



MKTG 221: New Product Development Syllabus • SIBT Summer 2009

Course Instructor: Bill Madway, Lecturer, The Wharton School

Course Credit Hours: 1.5 semester hours (0.5 CU at Penn)

Course Description: New products are an important engine of growth for both existing companies and new ventures. Unfortunately, despite the sizable investment of time and money in new product development, the vast majority of new product introductions do not succeed. The statistics for new ventures are equally disappointing.

The aim of this course is to provide students with the tools, skills, and knowledge to overcome the inherent risks in new product development. We will focus on both the broader management issues involved in developing and implementing an effective new product strategy, such as creativity and innovation, as well as the tactical issues involved in conceiving, evaluating, testing, developing, and ultimately, launching new products.

The course is structured to provide ample opportunity for interaction among students, and between student and instructor. The majority of class time will be spent on discussion of cases and relevant readings, and hands-on, practical activities. There will also be presentations on key concepts by the course instructor. Given the heavy emphasis on discussion and interaction, you are expected to: 1) attend class on a regular basis; 2) complete all assigned readings and other homework assignments on time; and 3) come to class prepared to discuss the material.

Learning Objectives: The specific goals of this course are that you:

1. Come to understand:
 - What is meant by the term, "new product";
 - The process or steps involved in bringing a new product to market, whether in the context of an existing business or a new venture;
 - The factors that contribute to new product/new venture success (and failure);
 - The role that creativity and innovation play in organizational success; and
 - The *Diffusion of Innovation* and *Product Life Cycle* concepts.
2. Learn how to:
 - Increase organizational creativity and capacity for innovation;
 - Generate new product/new venture ideas;
 - Evaluate the commercial viability of new ideas;
 - Turn ideas into opportunities, and from there, into concepts and prototypes; and
 - Test the marketability of new product concepts.
3. Improve your:
 - Analytical and critical thinking skills;
 - Problem-solving and decision-making skills;
 - Written communication skills;
 - Oral communication and presentation skills; and
 - Ability to work in a team situation.

Course Materials: A course pack consisting of chapters from selected textbooks, articles, and cases is required for the class. The entire course pack will be made available on the first day of class. (The readings that are due for the first class will also be distributed electronically prior to the first day of the SIBT program.) Additional readings will be posted on the SIBT website (eRoom) accessible via WebCafé or handed out in class.

Course Requirements and Student Evaluation (i.e., Grading): The course requirements are as follows:

- Reading the assigned materials prior to the class session in which they will be covered, and being prepared to discuss them;
- Completing and submitting the homework assignments in accordance with the schedule found on Pages 5 to 7 of the syllabus;
- Completing a group project—a new product concept proposal—which is tied to the final paper and presentation, which is due at the end of the SIBT Program; and
- Attending class regularly and actively participating in class discussions.

Your grade for MKTG 221 will be based on the following components:

- Homework assignments (to be done individually and handed in) 30%
- New product concept proposal (group project to be handed in) 40%
- Class participation (see next page) 30%

As mentioned previously, participation in class discussions is a critical component of this course. The factors that will be used to determine your class participation grade are as follows:

- Attendance: You are expected to attend all classes and arrive on time.
- Preparation: You have read the material assigned for the day, completed any assignments, and are prepared to answer questions about the material.
- Demeanor: This concerns how well you comply with the standards of good classroom conduct, such as paying attention, not talking with your classmates while someone else is talking, not surfing the Web or texting, etc.
- Participation: You respond to questions when called on, ask pertinent questions, and volunteer to answer questions and provide comments. When it comes to volunteering, you will be evaluated not just on the frequency of your contributions, but more importantly, on the **quality**.

The SIBT Residential/Teaching Advisors (RTAs) will play a major role in grading your class participation and all other elements of the student evaluation process. You will be able to track your progress (i.e., grades) on WebCafé.

Course Logistics and Policies:

- 1. Homework:** Instructions will be provided in class for the case write-ups and other written homework assignments. Written assignments are to be word processed, and turned in at the start of the class period on the date they are due. Late papers (anything after the start of class) are not accepted, except in the case of documented incapacity or emergency. My philosophy is that it is better to turn in a paper on time even if it doesn't represent your best work, than turn it in late.

In addition, for most of the assigned readings, I will provide you with several questions or other tasks to be considered as you read the material. These tasks are intended to focus your thinking as you read the material and prepare you for our class discussions. You will **not** have to hand in your answers to these tasks, **unless** I find that students are coming to class unprepared to discuss the material. **In that case, I will start requiring the class to submit their answers, which will then be graded.**

2. **Class Communication Tools:** The best source for the latest information about this course and the SIBT Program in general is the SIBT website or eRoom on WebCafé. You can access the SIBT website via the following link: <http://webcafe.wharton.upenn.edu/eRoom/centers/sibt>. Please refer to this site frequently for supplementary readings, class assignments, announcements, and other important information regarding class. I will also use email to communicate with the class.
3. **Attendance Policy:** You should review any known absences at the beginning of the semester with the RTA for your team. However, excused absences are limited to religious holidays and medical or family emergencies. Excused absences for illness require a physician's note. It is fully expected that students also arrive on time to class out of respect for your professor and classmates. That said, you will receive partial credit for being in class if you arrive a few minutes late, so don't let tardiness deter you from coming to class.
4. **Laptops/Cell Phones in Class:** As a general rule, you are not to bring laptops to class, as they can be more of a distraction than a learning aid. In some instances, however, I might instruct you to bring a laptop to class for use on a specific class project or exercise. In addition, students with a documented learning need can bring laptops to class; please let me know at the beginning of the course if this is the case.

You can bring your cell phone to class. However, they should be set to vibrate mode, and you are to not use them during class except in the case of an emergency. If you are expecting a call due to an emergency, please let me know at the start of class.

Students violating the laptop or cell phone policies will be asked to leave class for the day and will be marked absent for the session.

5. **Open-door Policy:** I am here to help you get the most of your experience in this course and the SIBT Program in general, and I take this responsibility very seriously. If you have any questions about the course material, your assignments, or career-related issues, or are experiencing any difficulty related to the course or anything else for that matter, I encourage you to seek me out.

You can use whatever communication method works best for you: e-mail, office hours, scheduling an appointment, and/or phone. I will do my best to reply to any e-mails or voice mails by the next **business** day. If you need to hear back from me sooner than this, please indicate so in the subject line of your e-mail or in your voice mail message, and I will do my best to respond quicker.

6. **Other Policies:**

- All students must have their name cards displayed during every class.
- If for some reason you are not prepared for class, please let me know before the start of class to save us both the embarrassment of calling on you.

Class & Assignment Schedule: All reading materials can be found in the course pack unless noted otherwise. Assignments that are to be handed in are shown in blue.

CLASS	DATE	TOPICS	READINGS/ASSIGNMENTS
1	Monday, 7/13	<ul style="list-style-type: none"> ▪ Course introduction ▪ What is a new product ▪ Creativity and innovation ▪ Key components of a successful new product development strategy 	<ul style="list-style-type: none"> ▪ <u>Readings:</u> <ul style="list-style-type: none"> • <i>BusinessWeek</i> articles about Google • “Meeting the Challenge of Disruptive Change,” Clayton Christensen and Michael Overdorf, <i>Harvard Business Review</i> ▪ <u>Assignment:</u> <ul style="list-style-type: none"> • Evaluation of Google’s new product development strategy (instructions included with initial e-mail)
2	Tuesday, 7/14	<ul style="list-style-type: none"> ▪ Steps in the new product/new venture development process 	<ul style="list-style-type: none"> ▪ <u>Readings:</u> <ul style="list-style-type: none"> • “The Top 25 Most Innovative Companies,” <i>BusinessWeek</i> • “Playing Well With Others,” by Philip Kotler, Robert Wolcott and Suj Chandrasekhar, <i>Wall Street Journal</i> • Pages 334 – 345 of Chapter 10, “Developing and Managing Products,” in <i>Marketing</i> by Lamb, Hair, and McDaniel • Pages 257 – 264 and 273 – 277 of Chapter 9, “New Products,” in <i>Product Management</i> by Lehmann and Winer ▪ <u>Assignment:</u> <ul style="list-style-type: none"> • <i>Tastykake Sensables case</i>
3	Wed., 7/15	<ul style="list-style-type: none"> ▪ Opportunity identification and sources of new ideas ▪ Venture architecture ▪ Creative problem-solving exercise 	<ul style="list-style-type: none"> ▪ <u>Readings:</u> <ul style="list-style-type: none"> • Chapter 8, “Developing New Products and Services: The Marketer’s Role,” in <i>Marketer’s Toolkit: The 10 Strategies You Need to Succeed</i> • “In Search of Innovation,” <i>Wall Street Journal</i> • “Sticky Fingers How Avery Found an Office Problem to Solve,” <i>Wall Street Journal</i> • “New Gadgets to Help Keep Kids Safe,” <i>Wall Street Journal</i> ▪ <u>Assignment:</u> <ul style="list-style-type: none"> • <i>4 Questions write-up (instructions to be distributed in class)</i>
4	Thursday, 7/16	<ul style="list-style-type: none"> ▪ Screening and evaluating new ideas and opportunities ▪ Identifying and validating critical success factors 	<ul style="list-style-type: none"> ▪ <u>Readings:</u> <ul style="list-style-type: none"> • “Knowing a Winning Business Idea When You See One,” W. Chan Kim and Renee Mauborgne, <i>Harvard Business Review</i> • “New Products: The Factors That Drive Success,” Richard Cooper, <i>International Marketing Review</i> ▪ <u>Assignment:</u> <ul style="list-style-type: none"> • <i>Idea screening case write-up (case to be distributed in class)</i>
5	Monday, 7/20	<ul style="list-style-type: none"> ▪ Concept testing ▪ Brief presentations of each group’s new product concept and evaluation plan 	<ul style="list-style-type: none"> ▪ <u>Reading:</u> <ul style="list-style-type: none"> • Pages 264 – 272 in Chapter 9, “New Products,” in <i>Product Management</i> • Chapter 2, “Generating, Screening, and Developing Ideas,” in <i>Marketing That Works</i> by Lodish, Morgan, and Archambeau ▪ <u>Assignment:</u> <ul style="list-style-type: none"> • <i>Preliminary description of your group’s new</i>

CLASS	DATE	TOPICS	READINGS/ASSIGNMENTS
			product concept and evaluation plan (group submission)
6	Tuesday, 7/21	<ul style="list-style-type: none"> ▪ Test Marketing 	<ul style="list-style-type: none"> ▪ <u>Reading:</u> <ul style="list-style-type: none"> • Re-read appropriate portions of Chapter 10, "Developing and Managing Products," in <i>Marketing</i>, and Chapter 9, "New Products," in <i>Product Management</i> ▪ <u>Assignment:</u> <ul style="list-style-type: none"> • To be announced
7	Wed., 7/22	<ul style="list-style-type: none"> ▪ Commercialization and launch planning ▪ Diffusion of Innovation ▪ Product Life Cycle 	<ul style="list-style-type: none"> ▪ <u>Reading:</u> <ul style="list-style-type: none"> • Pages 346 – 353 in Chapter 10, "Developing and Managing Products," in <i>Marketing</i> • "Flat Panel TVs, Long Touted, Finally Are Becoming the Norm," Evan Ramstead, <i>Wall Street Journal</i> • Chapter 16, "Strategic Launch Planning," in <i>New Products Management</i> by Crawford and Di Benedetto • "The Perils of Being First," Gwendolyn Bounds, <i>Wall Street Journal</i> • "To Sustain iPhone, Apple Halves Price," Yukaria Iwatani Kane, <i>Wall Street Journal</i> ▪ <u>Assignment:</u> <ul style="list-style-type: none"> • To be announced
8	Thursday, 7/23	<ul style="list-style-type: none"> ▪ Commercialization and launch planning (continued) ▪ Team Presentations 	<ul style="list-style-type: none"> ▪ <u>Assignment:</u> <ul style="list-style-type: none"> • New Product Proposal due (group submission) • In class presentation by each team