Product Development Process: a journey from the idea to the finished good

10 Hours Mini-course

Stefano Maretto

Reckitt Benckiser R&D Home Care
Course Content:
Product Development Process Overview

IDEA GENERATION
- Product concept
- Generating ideas
- Selling ideas
- Feasibility assessment

DEVELOPMENT
- Project planning
- Team management
- Communication skills
- Project delivery
- Cost analysis
- Market research

LAUNCH
- Product dossier
- Hand-over to production
- Post-launch review
Introduction #1: Wider Structure of the Chemical Industry

- Raw Materials
  - Fine chemicals
  - Commodities

- Finished Products

- Industrial Products
- Consumer Products

- Pharmaceuticals
- Personal Care
- Household products
- Paints and adhesives
- Food
Introduction #2: Company Structure

General Manager

- Research & Development
- Production
- Marketing
- Sales
- Informatics Service
- Finance
- Human Resources
Introduction #3: Typical Corporate Hierarchy

- CEO Chief Executive Officer
- GM General Manager
- Director
  - Manager
    - Brand Manager (Marketing)
    - R&D Manager (R&D)
  - Associate Assistant
    - Assistant Brand Manager
    - R&D Associate
Product Development Process: Step 1 – Idea Generation Phase

**IDEA GENERATION**
- Product concept
- Generating ideas
- Selling ideas
- Feasibility assessment

**DEVELOPMENT**
- Project planning
- Team management
- Communication skills
- Project delivery
- Cost analysis
- Market research

**LAUNCH**
- Product dossier
- Hand-over to production
- Post-launch review
Product Concept
Product Concept: The Way Marketing Works

- Structured format to describe a new product idea
- Universally used across different business
- Marketing team manage product concepts, supported by:
  1. Market Research
  2. R&D
- Concept format is used across the whole product life:
  1. birth: product idea generation
  2. childhood: concept qualification
  3. adult age: communication
The Product Concept Includes Three Separate Sections

1. **Insight / Accepted Consumer Belief**
   - Unmet consumer need

2. **Benefit**
   - Improvement offered to the consumer

3. **Reason To Believe**
   - Technical rational, how the product works
Brainstorming
Generating new ideas: A Brainstorming Session

• Brainstorming leader has to:
  • Set the issue clearly
  • Allocate limited time (preferably in the morning), keep it short
  • Invite 6 to 10 people
  • Select diverse people (different functions, different profiles)
  • Identify facilitator (ideally from outside)
  • Avoid presence of manager
  • Agree evaluation criteria upfront
Brainstorming Phases: Idea Generation and Idea Selection

**Start:** set the issue

**Generation:** 100 ideas

**Selection:** 1 to 3 good ideas

End: 1 to 3 good ideas
Brainstorming Golden Rules

• Quantity is good
• No idea is a bad idea
• Suspend judgment
• Ideas should be:
  – short
  – specific
  – action-oriented
Evaluation Criteria of New Ideas

- Place ideas in the proper area
- Define measurable target and involved people

<table>
<thead>
<tr>
<th>PAY-BACK</th>
<th>IMPLEMENTATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>short term</td>
<td>easy</td>
</tr>
<tr>
<td>development</td>
<td></td>
</tr>
<tr>
<td>long term</td>
<td>difficult</td>
</tr>
<tr>
<td>development</td>
<td></td>
</tr>
<tr>
<td>questionable</td>
<td>low</td>
</tr>
<tr>
<td>non starter</td>
<td></td>
</tr>
<tr>
<td>high</td>
<td></td>
</tr>
<tr>
<td>low</td>
<td></td>
</tr>
</tbody>
</table>
Brainstorming Techniques to Enhance Creativity

• Problem analysis (ask 6x2 questions - DO and DON’T)
  – who, what, when, where, why, how (Five Ws and a H)

• SCAMPER
  – Substitute, Combine, Adapt, Magnify-Minimise, Put to other use, Eliminate, Reverse

• Break the rules
  – list the rules used in your business
  – break them (what if we.....?)

• Lateral thinking
  – come at the problem from new directions
Persuasive Selling
Persuasive Selling: Selling Ideas to Marketing

Phase 1: PLANNING
- Set goals
- Commercialised the goal
- Prepare communication

Phase 2: SELLING
- Confirm needs
- Sell the proposal
- Close the sale
Planning #1: Set Selling Goals

• Understand marketing needs

• Set **SMARTER** goals
  – Specific: set your goal in exact terms
  – Measurable: goal has to be quantifiable
  – Ambitious: aim high to be different
  – Realistic: only realistic goals are achievable
  – Timed: set the timetable for completion
  – Exciting: the more exciting is the goal the faster it progresses
  – Recorded: capture the goal
Planning #2: Commercialise goal

- Connect product feature to marketing benefits

Primary need

Secondary needs

- Benefits must address customer needs
- Buyers buy benefits
- Identify strongest marketing benefit
Planning #3: Prepare Communication

- Understand your audience
- Communication structure
  1. Headline: be different
  2. Road Map: agenda
  3. Set up context: background info
  4. Sell benefit: big idea (benefits that connect to customer needs)
  5. Next steps: easy to execute
  6. Summary: consolidation of key benefit
Selling #1: Confirm Needs

- Questioning and listening is key skill for selling: ask the right questions

- Make sure marketing state their needs first...
- ...matching the proposition you are about to introduce
Selling #2: Sell the Proposal

• Convey features of product idea to marketing benefits

• Seller checklist
  – Enthusiastic
  – Confident
  – Respectful
  – Simple message
  – Clear next steps
  – Receptive to ideas
  – Reinforce many times key benefits that resonate
Selling #3: Close the Sale

- Closure timing is a key success factor
- Good closing statement provides momentum to act
- Deliver naturally and expect positive answer
- Provides alternatives or make assumptions
  - plan in advance closing statement
Technical Feasibility
Assessment of the Technical Feasibility

- R&D responsibility
- It is a balance of 2 factors:
  1. reasonable level of accuracy
  2. limited allocation of time and resources (money and people)
- Feasibility assessment is based on:
  - existing internal know-how
  - literature, scientific databases, patents
  - external consultants, experts, scouting companies
  - early lab testing
- Alternative options should be considered
- Positive feasibility assessment allows the idea to move into development phase
Activities of the Technical Feasibility Phase

• Evaluate technical approaches to deliver concept
• Estimate project timing and costs
• Develop prototype product and process
• Develop prototype specifications
• Test prototype performance – proof of principle
• Carry out patent search
• Develop protocol for claim substantiation
R&D central role in the idea validation process

- Ideation Sessions

- Qualitative consumer work

- Concept test

- Technical Support

Let it go! Give broad directions

Probing is allowed – Provide structural tech feedback

Support should be achievable – existing or expected (plan in place)
Product Development Process: Step 2 – Development Phase

IDEA GENERATION
- Product concept
- Generating ideas
- Selling ideas
- Feasibility assessment

DEVELOPMENT
- Project planning
- Team management
- Communication skills
- Project delivery
- Cost analysis
- Market research

LAUNCH
- Product dossier
- Hand-over to production
- Post-launch review
Project Management
Project Definition

• **A Project is:**
  - a group of connected activities
  - defined start point
  - defined end point
  - the result is a product

• **Common project constraints:**
  - Quality: product specification must be satisfied
  - Cost: product delivered without exceeding cost target
  - Time: project completed by the agreed timing

• **Project Management:**
  - required to control complex activities
  - manage change
The Early Stage of a Project: The Project Document

- The project document includes all the key information:
  - project name
  - scope
  - product description (specification and target cost)
  - priority
  - resource requirements
  - schedule
  - facilities
  - risks

- Estimation is critical at this stage:
  - always some risks associated with estimation
  - project document evolves with project progress (change)
Critical Factors for a Successful Project

• Scope clearly defined
• Competent team
• Support from top management
• Proper resources allocated (people and budget)
• Good communication across functions
Getting External Resources: Outsourcing

• External partners can support part of the project

• Rational for outsourcing:
  − peak of activities
  − lack of expertise
  − lower cost

• Typical outsourcing partners:
  − suppliers
  − university / scientific institutions
  − technical scouting companies / consultants
Planning the Project: Building a Critical Path Schedule

- Before the project begins it should be planned
- Planning is essential to control project progress
- Project can be flexible but changes should be kept to a minimum
- Time spent planning saves time later
- Planning is an interactive process (many functions involved)
- Plans must be agreed by all involved functions
The Planning Process

1. Define end goal
2. Identify intermediate goals
3. Time order the intermediate goals
4. Agree completion dates for each activity
5. Allocate accountability
6. Build Critical Path Schedule using a project planning tool
   - e.g. Gantt charts (Microsoft Project)
### Example of Critical Path Schedule: Gantt Chart

<table>
<thead>
<tr>
<th>Task</th>
<th>Week 1</th>
<th>Week 2</th>
<th>Week 3</th>
<th>Week 4</th>
<th>Week 5</th>
<th>Week 6</th>
<th>Week 7</th>
<th>Week 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task 1</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td></td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Task 2</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Task 3</td>
<td></td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Task 4</td>
<td></td>
<td></td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Task 5</td>
<td></td>
<td></td>
<td></td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
</tbody>
</table>

- Time scaled diagram: length of each bar indicates duration
- Easy to construct and interpret: good communication tool
- Readily adaptable after changes
Team Management
Building and Managing a Team: The Key Needs of a Team

• Common goals: the team focus their energies on a single purpose
• Leadership: to co-ordinate the work of the team
• Involvement of all members: everyone to contribute
• Acknowledge contribution of each person
• Open communication: share info and discuss issues
• Mutual trust and respect for differences
• Constructive conflict resolution
Team Balance: the Role of the Project Leader

- Team balance should be addressed for the whole duration of the project
## Management vs. Leadership

<table>
<thead>
<tr>
<th>Management Skills</th>
<th>Leadership Skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning</td>
<td>Setting Directions</td>
</tr>
<tr>
<td>Organisation</td>
<td>Aligning People</td>
</tr>
<tr>
<td>Control</td>
<td>Inspire</td>
</tr>
</tbody>
</table>
Ideal Project Leader Profile: Strong Leadership and Strong Management

LEADERSHIP

<table>
<thead>
<tr>
<th>LEADERSHIP</th>
<th>MANAGEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>weak</td>
<td>weak</td>
</tr>
<tr>
<td>strong</td>
<td>strong</td>
</tr>
</tbody>
</table>
The Four Stages of Team Development

<table>
<thead>
<tr>
<th>forming</th>
<th>focussing</th>
<th>performing</th>
<th>levelling</th>
</tr>
</thead>
</table>

EFFECTIVENESS

TIME
Building a Winning Team: A Balanced Mix of Different Profiles

• CREATOR: initiates new idea
• PROMOTER: communicates new ideas
• DEVELOPER: experiments new ideas
• PRODUCER: sets result-oriented plans
• ORGANISER: makes things happen
• CONTROLLER: examines details to avoid inaccuracies
• MAINTAINER: consolidates to ensure project success
• ADVISOR: provides information to help the team
How to Handle Conflicts

1. Analyse conflict situation
   • why did it happen?
   • what was it about?
   • is it worth a conflict?

2. Decide how to deal with the conflict
   • Postpone till the time is right
   • Force the situation
   • Accommodate and accept defeat
   • Compromise
   • Co-produce a better solution

3. Learn
   • what would you do differently?
A Process to Build Consensus

1. Understand starting positions
2. Understand source of disagreement
3. Agree evaluation criteria
4. Weight and score (pro and cons arguments – do not vote)
5. Consolidate (resolve progressively)
6. Confirm decision
7. Check alignment
8. Close

• If you get stuck:
  1. bring the discussion to a higher ground
  2. put a deadline
Handling Conflict Golden Rules

• Have a good process for dealing with conflict
• Try to understand other people
• Be flexible
• Look for unanimous agreement
• Do not avoid conflict, use it constructively
• Manage expectations to avoid unnecessary conflicts
Communication Skills
Communication skills: why effective communication is essential

- Communication takes a large portion of project time
- Misunderstandings can easily arise
- Effective communication allows to transfer information
  - CLEARLY
  - CONCISELY
  - COMPLETELY
The Communication Process

FACTS

EMOTIONS

SENDER MIND

SENDER VOICE and GESTURES

RECEIVER EARS and EYES

RECEIVER MIND
Communication Barriers

• Concern, tension, emotional blocks, defensiveness
• Hostility
• Charisma, status
• Past experience, stereotyping
• Hidden agenda
• Lack of verbal skill, slang
• Physical environment
## Active Listening Techniques: how to avoid the biggest block of communication

<table>
<thead>
<tr>
<th>TECHNIQUE</th>
<th>SCOPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarifying</td>
<td>Get additional facts</td>
</tr>
<tr>
<td>Restatement</td>
<td>Check if the interpretation is accurate</td>
</tr>
<tr>
<td>Neutral</td>
<td>Encourage person to continue talking</td>
</tr>
<tr>
<td>Introspective</td>
<td>Show understanding of person’s feelings</td>
</tr>
<tr>
<td>Summarising</td>
<td>Bring all discussion into focus</td>
</tr>
</tbody>
</table>
Golden Rules for Active Listening

• **DO**
  - Eye contact
  - Summarise
  - Nod
  - Posture and tone of voice showing interest
  - Listen to both feelings and facts

• **DON’T**
  - Interrupt
  - Finish off sentences
  - Distract
  - Spend listening time in formulating response
  - Get stuck into one minor aspect and miss the rest
The Process of Connecting with People

Verbal Communication 7%

Vocal Communication 38%

Visual Communication 55%
Engaging Others: What is Influencing?

- Manage relationships and build networks
- Communicate effectively and consistently
- Ensure key stakeholders stay informed
- Listen actively to views of others
- Modify approach style to influence a situation

\[
\begin{array}{ccc}
\text{PERSONALITY} & + & \text{SITUATION} \\
\text{CANNOT be changed} & & \text{CAN be changed} \\
\text{BEHAVIOUR} & = & \text{CANNOT be changed}
\end{array}
\]
Approaches to Influencing

1. PERSUASION
   - effective for 1 to 1 situation

2. CONSULTATION
   - genuine humility
   - effective in groups

3. INSPIRATION
   - show confidence
   - create a clear picture in their minds
Connecting with People: Mirroring

• Tune in adopting other person’s:
  − pace
  − tone
  − energy
  − body language
  − words and phrases

• You need to match before you can lead

• This is not parroting!
Getting Real Commitment: A Three Step Process

- Verbal Communication 7%
- Vocal Communication 38%
- Visual Communication 55%

Step 1: Understand

Step 2: Believe

Step 3: Act
Communication Planning for Effective Project Management

• Communicate project update regularly to:
  − remove roadblocks
  − make fast decision

• Communication is responsibility of the sender

• Seek first to understand
  − listening skills

• If you are not getting the right response change the situation
  − change what YOU are doing

• Effective communication paybacks:
  − enhance team motivation and commitment
  − builds credibility and positive perception of the project
Managing Stakeholders

• **Who are the stakeholders?**
  - people who provide resources to the project
  - people who receive value from the project

• **Mapping stakeholders (key customer vs. secondary customer)**
  - who they are
  - who can influence success of project
  - what organisation boundaries does the project cross
  - what are their expectations of the project
  - how important is the project to them
Meeting a Stakeholder: Communication Structure

• Prior the meeting
  – question list
  – agree time, place and duration
  – explain purpose
  – set expectation
  – learn about the person

• During the meeting
  – be calm and confident
  – set the scene and establish rapport
  – use the preferred style of communication (mirroring)
  – ask questions
  – summarise to keep control
Effective Presentations
Effective Presentations: Purpose of a Business Presentation

• Purpose of a business presentation to a team is:
  1. explain the situation
  2. share relevant facts
  3. make a recommendation to act upon

• Business presentations needs to be:
  – clear
  – logical
  – persuasive
  – right size (quick and flexible)
  – responsible content and conclusions (ethics)
  – addressing various viewpoint
Structure of a Presentation

1. Summarise the situation and recommendations before starting
2. Show understanding of the business
3. Keep the audience interested
4. Distinguish facts from opinions
5. Be aware of different experiences/interests of the audience
6. Make clear what the choices are (including benefits / drawbacks)
7. Make a recommendation supported by evidence
Guide to Persuasive Presenting

• Make an experience personal to the audience
  – relating to personal experience catch audience’s attention

• Make a point
  – take personal experience all can relate to and make a point

• Be passionate
  – talks are powerful when speakers allowed their passion to come through

• Tell the story
  – engage the audience with an interesting talk choosing something you feel strong about (confidence and emotional powder)
  – bring an ordinary slide alive through “telling the story”
Deliver the Presentation: Be Aware of Your Body

• NERVES
  - it is natural to feel nervous but you can control with confidence
  - real confidence comes from knowing that you can do a good job

• POSTURE
  - stand still

• HANDS
  - express yourself (be in control)
  - effective position: one resting in the other at waist height
  - avoid: prayer, clasped, folded, behind the back, in pockets

• LOOK
  - make eye contact with people
  - look at everyone (scan the audience)
How to Be Confident: Neuro Linguistic Programming

• Key principles of Neuro Linguistic Programming model:
  • A person cannot not communicate
  • Mind and body are the same system
  • Everyone has all the resources she/he needs
The Virtuous Cycle of Positive Thought

THINK
Recall a positive memory

DO
Focus on what you are doing
Use positive expressions

FEEL
Energy
Serenity
Confidence
Deliver the Presentation: Useful Tips

• Open with good bridge from previous slide
• Use the right level of detail as appropriate
• Do not read your slides
• Number of slides according to presentation time (3min for each slide)
• Stay in charge of the presentation in spite of interruptions
Opening the Presentation: What the Audience Needs to Hear

1. WHAT they are going to listen to
2. WHY it is important
3. WHY you are the speaker
   • Avoid “standard” opening (Good morning, my name is....)
   • Give your presentation a kick start:
     1. Key message
     2. Importance
     3. Credibility
     4. Keep them interested
Examples of Opening with Impact

- Asking a question
- Acknowledgement or compliment
- An anecdote
- Mystery opener
- The venue
- An attention-getting statement
- A quotation
Handling Audience Questions

1. CALL for questions “May I take the first questions?”
2. LISTEN carefully to the question
3. ACKNOWLEDGE the question, do not judge! “good question!”
4. RE-PHRASE for the rest of the audience, check understanding
5. INCLUDE the full audience in your response
6. TEST for satisfaction “Does that answer your question?”
   • Use names!
7. GET a YES response and ask for next question
## Dealing with Difficult Questions

<table>
<thead>
<tr>
<th>Question</th>
<th>Suggestion</th>
</tr>
</thead>
</table>
| Attempt to make you look small | - Treat it seriously like a normal question  
                                 - Stay in control of your emotion  
                                 - Use “that actually was not the case” |
| Objection                 | - Use “I understand your point...”  
                                 - Ask why  
                                 - Use the reverse “that is the very reason why...”  
                                 - Check satisfaction |
| Complaint                 | - Allow completion of question / statement  
                                 - Acknowledge complainer’s feelings  
                                 - Explain why it happened  
                                 - Explain next steps  
                                 - Check satisfaction |
Closing a Presentation: Leave the Audience with a Sense of Completion

• Use one or a combination of the following suggestions:
  • Summarise the key point
  • Use a quotation
  • Call for action
  • Throw down a challenge
  • Clarify next steps
  • Ask for a decision
## Tips for a Good PowerPoint Presentation

<table>
<thead>
<tr>
<th><strong>DO</strong></th>
<th><strong>DON’T</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Use the screen as a weatherperson</td>
<td>• Stand in front of the screen</td>
</tr>
<tr>
<td>• Know what the next slide is</td>
<td>• Talk to the screen</td>
</tr>
<tr>
<td>• Develop each bullet point with examples</td>
<td>• Read your slides</td>
</tr>
<tr>
<td>• Be prepared to skip slides if time is short</td>
<td>• Get embarrassed with unexpected slides</td>
</tr>
<tr>
<td>• Bring it alive with voice and movement</td>
<td>• Criticise the slides or equipment</td>
</tr>
<tr>
<td></td>
<td>• Use jargon, inappropriate language</td>
</tr>
</tbody>
</table>
Tips for presenting yourself at your best

• Appropriate dress code
• Socks and tights to match
• Polished shoes
• Empty pockets
• Appropriate jewellery/watch
• Groomed hair
• Light perfume
• Organised briefcase
Writing a Presentation: Use a Style Suitable for Verbal Presentation

• Use simple, direct sentences

• Sentence structured to put most important fact first
  – “Reducing costs is the target” vs. “The target is reducing costs”

• Priorities levels of information
  – Must know – Should know – Nice to know

• Use the most natural way to express the idea

• Add items of particular interest to enhance enjoyment

• Use visual aids to facilitate learning and memorizing

• Do not exceed 6 points per slide
Effective Meetings
Effective Project Meetings
Project reviews are necessary to:

• monitor project progress
• take corrective actions
• track resource allocation
• track deliverables
• team to reflect on project stages
• share and capture learning

• Review Meetings are the key tool to manage project uncertainty
Running Effective Project Meetings: A Process to Follow

1. PLAN
2. RUN THE MEETING
3. REVIEW
Running Effective Project Meeting

Step 1: PLAN

• Define objectives
• Set a clear agenda
• Arrange logistic
• Define responsibilities
• Identify key issues
• Plan an approach to solve issues
• Estimate timing implications
Running Effective Project Meeting
Step 2: RUN THE MEETING

• Follow the agenda
• Record group suggestions
• Practice good behaviours
• Encourage participation
• Identify next steps
• Record achievements and concerns
Running Effective Project Meeting
Step 3: REVIEW

• Evaluate effectiveness

• Circulate meeting summary

• Follow up next steps

• Incorporate concerns into the next meeting plan
Top Tips to Keep the Meeting on Track

<table>
<thead>
<tr>
<th>Issue</th>
<th>Corrective action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Running behind schedule</td>
<td>- Limit discussion on some points</td>
</tr>
<tr>
<td></td>
<td>- Be aware of digressions</td>
</tr>
<tr>
<td></td>
<td>- Takes some items off-line</td>
</tr>
<tr>
<td>Side conversation</td>
<td>- Make appropriate comment</td>
</tr>
<tr>
<td></td>
<td>- Have people make points in rotation</td>
</tr>
<tr>
<td>Shutting out</td>
<td>- Remind the person importance of hearing from everyone</td>
</tr>
<tr>
<td>Dropping out</td>
<td>- Bring the person in by asking an opinion</td>
</tr>
<tr>
<td>Disruptive behaviour</td>
<td>- Confront the behaviour in a friendly manner</td>
</tr>
<tr>
<td></td>
<td>- Suggest alternative behaviour</td>
</tr>
<tr>
<td></td>
<td>- Use non-verbal techniques (eye contact)</td>
</tr>
<tr>
<td>Not identified next steps</td>
<td>- Post flipchart with WHAT – WHO - WHEN</td>
</tr>
</tbody>
</table>
Golden Rules for Effective Meetings

• Prepare properly
• Make the meeting a balance of reporting, problem solving and planning
• Make it interesting (tone and environment)
• Take good notes (actions and timing)
• Manage team dynamics
• Get commitment in the meeting
• Start and finish on a high (finish early!)
Project Delivery
Involved Functions in Different Phases of Product Development
R&D Activities in the Development Phase – 1

• Finalise product formulation – R&D
  – raw materials selection
  – process selection (lab scale)
  – definition of formula specification (Quality Control)
  – review formula cost

• Review raw materials – R&D
  – handling properties and storage needs
  – definition of preferred suppliers

• Performance and stability testing – R&D
  – selection of appropriate testing method (internal or external)
  – accelerated storage stability testing

• Finalise product packaging – R&D (Packaging)
  – packaging selection (primary and secondary)
  – compatibility, mechanical and transport test
R&D Activities in the Development Phase – 2

• Health, Safety and Environmental review – R&D (Regulatory)
  – identify hazards associated with storing and handling raw materials and finished product
  – product Safety Data Sheet
  – pack regulatory language
  – waste disposal

• Patent Review – R&D (Patent attorney)
  – patent applications (formula, package or process)
  – patent clearance (to avoid infringing existing patents)

• Market research test – R&D and Marketing
  – consumer test

• Claim substantiation – R&D and Legal
  – selection / creation of appropriate testing method
  – clearance from legal advisor
Claim Support Principles: the Process

1. rephrase using simple technical / factual language
2. check with marketing / legal correct meaning
3. identify appropriate testing method

Claim Statement

Claim Support
Selection of Testing Method

- Solid / Reproducible
- Consumer relevant
  - Based on existing standards
  - Newly created method
Scale-up Process

- Scale-up process is important to control cost and timing.
- Stepping into industrial scale without pilot testing can generate issues:
  1. trial cost increase
  2. time for correction decrease
  3. investment for correction increase
Production Activities in the Development Phase

• Pilot plant – R&D and Production
  – review need for pilot plant vs. small scale trial
  – pilot product can be used for market research

• Manufacturing Equipment – Production
  – selection of appropriate equipment based on pilot trial results
  – calculation of capital expenditure (CapEx)
  – definition of return on investment (ROI)
  – full scale manufacturing trials (R&D and Production)

• Review final product cost

• Legislation and Registration (Regulatory)
  – review legislative implications
  – formula registration if appropriate

• Transport and Warehousing
  – review if special conditions are required (e.g. temperature)

• Title and reference number
• Author
• Date of Issue
• Summary
• Objective
• Test details
• Results (tables and graphs)
• Discussion of findings
• Conclusion (go / no go / further action required)
Finance
Calculation of Product Cost and Margin: The Profit and Loss Document

- Cost analysis is a central activity of the company
- Cost analysis is completed for each product
- Different products contribute differently to company profit
- Mixed product portfolio ensure balanced company margin
- P&L document allows planning of company profit
General Structure of P&L

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALES INCOME</strong></td>
<td>Sales at official price list</td>
</tr>
<tr>
<td>- <strong>VARIABLE COSTS</strong></td>
<td>Costs that vary with production volumes</td>
</tr>
<tr>
<td>= <strong>CONTRIBUTION</strong></td>
<td>Gross product profit</td>
</tr>
<tr>
<td>- <strong>FIXED COSTS</strong></td>
<td>Costs that not vary short term</td>
</tr>
<tr>
<td>= <strong>PROFIT</strong></td>
<td>Net product profit</td>
</tr>
</tbody>
</table>
# Building the P&L – Step 1: Calculation of Net Revenue

<table>
<thead>
<tr>
<th><strong>GROSS SALES</strong></th>
<th><strong>- BONUS</strong></th>
<th>Any kind of bonus that is fixed by contract and purely related to the total sales volume</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>- FIX DISCOUNT</strong></td>
<td>All terms that are fixed by a contract with the client</td>
</tr>
<tr>
<td></td>
<td><strong>- VARIABLE DISCOUNT</strong></td>
<td>Every kind of discount that is not fixed by a contract</td>
</tr>
<tr>
<td></td>
<td><strong>= NET REVENUE</strong></td>
<td>Net sales</td>
</tr>
</tbody>
</table>
## Building the P&L – Step 2: Calculation of Gross Margin

<table>
<thead>
<tr>
<th>NET REVENUE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>- RAW MATERIAL Direct cost – chemicals</td>
<td></td>
</tr>
<tr>
<td>- PACKAGING MATERIAL Direct cost – packaging</td>
<td></td>
</tr>
<tr>
<td>- VARIABLE MANUFACTURING Direct cost – labour</td>
<td></td>
</tr>
<tr>
<td>- SHIPPING Transport cost</td>
<td></td>
</tr>
<tr>
<td>= GROSS MARGIN Gross profit margin</td>
<td></td>
</tr>
</tbody>
</table>
Building the P&L – Step 2: Calculation of Gross Margin

<table>
<thead>
<tr>
<th>NET REVENUE</th>
<th>Cost of goods - COGs</th>
</tr>
</thead>
<tbody>
<tr>
<td>- RAW MATERIAL</td>
<td>Direct cost – chemicals</td>
</tr>
<tr>
<td>- PACKAGING MATERIAL</td>
<td>Direct cost – packaging</td>
</tr>
<tr>
<td>- VARIABLE MANUFACTURING</td>
<td>Direct cost – labour</td>
</tr>
<tr>
<td>- SHIPPING</td>
<td>Transport cost</td>
</tr>
<tr>
<td>= GROSS MARGIN</td>
<td>Gross profit margin</td>
</tr>
</tbody>
</table>
Building the P&L – Step 3: Calculation of Product Contribution

<table>
<thead>
<tr>
<th>GROSS MARGIN</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>- PROMOTION</td>
<td>Promotional marketing activity</td>
</tr>
<tr>
<td>- MEDIA</td>
<td>Product advertising</td>
</tr>
<tr>
<td>- RESEARCH</td>
<td>Market research activities</td>
</tr>
<tr>
<td>= PRODUCT CONTRIBUTION</td>
<td>Gross contribution to profit</td>
</tr>
</tbody>
</table>
# Building the P&L – Step 3: Calculation of Product Contribution

<table>
<thead>
<tr>
<th>GROSS MARGIN</th>
<th>= PRODUCT CONTRIBUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>- PROMOTION</td>
<td>Promotional marketing activity</td>
</tr>
<tr>
<td>- MEDIA</td>
<td>Product advertising</td>
</tr>
<tr>
<td>- RESEARCH</td>
<td>Market research activities</td>
</tr>
</tbody>
</table>

Gross contribution to profit
### Building the P&L – Step 4: Calculation of Profit

<table>
<thead>
<tr>
<th>PRODUCT CONTRIBUTION</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>- FIXED FACTORY</td>
<td>Fixed cost – depreciation, maintenance, etc.</td>
</tr>
<tr>
<td>- FIXED SALARIES</td>
<td>Fixed cost – administration, marketing, benefits, payroll taxes</td>
</tr>
<tr>
<td>- FIXED RENT</td>
<td>Fixed cost – Rent and property</td>
</tr>
<tr>
<td>- LICENSE FEES</td>
<td>Variable fees paid as % NR</td>
</tr>
<tr>
<td>= PROFIT</td>
<td>Net Profit</td>
</tr>
</tbody>
</table>
## Building the P&L – Step 4: Calculation of Profit

### Overheads

<table>
<thead>
<tr>
<th>PRODUCT CONTRIBUTION</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>- FIXED FACTORY</td>
<td>Fixed cost – depreciation, maintenance, etc.</td>
</tr>
<tr>
<td>- FIXED SALARIES</td>
<td>Fixed cost – administration, marketing, benefits, payroll taxes</td>
</tr>
<tr>
<td>- FIXED RENT</td>
<td>Fixed cost – Rent and property</td>
</tr>
<tr>
<td>- LICENSE FEES</td>
<td>Variable fees paid as % NR</td>
</tr>
<tr>
<td>= PROFIT</td>
<td>Net Profit</td>
</tr>
</tbody>
</table>
## Detailed P&L

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Sales</td>
<td>(Discounts)</td>
</tr>
<tr>
<td>Net Revenue</td>
<td></td>
</tr>
<tr>
<td>COGs</td>
<td></td>
</tr>
<tr>
<td>Raw materials</td>
<td></td>
</tr>
<tr>
<td>Pack materials</td>
<td></td>
</tr>
<tr>
<td>Var. manufacturing</td>
<td></td>
</tr>
<tr>
<td>Shipment</td>
<td></td>
</tr>
<tr>
<td>(Total COGs)</td>
<td></td>
</tr>
<tr>
<td>Gross Margin</td>
<td>% NR</td>
</tr>
<tr>
<td>(Marketing)</td>
<td></td>
</tr>
<tr>
<td>Product Contribution</td>
<td>%NR</td>
</tr>
<tr>
<td>(Fixed Overheads)</td>
<td></td>
</tr>
<tr>
<td>Operating Profit</td>
<td>%NR</td>
</tr>
</tbody>
</table>

**PS**

(xxx) means a negative number in a balance sheet!

**PSS**

NR = Net Revenue
## Example of P&L Calculation

<table>
<thead>
<tr>
<th></th>
<th>P&amp;L (Unit)</th>
<th>P&amp;L (Total)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Units/Year</strong></td>
<td></td>
<td>50,000</td>
</tr>
<tr>
<td><strong>Gross Sales</strong></td>
<td>3.50</td>
<td>175,000</td>
</tr>
<tr>
<td><strong>Discounts</strong></td>
<td>0.70</td>
<td>35,000</td>
</tr>
<tr>
<td><strong>Net Revenue</strong></td>
<td>2.80</td>
<td>140,000</td>
</tr>
<tr>
<td><strong>COGs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raw materials</td>
<td>0.40</td>
<td>20,000</td>
</tr>
<tr>
<td>Pack materials</td>
<td>0.22</td>
<td>11,000</td>
</tr>
<tr>
<td>Var. manufacturing</td>
<td>0.31</td>
<td>15,500</td>
</tr>
<tr>
<td>Shipment</td>
<td>0.09</td>
<td>4,500</td>
</tr>
<tr>
<td><strong>Total COGs</strong></td>
<td>1.02</td>
<td>51,000</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>1.78</td>
<td>89,000</td>
</tr>
<tr>
<td><strong>% NR</strong></td>
<td>64</td>
<td>64</td>
</tr>
<tr>
<td><strong>Marketing</strong></td>
<td></td>
<td>20,000</td>
</tr>
<tr>
<td><strong>Product Contribution</strong></td>
<td></td>
<td>69,000</td>
</tr>
<tr>
<td><strong>%NR</strong></td>
<td></td>
<td>49</td>
</tr>
</tbody>
</table>

Influenced by R&D and Production
Play time!

Product Manager says that for 20,000 EUR more in Media, he forecasts another business build of 35%.

Let us check how the P&L looks like.
Example of P&L Calculation: Increased Marketing Spend

<table>
<thead>
<tr>
<th></th>
<th>Original Product</th>
<th>Increased Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>P&amp;L (Unit)</td>
<td>P&amp;L (Total)</td>
</tr>
<tr>
<td>Units/Year</td>
<td>50,000</td>
<td>67,500</td>
</tr>
<tr>
<td>Gross Sales</td>
<td>3.50</td>
<td>3.50</td>
</tr>
<tr>
<td>Discounts</td>
<td>0.70</td>
<td>0.70</td>
</tr>
<tr>
<td>Net Revenue</td>
<td>2.80</td>
<td>2.80</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COGs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raw materials</td>
<td>0.40</td>
<td>0.40</td>
</tr>
<tr>
<td>Pack materials</td>
<td>0.22</td>
<td>0.22</td>
</tr>
<tr>
<td>Var. manufacturing</td>
<td>0.31</td>
<td>0.31</td>
</tr>
<tr>
<td>Shipment</td>
<td>0.09</td>
<td>0.09</td>
</tr>
<tr>
<td>Total COGs</td>
<td>1.02</td>
<td>1.02</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>1.78</td>
<td>1.78</td>
</tr>
<tr>
<td>% NR</td>
<td>64</td>
<td>64</td>
</tr>
<tr>
<td>Marketing</td>
<td>20,000</td>
<td>40,000</td>
</tr>
<tr>
<td>Product Contribution</td>
<td>69,000</td>
<td>80,150</td>
</tr>
<tr>
<td>%NR</td>
<td>49</td>
<td>42</td>
</tr>
</tbody>
</table>
Play time!

R&D says that COGs can be reduced by 9% with no significant lack of quality.

Let us check how the P&L looks like.
## Example of P&L Calculation: COGs Reduction

<table>
<thead>
<tr>
<th></th>
<th>Original Product</th>
<th>Increased Marketing</th>
<th>COGs Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>P&amp;L (Unit)</td>
<td>P&amp;L (Total)</td>
<td>P&amp;L (Unit)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>P&amp;L (Unit)</td>
</tr>
<tr>
<td>Units/Year</td>
<td>50,000</td>
<td>67,500</td>
<td>67,500</td>
</tr>
<tr>
<td>Gross Sales</td>
<td>3.50</td>
<td>175,000</td>
<td>3.50</td>
</tr>
<tr>
<td>Discounts</td>
<td>0.70</td>
<td>35,000</td>
<td>0.70</td>
</tr>
<tr>
<td>Net Revenue</td>
<td>2.80</td>
<td>140,000</td>
<td>2.80</td>
</tr>
<tr>
<td>COGs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raw materials</td>
<td>0.40</td>
<td>20,000</td>
<td>0.40</td>
</tr>
<tr>
<td>Pack materials</td>
<td>0.22</td>
<td>11,000</td>
<td>0.22</td>
</tr>
<tr>
<td>Var. manufacturing</td>
<td>0.31</td>
<td>15,500</td>
<td>0.31</td>
</tr>
<tr>
<td>Shipment</td>
<td>0.09</td>
<td>4,500</td>
<td>0.09</td>
</tr>
<tr>
<td>Total COGs</td>
<td>1.02</td>
<td>51,000</td>
<td>1.02</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>1.78</td>
<td>89,000</td>
<td>1.78</td>
</tr>
<tr>
<td>% NR</td>
<td>64</td>
<td>64</td>
<td>64</td>
</tr>
<tr>
<td>Marketing</td>
<td></td>
<td>20,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Product Contribution</td>
<td>69,000</td>
<td>80,150</td>
<td>86,225</td>
</tr>
<tr>
<td>%NR</td>
<td>49</td>
<td>42</td>
<td>46</td>
</tr>
</tbody>
</table>

**Original Product**

- Gross Sales: 3.50
- Discounts: 0.70
- Net Revenue: 2.80
- Total COGs: 1.02
- Gross Margin: 1.78
- % NR: 64
- Marketing: 20,000
- Product Contribution: 69,000
- %NR: 49

**Increased Marketing**

- Gross Sales: 3.50
- Discounts: 0.70
- Net Revenue: 2.80
- Total COGs: 1.02
- Gross Margin: 1.78
- % NR: 64
- Marketing: 40,000
- Product Contribution: 80,150
- %NR: 42

**COGs Reduction**

- Gross Sales: 3.50
- Discounts: 0.70
- Net Revenue: 2.80
- Total COGs: 1.02
- Gross Margin: 1.78
- % NR: 64
- Marketing: 40,000
- Product Contribution: 86,225
- %NR: 46
Play time!

Let us expand P&L calculation to the full range of products.

Let us calculate the Operating Profit.
# Example of P&L Calculation: Corporate Operating Profit

<table>
<thead>
<tr>
<th>Units/Year</th>
<th>Product 1</th>
<th>Product 2</th>
<th>Product 3</th>
<th>Total Products</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>P&amp;L (Unit)</td>
<td>P&amp;L (Total)</td>
<td>P&amp;L (Unit)</td>
<td>P&amp;L (Total)</td>
</tr>
<tr>
<td></td>
<td>50,000</td>
<td>67,500</td>
<td>67,500</td>
<td>185,000</td>
</tr>
<tr>
<td>Gross Sales</td>
<td>3.50</td>
<td>175,000</td>
<td>3.50</td>
<td>236,250</td>
</tr>
<tr>
<td>Discounts</td>
<td>0.70</td>
<td>35,000</td>
<td>0.70</td>
<td>47,250</td>
</tr>
<tr>
<td>Net Revenue</td>
<td>2.80</td>
<td>140,000</td>
<td>2.80</td>
<td>189,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>518,000</td>
</tr>
<tr>
<td>COGs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raw materials</td>
<td>0.40</td>
<td>20,000</td>
<td>0.40</td>
<td>27,000</td>
</tr>
<tr>
<td>Pack materials</td>
<td>0.22</td>
<td>11,000</td>
<td>0.22</td>
<td>14,850</td>
</tr>
<tr>
<td>Var. manufacturing</td>
<td>0.31</td>
<td>15,500</td>
<td>0.31</td>
<td>20,925</td>
</tr>
<tr>
<td>Shipment</td>
<td>0.09</td>
<td>4,500</td>
<td>0.09</td>
<td>6,075</td>
</tr>
<tr>
<td>Total COGs</td>
<td>1.02</td>
<td>51,000</td>
<td>1.02</td>
<td>68,850</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>1.78</td>
<td>89,000</td>
<td>1.78</td>
<td>120,150</td>
</tr>
<tr>
<td>% NR</td>
<td>64</td>
<td>64</td>
<td>64</td>
<td>64</td>
</tr>
<tr>
<td>Marketing</td>
<td>20,000</td>
<td>40,000</td>
<td>40,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Product Contribution</td>
<td>69,000</td>
<td>80,150</td>
<td>86,225</td>
<td>235,375</td>
</tr>
<tr>
<td>%NR</td>
<td>49</td>
<td>42</td>
<td>46</td>
<td>45</td>
</tr>
<tr>
<td>Fixed Overheads</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Profit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%NR</td>
<td></td>
<td></td>
<td></td>
<td>107,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>128,375</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>25</td>
</tr>
</tbody>
</table>
Market Research
Market Research Tools in the Different Phases of Product Development

IDEA GENERATION

CONCEPT FEASIBILITY

DEVELOPMENT

LAUNCH

Insight Screening

Concept Evaluation

Product Use Test

Product Tracking
Market Research Tools: Qualitative vs. Quantitative Testing

### Qualitative (QUAL)
- Exploratory
- Creative
- Insights
- Narratives
- Open-Ended “Why”
- Early Stage
- Small Sample

### Quantitative (QUANT)
- Confirmatory
- Validating
- Statistical Differences
- Numbers
- Large Sample
- Mostly Close-Ended
- Early/Later Stage
Qualitative Market Research: Takes a Small Sample and Goes in Dept

• Involves small samples of people (which are not necessarily representative of larger populations)

• Employs a wide variety of techniques to generate data, not simply a structured question-and-answer format

• Relies on researcher interpretation in a way that is integral to the data collection

• Allows people to express themselves in their own way using their own words
Qualitative Research uncovers hidden truths: What people don’t reveal can be explored with qual
Why Qualitative Research Sample Can Be Fairly Small

There is a limit to the core truths that can be established about any given topic.

Bigger size adding little value to what has already been highlighted.
Standard Qualitative Methods

- Focus groups
  - 6-8 people
  - target market
- In-home interviews
  - one to one in depth interview
- Observation / filming
  - shopper ethnography
- Co-creation workshop
  - innovation tool
Quantitative Market Research: Takes a Large Sample and Define Potential

• Involves large samples of people (300-500)
  – defined target (buyers vs. non-buyers)

• Quantify size of initiative:
  – at idea level CONCEPT TEST
  – at product level HOME USE TEST

• Exhaustive questionnaire, consumer score on a 1 to 5 scale

• Use of database to extrapolate potential volumes
Measurement of a Quantitative Research

- Purchase intent
  - Definitely would buy
  - Probably would buy
  - Might / Might not buy
  - Probably would not buy
  - Definitely would buy
- Liking
- Price / Value balance
- Uniqueness (new and different)
- Claimed purchase units (first time)
- Claimed purchase frequency
Concept vs. Product Analysis: reveals attributes on which products exceed or miss expectations.
Volume Calculations

Purchase Intent
units + frequency

Assess Cannibalisation

Marketing and Trade Plan

Volumes
Post Launch Market Research: Brand Tracking

• Monitor activity on existing product

• Focus on:
  – brand awareness
  – portfolio awareness
  – purchase (past year)
  – use (past 3 months)
  – price perception
  – advertising
Risk Analysis
Risk Assessment: Anticipation of Potential Problem

• Why spending time doing risk analysis?
  1. Things may go wrong
  2. The more you do disaster planning the less time is spent on crisis management

• When is the right moment for risk analysis?
  1. At the beginning of the project: broad risk analysis
  2. Later in the project: specific risk analysis

• The result of risk assessment is a CONTINGENCY PLAN
The Process of Risk Assessment

• A frequently used approach is FMEA: Failure, Mode and Effect Analysis

• FMEA is a 3 steps process:

  1. Define each potential failure, its cause and potential effect

  2. Prioritise each failure by assessing the impact of failure on project progress and the probability of the failure occurring

  3. Identify all high priority risks and create recommended corrective action to eliminate the cause of failure or reduce the impact
Prioritisation of Project Risks

PROBABILITY

<table>
<thead>
<tr>
<th>Minor</th>
<th>Medium</th>
<th>Major</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The Output of Risk Assessment: The Contingency Planning

<table>
<thead>
<tr>
<th>Potential Failure</th>
<th>Cause</th>
<th>Effect</th>
<th>Severity ($S$)</th>
<th>Probability ($P$)</th>
<th>Risk Score ($S \times P$)</th>
<th>Action Required</th>
<th>By Who</th>
<th>When</th>
</tr>
</thead>
</table>

- Document detailing findings of risk assessment
- Required actions associated to responsibilities and timing
How to Identify Project Risks

• Brainstorming session

• Use flow chart of manufacturing process from goods purchase to product use

• Identify customer requirements and expectation

• Consider potential misuse and extreme environmental conditions
Product Development Process: Step 3 – Launch Phase

**IDEA GENERATION**

- Product concept
- Generating ideas
- Selling ideas
- Feasibility assessment

**DEVELOPMENT**

- Project planning
- Team management
- Communication skills
- Project delivery
- Cost analysis
- Market research

**LAUNCH**

- Product dossier
- Hand-over to production
- Post-launch review
Launch Implementation: Creating the Product Dossier

- Product launch implies knowledge transition from R&D to Production function
- All relevant information collected into Technical Dossier
- Quality plan is put in place
- Training on technology is completed
- Technical Dossier is the base for project closure
Content of the Technical Dossier

• **Product Formula**
  – Formula Specification
  – Formula Test Methods

• **Raw Material Specifications**
  – Raw Material Test Methods
  – Raw Material Safety Data Sheets

• **Method of Manufacture**

• **Product Stability Report**

• **Packaging Specifications**
  – Packaging Test Reports

• **Shipping Classification**

• **Product Safety Data Sheet**

• **Poison Centre Information**
Post Launch Review: Learning for Future Initiative

- Incremental sales
- Production process performance
- Consolidated product Gross Margin
- Market share impact
- Achievement of market strategy
Post Launch R&D Activities

• Support production
  – process improvement (efficiency)
  – product adjustments

• Monitor competitors
  – store checks
  – product databases
Project Closure: Celebrate Success!

- Celebration of important achievements in the project support teamwork
- Providing recognition increase motivation
- Ability + Motivation generate talents
- Project completion is the greater achievement, deserve special celebration
Thank you