

ST.10

Generate ideas for new products, markets and selling points

Requires dialogue

The aim of this activity is to generate ideas for how to align the company's products, markets and selling points with the new company vision and goals.



INPUT

- Company vision from the activity *ST.8 Develop a vision for the company.*
- Strategic goals from the activity: *ST.9 Define the strategic goals.*

OUTPUTS

- Ideas for new products, markets and selling points used in the activity *ST.11 Evaluate ideas for new markets, products and selling points.*

HOW TO GO ABOUT IT

1. Review the strategic goals, company vision and the details of the current markets, products and selling points.
2. Consider the following questions:
 - Are the markets, products and selling points aligned with the company vision?
 - Can the strategic goals be achieved with the current set of markets, products and selling points?
3. It is unlikely that the answer to both of these questions is 'yes' so you will need to generate ideas for changes that could be made to markets, products and selling points. The following tips can help you to do this:
 - Identify which existing markets are most important to achieving the company's goals and vision – what new products could be sold to these markets?
 - Identify which existing products are most important to achieving the company's goals and vision – what new markets could these products be sold into?
 - Identify which of the selling points currently used is most important to achieving the company's goals and vision – how

- Are there high priority opportunities from the SWOT analysis that could be taken up with some combination of new products, markets and selling points?
- Are there ideas from the TOWS analysis for new markets, products or selling points?
- Are there markets, products or selling points that are not aligned with the company's goals or vision that should be eliminated? If so, what would be the timescale for doing this?

Once you have generated at least five ideas for new markets, products and selling points, you can proceed to the next activity of evaluating the ideas

	Markets	Products	Selling points
Company vision			
Strategic goals			
General ideas			

Products, markets and selling points

Project _____

Date _____

Version _____

Company vision

Strategic goals

General ideas

Markets

Which existing markets are important to achieving the company's goals and vision? Do the vision and goals suggest the need to enter new markets?

Products

Which products are important to achieving the company's goals and vision?

Do the vision and goals suggest the need to create new products?

Selling points

Which selling points are important to achieving the company's goals and vision?

Do the vision and goals suggest the need to focus on new selling points?

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LEARNING CASE STUDY OF PRODUCTS, MARKETS & SELLING POINTS

Company vision

- Leading producer of processed fish and seafood
- Providing tasty, nutritious food to millions of people in a sustainable way.
- Sustainably sourced fish and seafood
- Create innovative, varied and tasty products that our customers love.
- Treat our staff, suppliers and partners fairly

Strategic goals

- Reducing fish loss and waste
- Focus on sustainable product lines
- Introduce sustainable fishing methods
- Introduce non-tuna product lines
- Reducing employee turnover
- Increase turnover to over \$1 million

General ideas

- Sustainability as a selling point – sustainable sourcing of fish/seafood and low carbon processing
- Offer tuna processing as a service
- Sell canned seafood (crab, mussels, squid etc)
- Other types of fish that require manual processing

Markets

- US consumer market – still very important as biggest market.
- European consumer market – interested in sustainability
- US restaurants – continue focus on low-cost selling point

Products

- Sustainably sourced and processed tuna
- Canned seafood (crab, mussels, squid etc)
- Other types of canned fish other than tuna
- Tuna with a sauce
- Limited edition seafood dishes – from seasonal, abundant seafood sources

Selling points

- Sustainability as a selling point – sustainable sourcing of fish/seafood and low carbon processing
- Innovation – added value through new products that make life easier for the cook/consumer and result in tasty, nutritious meals
- Low cost – still very important for domestic markets and some price-sensitive international markets

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BACKGROUND INFORMATION

References and resources

Market segmentation and size:

- Schade, C. (2009). TAM, SAM, SOM – Market evaluations easily explained [Online]. Available from: <http://tamsamsom.blogspot.co.uk/2009/03/tam-sam-som.html>
- Market segmentation [Online]. Available from: http://en.wikipedia.org/wiki/Market_segmentation
- Bournemouth University. Market segmentation [Online]. Available from: <http://media3.bournemouth.ac.uk/marketing/07segmentation/04strategies.html>

→ Further information in the Chemicals and Metals Supplements



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LEARNING CASE STUDY OF STRATEGY IDEA EVALUATION

Idea title: Use organic cotton and sustainability as a selling point for existing products		
Type of benefit	Description	Fit with goals
Economic	Estimated total available market of US\$ 500k-1MM growing at 10% per year.	Contributes to the goal of becoming the leading local supplier of sustainably sourced and manufactured processed textiles for corporate wear customers
Environmental	Reduces the amount of agrochemicals used in cotton production by 100% and eliminates the use of all toxic chemicals on the ZDHC RSL.	Contributes to the elimination of all chemicals used in production which are on the ZDHC Restricted Substances List (RSL) within two years
Social	Will protect the health of workers in the supply chain by eliminating their exposure to toxic chemicals.	Reduce the chemical footprint of toxic chemicals in the value chain by 15% within 3 years.

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LEARNING CASE STUDY OF STRATEGY IDEA EVALUATION

Idea title: Targeting market segments in which customers are willing to pay premium price		
Type of benefit	Description	Fit with goals
Economic	<p>Access to new markets:</p> <ul style="list-style-type: none"> Domestic business-to-customer bicycles retail market segments worth US\$ 600,000 – 1,300,000 that have shown a strong interest in sustainably produced personalised bicycles Export business-to-business bicycle wholesale market segments worth more than US\$ 1,000,000 that have shown a strong interest in sustainably produced standardised bicycles 	<p>Fitting with the goal to increase profit margins by 10% on both domestic and export sales by lowering production costs through waste reduction and higher efficiency in the production process.</p>
Environmental	<p>Addresses the key sustainability issue of high amounts of metal waste and hazardous substances along the life cycle</p>	<p>Aligned with the goal of reducing metal scrap waste to less than 1% of the input during production.</p>
Social	<p>Diversification (e.g. production of customized and/or multi-purpose bikes, introducing a return & reuse scheme) to reach new market segments</p>	<p>It contributes to the goal of becoming the local leader in sustainable production of personalised bicycles fitting local needs</p>