a document without acknowledging and providing the source for each quotation or piece of borrowed material. These rules against plagiarism apply whatever the source of the work relied upon may be, whether printed, stored on a compact disc or other medium, found on the World Wide Web or Internet.

Similarly, using or extracting another person’s concepts, experimental results or conclusions, summarising another person’s work or, where, there is collaborative preparatory work, submitting substantially the same final version of any material as another student constitutes plagiarism.

It is your responsibility to make sure you acknowledge within your writing where you have "sourced" the information, ideas and facts etc.

The basic principles are that you should not attempt to pass off the work of another person as your own, and it should be possible for a reader to check the information and ideas that you have used by going to the original source material. Acknowledgment should be sufficiently accurate to enable the source to be located speedily. If you are unsure whether, or how, to make acknowledgment consult your lecturer.

For more information on plagiarism and how to avoid it, visit the UNSW Learning Centre website: http://www.lc.unsw.edu.au/onlib/plag.html
7. STUDENT RESOURCES

7.2 Course Resources

Textbook
PDMA Handbook of New Product Development – Kenneth B. Kahn, 
Editor ISBN 0-471-48524-1 
John Wiley & Sons, Inc.

Lecture notes/ notices
Web facilities will be used throughout this course. Only students 
officially enrolled in this course can gain access to these facilities.

This site will be used in a number of ways:
- Distribution of lecture notes
- Announcements and messages regarding the course.
- Links to useful sites.

Books
The following books are recommended for further reading:
  Higher Education, 8th Edition
- Urban, Glen L. and John R. Hauser (1993), Design and Marketing of New Products, 2nd 

Newspapers and Magazines
Fortune
Australian Financial Review
Business Review Weekly
Sydney Morning Herald
The Australian
Marketing (monthly trade publication)

Academic Journals
Journal of Product Innovation and Management
Harvard Business Review
Journal of Marketing
Journal of Marketing Research
Journal of Consumer Research
International Journal of Research in Marketing
Journal of the Academy of Marketing Science

Useful Internet Marketing Sites
Product Development Management Association
http://www.pdma.org

Australian Marketing Institute
http://ami.org.au
Lists new product development articles
   http://www.newproductdynamics.com/articles.htm#Periodicals

BusinessWeek online
   http://www.businessweek.com/innovate/index.html

Knowledge at Wharton, Univ of Pennsylvania
   http://knowledge.wharton.upenn.edu

McKinsey Quarterly
   http://www.mckinseyquarterly.com/

7.2 Other Resources, Support and Information

Education Development Unit
Additional learning support, tailored to the needs of FCE students, is available from the Education Development Unit (EDU) in the Faculty. The EDU offers a range of services for FCE students including:
   - Academic skills workshops run throughout the session;
   - Printed and on-line study skills resources e.g. referencing guide, report writing and exam preparation;
   - A drop-in resource centre containing books and audio visual material that can be borrowed;
   - A limited consultation service for students with individual or small group learning needs.

More information about the EDU services including on-line resources, workshop details and consultation request forms are available from the EDU website.

Contacts and location:
   EDU Web: http://education.fce.unsw.edu.au
   EDU Location: Room 2039, Level 2 Quadrangle Building

EDU services are free and confidential and are available to students of the Faculty of Commerce and Economics.

Other UNSW support
In addition to the EDU services, the UNSW Learning Centre provides academic skills support services for students. The Learning Centre is located on Level 2 of the Library and can be contacted by Phone: 9385 3890 or through their website: http://www.lc.unsw.edu.au/.

Students experiencing problems of an academic or personal nature are encouraged to contact the Counselling Service at UNSW. This service is free and confidential and run by professional counsellors. The Counselling Service is located on Level 2, Quadrangle East Wing, and can be contact on 9385 5418

Support Services
Those students who have a disability that requires some adjustment in their teaching or learning environment are encouraged to discuss their study needs with the lecturer prior to, or at the commencement of their course, or with the Equity Officer (Disability) in the EADU (9385 4734). Issues to be discussed may include access to materials, signers or note-takers, the provision of services and additional exam and assessment arrangements. Early notification is essential to enable any necessary adjustments to be made.
8. CONTINUOUS COURSE IMPROVEMENT

Each year feedback is sought from students and other stakeholders about the courses offered in the School and continual improvements are based on this feedback. UNSW’s Course and Teaching Evaluation and Improvement (CATEI) Process (http://www.ltu.unsw.edu.au/ref4-5_catei.cfm) is one of the ways in which student evaluative feedback is gathered. Significant changes to courses and programs within the School are communicated to subsequent cohorts of students.

If at any time you have any concerns with your progress or any aspects of the course, please feel free to contact me to discuss your concerns. I hope you enjoy the course.

Gordon Taberner
# 9. Course Schedule

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Topic</th>
<th>Reading</th>
<th>Notes</th>
</tr>
</thead>
</table>
| 1    | 1 March 6-7.30pm | Course Administration  
Introduction to New Product Development | PDMA: Part 1 - 3,6,8  
C&D: Ch 1 – 2               |                                                                           |
| 2    | 8 March 6-7.30pm | New Product Strategies                                                | PDMA: Part 1 - 3  
C&D: Ch 3               | Form project groups          |
| 3    | 15 March 6-7.30pm | Concept Generation                                                    | PDMA: Part 3 - 17,20  
C&D: Ch 4 – 5              | Workshop 1                  |
| 4    | 22 March 6-7.30pm | Attribute Analysis Techniques  
(Perceptual mapping & Conjoint analysis)                               | PDMA: Part 3 - 15,18  
C&D: Ch 6 – 7              | Workshop 2                  |
| 5    | 29 March 6-7.30pm | Industry guest                                                        |                                                                        | Workshop 3                  |
| 6    | 5 April 6-7.30pm | Mid-session quiz                                                      |                                                                        | Project groups meet with lecturer |
| 7    | 19 April 6-7.30pm | Concept/Project Evaluation                                            | PDMA: Part 4 - 21  
C&D: Ch 8 – 10             | Workshop 4                  |
| 8    | 26 April 6-7.30pm | Industry guest                                                        |                                                                        | Workshop 5                  |
| 9    | 3 May 6-7.30pm   | Development                                                           | PDMA: Part 3 - 14,16  
Part 4 - 24,25,26,27  
C&D: Ch 13 – 16            | Workshop 6                  |
| 10   | 10 May 6-7.30pm  | Industry guest                                                        |                                                                        | Workshop 7                  |
| 11   | 17 May 6-7.30pm  | Launch Planning & Public Policy Issues                                | PDMA: Part 2 - 11,Part 5  
C&D: Ch 17 – 22           | Workshop 8                  |
| 12   | 24 May 6-7.30pm  | (no formal lecture, use this time for group work on project)          |                                                                        | Workshop 9                  |
| 13   | 31 May 6-7.30pm  | Industry guest                                                        |                                                                        | Project report due in lecture between 6PM and 7:30PM |
| 14   | 7 June 4-9pm     | NP project presentations                                              |                                                                        | Presentations               |

*John Wiley & Sons, Inc.*