

Product Analysis and Development

Prepared by Dr. Aya Mohamed

Lecture 4

ENT 614

Product Analysis (Part Two)

New Product Development (Part One)



In the previous Lecture

Product analysis (Part One)

- The Definition of the product and its characters
- The Definition of Product Analysis?
- The Importance of Product Analysis
- Examining the Difference Between Product Screening and Product Analysis
- What Is the Difference Between Customer Analysis and Product Analysis?
- Difference Between Lead Analysis and Product Analysis

Product Analysis Part two

- • Product Analysis Methods
- • Competitive Product Analysis
- • Why Is a Competitive Product Analysis Critical?

Today

- • How To Write a Product Analysis Report?
- Product Analysis Example

How To Write a Product Analysis Report?



- A product analysis report is **a document** that describes a product and its features and how it benefits the customer.
- The report should be well-organized and easy to read, with sections that cover all of the crucial aspects of the product.
- Below is an outline of what should be included in a product analysis report:

Title Page

This is obviously the title of your product analysis. A straightforward one, to be clear for all who read it.

The title should be written **SMART** and **SHORT**



How To Write a Product Analysis Report?

Table of Contents

This section includes all of the different areas and subsections of your report. It helps the reader navigate through the document and find the information they're looking for quickly and easily. Include page number of each subsection and area.

Executive Summary

- It is a brief overview of the product analysis report. It should include the most essential information from each report section, such as the product's features, benefits, and market opportunity.
- This section is often written last after the rest of the report has been completed.

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How To Write a Product Analysis Report?

Product Analysis Methods

- This section should outline the different methods used to analyze the product.
- It should include a description of the collected data and how it was used to analyze the product.

KJ Method

SWOT
analysis

Value chain
analysis

PESTEL
analysis

Competitive
product
analysis

How To Write a Product Analysis Report?

Product Overview and Description

- This section should provide a detailed description of the product, including its features, benefits, and **unique selling points. (USP)**
- It should also outline how the product fits into the larger market landscape.

How the Product Meets Customer Needs?

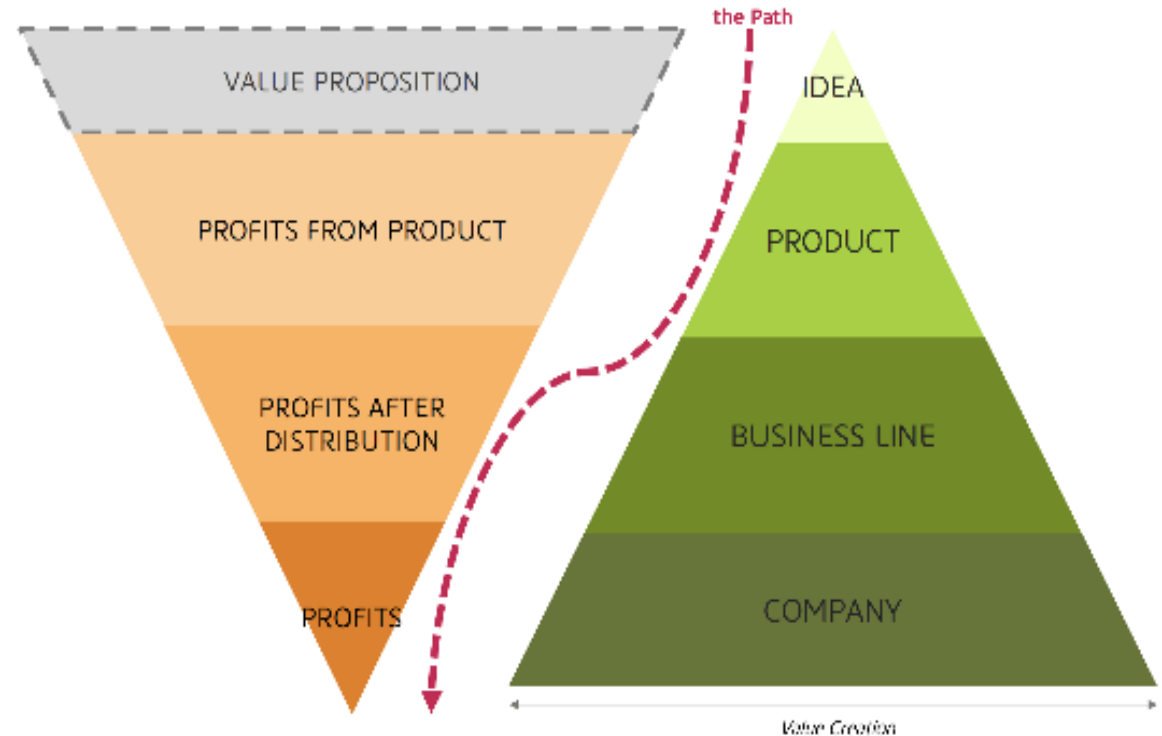
- This section should outline how the product meets the needs of the customer.
- It should include a description of the target user and information about what needs the product meets.

How To Write a Product Analysis Report?

Pricing and Availability

- This section should include information about the **product's price** and **availability**.
- This means that here you outline the estimated price ranges of the product with the best-suited price.
- You also include where and when your product will be made available to the user.
- It should also outline any promotions or discounts that are currently or plan to be made available.

The Path to Profitability



How To Write a Product Analysis Report?

Marketing Strategies

- This section should outline the different product marketing strategies used to promote the product.
- It should include a description of the target market (**Customer persona**) and information about how the product will reach them.
- Sales and Distribution Channels should describe how the product will be sold and distributed to customers.



How To Write a Product Analysis Report?

Successful Applications of the Product

- This section should provide examples of how the product has been successfully used in the past or during testing.
- It can include case studies, customer testimonials, or other forms of social proof.



How To Write a Product Analysis Report?

Competitors' Products and How They Compare

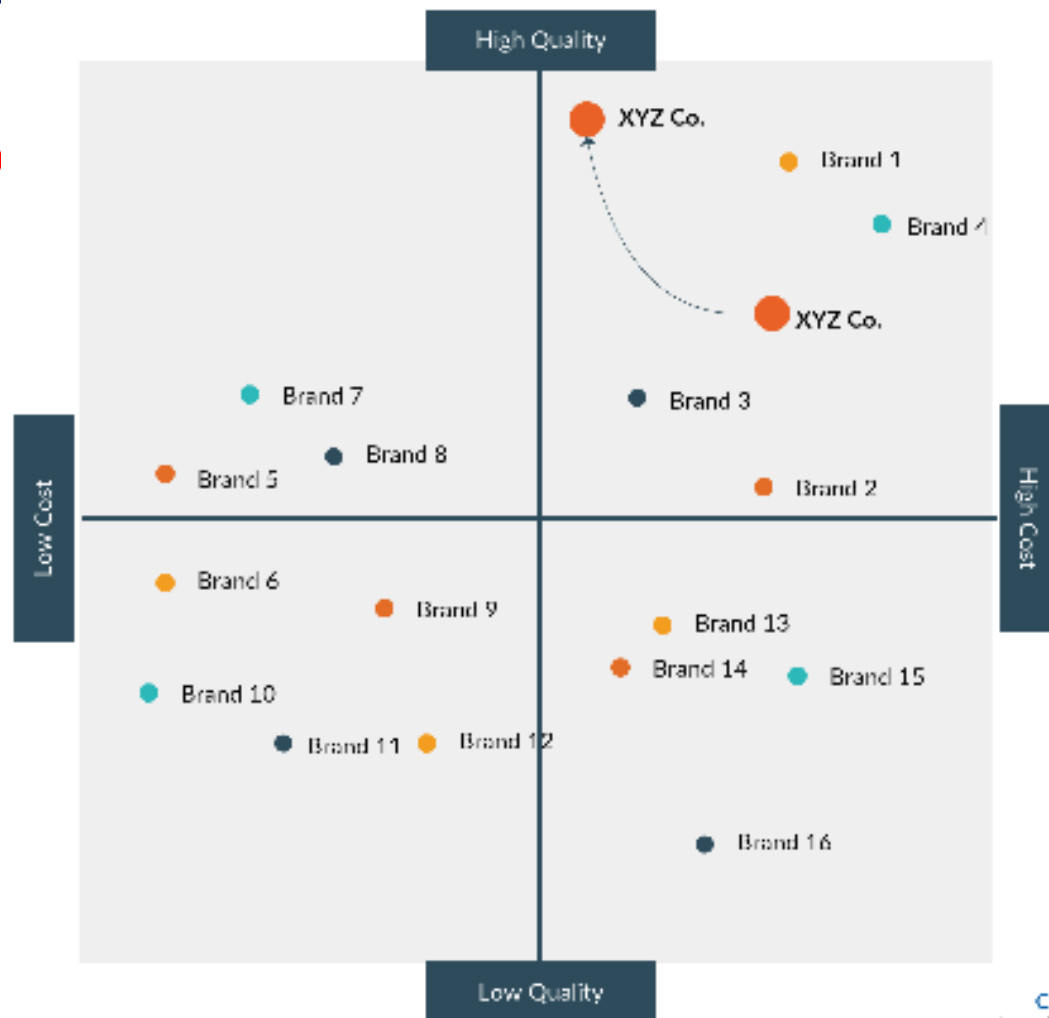
- This section should provide a detailed description of the competition and how their products compare to yours.
- It should include information about what the competition offers and how your product is better (or worse).

	You	Competitor 1	Competitor 2	Competitor 3
Product quality	9	1	8	5
Pricing	3	4	3	2
Place	3	7	4	8
Promotion	4	7	9	4
Positioning	6	9	7	10
Reputation	4	10	4	8
People	7	3	7	2
Partnership	8	7	8	6

How To Write a Product Analysis Report?

Competitors' Products and How They Compare

- It is best to summarize a SWOT analysis of the competition here



How To Write a Product Analysis Report?

Recommendations

- This section should provide recommendations for how to improve the product.
- It can include recommendations for changes to the product and suggestions for how to better market or sell it.
- This is where you would outline any areas that need improvement and provide solutions for how to fix them.

Conclusion

- This section provides a summary of the product analysis report. It should highlight the most critical findings from the report and outline what actions should be taken based on those findings.
- It includes information about what was learned from the product analysis and what can be done to improve it in the future.



Example of product analysis report

You are the **product analyst** for a new **health and fitness mobile application** that has recently hit the market.

Your task is to provide a detailed report on the product, including its strengths and weaknesses, and compare it to similar products.

To do this, you will have to use various product analysis methods.

Example of product analysis report

Data Collection

The first step in any product analysis is data collection.

For our **health and fitness mobile application example**, we will need to collect data about the product itself and how it is being used by customers.

This data can be collected through:

1. **surveys**,
2. **interviews**,
3. **focus groups**,
4. **observing** people using the product

Example of product analysis report

Product Testing



This involves putting the product through its actual uses to see how it performs in different scenarios.

For our Health and fitness mobile application example, you might test how well it tracks activity, monitors heart rate, and records data.

You might also test how water-resistant or durable the product is.

Example of product analysis report

Competitive Analysis



In this stage, you compare your product to similar products.

For our fitness tracker example, you would compare it to other trackers and applications on the market and health apps and wearable devices.

You would then outline what features the fitness tracker offers that are not available on other products.

Example of product analysis report

Financial Analysis

The final step in product analysis is financial analysis.

In this stage, you examine **the cost** of producing the product and its **potential profitability**.

You might look at how much **revenue** the product generates and how that compares to other products on the market.

This information can be used to recommend **pricing, production, or marketing strategies**.



New Product Development (Part One)

A **product** is the item offered for sale. A product can be a service or an item. It can be physical or in virtual or cyber form. Every product is made at a cost and each is sold at a price.

Defining Newness:

New-to-the-Company

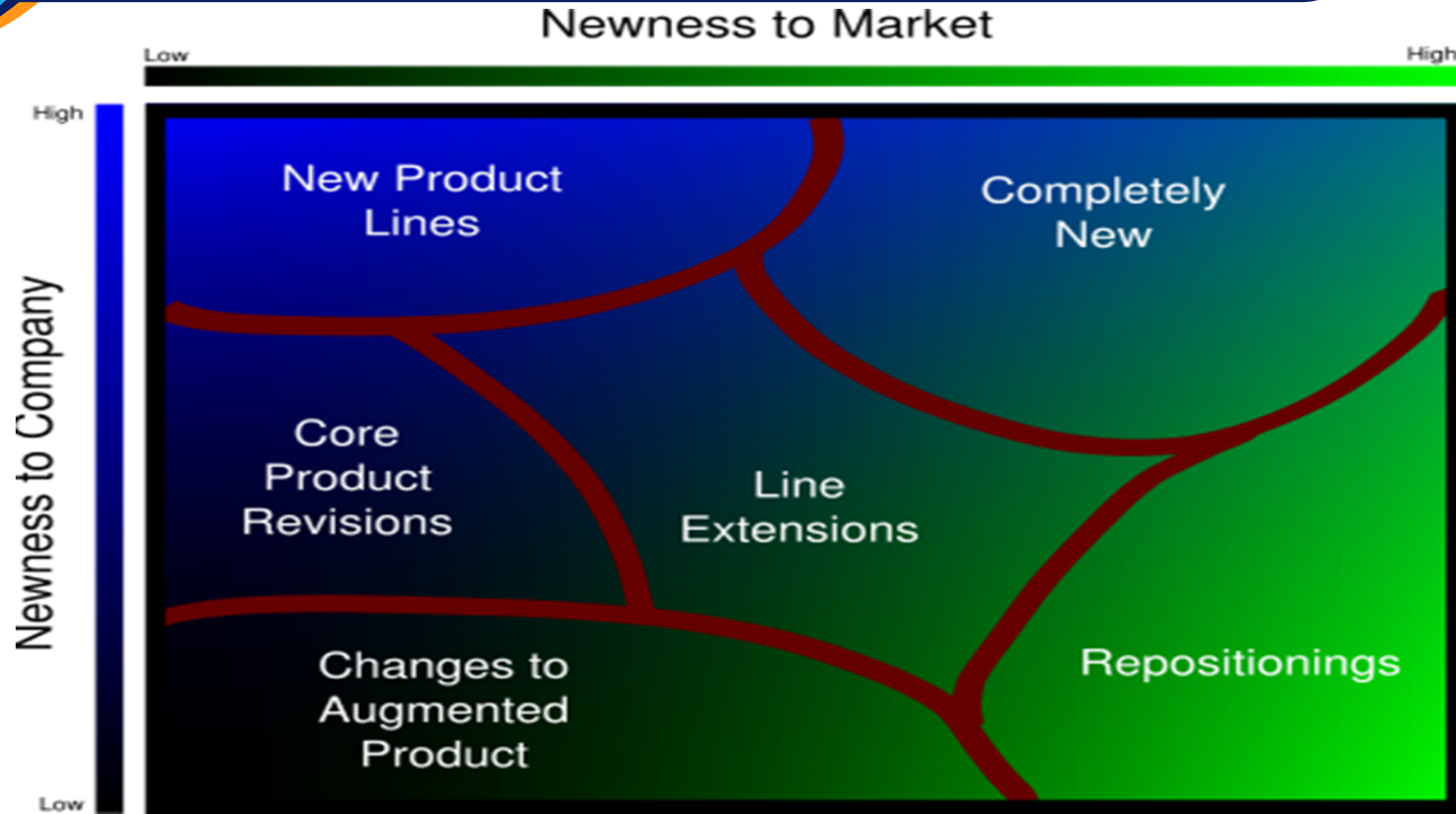
New-to-the-Market Place

Categories of New Products:

- ✓ New to the World (or Market Place)
- ✓ New Product Line
- ✓ Additions to Existing Product Lines
- ✓ Improvements & Revisions to Existing Products
- ✓ Re-positionings
- ✓ Cost Reductions

Topic

New Product



1- New to the World:

- ✓ First of their kind---- 'Inventions'
- ✓ Create entirely new market
- ✓ Represent 10% of all new products
- ✓ Examples: Sony Walkman, Microwave oven, the first home CD/DVD player, 3M's yellow Post-It Notes, Doodh patti Sachet,

2- New product Line:

- ✓ New to the company but not new to the marketplace
- ✓ Allow a company to enter an established market for the first time
- ✓ Sometimes a firm may simply want to capture part of an existing market with a 'me-too' product (About 20% of all new products fit into this category)

Examples: Petrosin's Pak Oil, PTC's Sun Drop cooking oil, PTCL's Broadband net service (DSL), IBM's office version of a laser printer (Hewlett Packard's was the first to offer to the market), AT&T's universal cards etc.

3- Line extensions in the firm's current markets:

May also represent a fairly New product to the marketplace, but fit within an existing product line the firm makes

One of the largest categories of new products-----about 26%

Examples: Hewlett Packard's Office Jet ----novel to the market, but taken as an addition to laser jet printers family), Telenor's mobile TV, wireless connectivity etc., newer versions of mobile phone sets/Sony Ericsson's PDA, Other examples include LG Flatron, Robin Neel liquid, addition of Dettoll Extra to Dettoll Family etc.

4- Improvements and Revisions to Existing Products:

- ✓ Not-So-New-----current Products made better
- ✓ Essentially the replacements of existing products in a firm's product line
- ✓ Usually taken in view of product differentiation strategy, for managing product life cycle
- ✓ Offer improved performance or greater perceived value over the 'old' product
- ✓ club etc

4- Improvements and Revisions to Existing Products:

- ✓ Objective is to make (both cosmetic and technical) changes to existing products, that respond to a changing customer requirements or a competitive threat
- ✓ Takes a significant percentage of R&D efforts
- ✓ 'New & Improved' products also make up 26% of new product launches
- ✓ **Examples:** Surf Excel (from Surf), Fair & lovely advanced formula, Head n Shoulders Black, Santro club etc

5- Repositioning:

- ✓ Existing products retargeted for a new use or applications, in order to appeal to new market segments, Account for about 7% of all new products
- ✓ **Examples:**
- ✓ Ufone's repositioning by targeting the upper segment
- ✓ Aspirin originally known as standard headache & fever reliever. Now, aspirin is positioned, not as a headache pill, but as a blood clot, stroke and heart attack preventer.
- ✓ Arm & Hammer Baking soda is another example, which was repositioned several times as drain deodorant, refrigerator deodorant, a new carpet freshener, and more-----and all in the

6- Cost Reductions:

- ✓ Products modified to provide similar performance but at a lower cost
- ✓ Least 'new' of all new product categories
- ✓ Could represent a significant change to the firm, from design and production view point
- ✓ Represent 11% of all new product launches
- ✓ Examples:
 - ✓ LG's energy saving split unit
 - ✓ Lu's tiger biscuit in Rs.2
 - ✓ package of baking soda

- ❑ Most firms feature a mixed portfolio of new products
- ❑ The most popular categories, common to all firms are:
 - Additions to the line
 - Product improvements and revisions
- ❑ The step-out products (**new-to-the-world & new-to-the-firm's product line**) constitute only 30% of all new product launches, out of which 60% are viewed as 'most successful'
- ❑ 50% of firms introduce **no** new-to-the-world products
- ❑ Another 25% develop no new product lines
- ❑ High tech industries launch proportionately more '**innovative**' products



Product Strategy

- ❑ The product strategy is a **detailed plan** that lays out your company's goals and how it plans to achieve them.
- ❑ Such a plan acts as a map to develop your product and its features.
- ❑ Since it is detailed, businesses use it as a **reference point** to make fundamental decisions.
- ❑ It helps ensure everything gets done **correctly on time**.

The product strategy answers the following questions:

- ❑ Which user persona does this product serve?
- ❑ How will they benefit?
- ❑ What are the company's objectives throughout the product life cycle?

The product strategy also outlines how the product will help the business grow.

It explains the user problem that the product will solve and maps its impact on the customer and the company

- ❑ Once the product strategy is clear, you can define your product to know what you need to develop and when.
- ❑ The product strategy helps understand the product's success **before, during, and after** its development.
- ❑ Moreover, you can also **align team members** and **build customer connections** once your product strategy is in place.

Product Management Strategy



1- A Strong Sense of Purpose

- ❑ If you are building a product without a product strategy and instead just for the sake of it, it's a wasted effort.
- ❑ Like humans need a sense of purpose to survive, products should also have a **reason to live**.
- ❑ That reason can be to solve a problem or serve the good.
- ❑ This is the first step to reflecting your product's purpose.

2- Understand Customer Needs and How They Change

- ❑ You make all the products for **customers**.
- ❑ Ultimately, the end-users make the company and the product successful. It would be best if you based the product strategy on making the customers happy with their purchases by satisfying their needs.
- ❑ In such cases, product strategy should bridge what customers say and what they need.

Remember that your customer's needs are **dynamic**.

- ❑ In that case, it becomes crucial to keep updating your product strategy

3- Understand How You Add Value

- ❑ Products and users are **interdependent** and exist in a changing ecosystem.
- ❑ Similarly, every product has **value and purpose** that can contribute to the changing ecosystem.
- ❑ However, it is vital to keep **updating** the product's role when the **ecosystem changes**

4- Being Prepared for Change

- ❑ Since we cannot predict the future, staying informed and vigilant about relevant events is essential.
- ❑ An organization can anticipate crises and prepare for change.
- ❑ The change isn't always negative.
- ❑ It could also serve as an opportunity to expand your business.
- ❑ We highly recommend agile business models to be flexible rather than rigid towards change.

5- Action for Change

Being prepared for change is insufficient if you don't have **an action plan**

- ❑ When a crisis hits, your team should be ready to implement a strategy to make the best out of the situation.
- ❑ Delivery companies like **Amazon** introduced safety measures like no-contact delivery during the pandemic.
- ❑ They gained **brand loyalty**, which eventually benefited their business.

6- Measure Success

Measuring every product strategy, you implement is IMPORTANT, to keep track of the product strategy's progress.

Key performance indicators (KPI) highlight progress and warn about potential dangers. Using product management tools such as ALM software, you can keep track of your product's performance according to your KPIs and make the necessary changes when needed

Product analysis is a vital tool for any product manager that wants to create or improve a product. It helps you understand the product and how it compares to similar products on the market.

It also helps you identify areas where the product can be improved. By using various methods, you can get a detailed picture of the product and its potential

- • How To Write a Product Analysis Report?
- Product Analysis Example
- NEW product development
- Definition of product strategy
- Key indicators of Effective product strategy

Product Analysis and Development

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Lecture 4



Thank You