Columbia Business School

Customer-Centric Innovation – Feb. 2 – 6, 2014

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Course Overview

This course deals with the challenge of bringing to market elegant and efficient solutions to strong customer needs. This challenge is relevant whether you work for a startup or a large company, whether you sell products or services, and whether your customers are individual consumers or companies. We structure our learning around the following basic steps of the innovation process:

1. Opportunity identification / Idea generation
2. Design
3. Testing
4. Launch

Project

We will take on the challenge of trying to develop a new product during the week! You will apply the tools and frameworks covered in the course to progress through the innovation process (see checklist below). A set of projects will be offered by companies. You will select your project (and form teams of 6 students) before the course starts, based on materials provided by the companies. You will visit your "client" company at the beginning of the course, and representatives from the company will attend your final presentations at the end of the course.

Alternatively, you may propose your own project (e.g., startup idea). Please contact me before January 1st if you would like to do so.

Other assignments

Case survey: You are required to answer some online questions on a case discussed during the course. Your answers should be submitted online BEFORE the beginning of the course (see links below). This is an individual assignment ("type C").

Readings: Although you are not required to hand in any report, you are expected to read the articles in depth.

Connection with the Core

This course builds on the following concepts and tools from the marketing core course: targeting, segmentation, positioning, conjoint analysis, advertising.

Grading

Grading will be done as follows:

- Class participation: 25%
- Case survey: 15%
- Project: 60%

Schedule

Monday 02/02
Morning: Company visit / project work
1.00-2.30: Blue Ocean Strategy
2.30-3.45: Project Work (apply Blue Ocean Strategy)
4.00-5.00: Market Definition and Segmentation
Classroom: Warren 309; Breakout spaces: Warren 200, 204, 205, 206, 300, 302, 303, 304

Tuesday 02/03
9.00-9.30: Business Model Canvas
9.30-11.00: Project work (apply Market Definition and Segmentation)
11.15-12.00: Ideation Templates
1.00-2.00: Ideation Templates
2.15-5.00: Project work (apply Ideation Templates, complete Opportunity Identification / Idea Generation stage)
Classroom: Uris 301; Breakout spaces: Uris 326 & 328 from 9:00 AM – 12:30 PM and Uris 305 & 306 from 12:30 PM – 5:00 PM

Wednesday 02/04
9.00-10.00: Positioning, Perceptual Maps and Core Benefit Proposition
10.15-12.00: Conjoint Analysis
1.00-2.30: The Voice of the Customer + The House of Quality + Concept Testing
2.45-5.00: Project work (Design / Testing)
Classroom: Uris 301; Breakout spaces: Uris 328 & 329 from 9:00 AM – 12:30 PM and Uris 305 & 306 from 12:30 PM – 5:00 PM

Thursday 02/05
9.00-10.30: Non Traditional Marketing
10.45-3.15: Project work (complete Design and Testing; work on Launch)
3.30-5.00: Involving Consumers in Idea Generation
Classroom: Uris 301; Breakout spaces: Uris 305, 306 & 327

Friday 02/06
9.00-10.30: Prediction Markets + Neuromarketing + Diffusion of Innovation
10.45-2.15: Project Work (finalize project)
2.30-5.00: Final Project Presentations
Classroom: Warren 416; Breakout spaces: Warren 300, 302, 303, 304, 305, 306, 307 & 308

List of topics and readings

Business Model Canvas

Readings:
Blank, Steve (2013), "Why the Lean Start-Up Changes Everything," Harvard Business Review, May, 1-9.

Opportunity Identification / Idea Generation

Blue Ocean Strategy

Readings:
Kim, W. Chan, and Renée Mauborgne (2004), "Blue Ocean Strategy," *Harvard Business Review*.

Market definition and segmentation

Readings:
Christensen, Clayton M., Scott Cook, and Taddy Hall (2005), "Marketing Malpractice: The Cause and the Cure," *Harvard Business Review*.

Ideation templates

Readings:
Fisher, Anne (2007), "Ideas Made Here," *Fortune*.

Goldenberg, Jacob, Roni Horowitz, Amnon Levav, and David Mazursky (2003), "Finding your Innovation Sweet Spot," *Harvard Business Review*.

Involving consumers in idea generation

Readings:
Raman, Nithya, and Olivier Toubia (2013), "A Lead User Template: Unlocking the Value of PWD," *Columbia CaseWorks*.

Simon, Ruth (2014), "One Week, 3,000 Product Ideas," *The Wall Street Journal*.

Design

Positioning, perceptual maps and core benefit proposition

Conjoint analysis

Readings:
Ofek, Elie, and Olivier Toubia, "Conjoint Analysis: Online Tutorial" – create an account and access the tutorial at:
https://cb.hbsp.harvard.edu/cbmp/access/32893561

Toubia, Olivier, "Columbia Business School Case: VerTerra."

Submit your answers online at
https://columbia.az1.qualtrics.com/SE/?SID=SV_ba574zzDlykmyBS

The voice of the customer

Readings:
Toubia, Olivier, "Note on the Voice of the Customer."

The house of quality

Readings:
Hauser, John (1993), "How Puritan Bennett used the House of Quality," *Sloan Management Review*, Vol. 34 Issue 3, p61.

Testing

Concept testing

Prediction markets

Readings:
Dye, Renée (2008), "The Promise of Prediction Markets: A Roundtable," *The McKinsey Quarterly*.

Neuromarketing

Readings:
Penenberg, Adam, Clive (2011), "NeuroFocus Uses Neuromarketing To Hack Your Brain," *Fast Company*.

Launch

Non traditional marketing

Project Checklists

Opportunity Identification / Idea Generation stage (**to be completed by the end of Tuesday**):

1. Use the tools and frameworks covered in class (blue ocean strategies, job segmentation, ideation templates) to identify opportunities and ideas for your project.
2. Screen your opportunities and ideas to select the best one(s). (You can use idea score sheet available on course webpage).

Design stage (**to be completed by the end of Thursday):**

Develop one (or many) concept(s) for each opportunity/idea identified in the previous stage. For each concept provide:

a. A positioning statement
b. At least one perceptual map
c. Detailed features and specification
d. Price (or price range)
e. Distribution channel

You can use conjoint analysis or focus groups at this stage to refine your concept(s). I expect you to collect marketing research data at least once during the week (e.g., conjoint analysis, concept test, focus group, other survey, etc.). If you are doing online marketing research, please email me the link.

Testing stage (**to be completed by the end of Thursday**):

1. If more than one concept came out of the Design stage, use concept testing or focus groups to select the best concept.
2. Refine and improve the selected concept.

Launch stage (**to be completed by the end of Friday**):

Develop non-traditional launch campaign ideas for your product or service. Use the tools and frameworks covered in the course to explore various non-traditional approaches. You do not need to provide a detailed budget for the launch plan, but your ideas need to be very specific.

Project Deliverables

-Final presentation (use template on course webpage). Include Appendix containing details of your market research / analyses, and how you applied the tools covered in the course to your project.
-Business Model Canvas for your innovation (use template on course webpage).