

Venture Proposal Evaluation

Oreo Handi-Snacks

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Evaluation by: Virtuoso Consulting Solutions

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We are both undergraduate students attending the Wharton School of business at the University of Pennsylvania. We have taken many courses relevant to new product ideas including introduction to marketing, sales for management, and most recently a class on formal planning for new product development. We have access to a wide variety of creative tools and resources for new product development from our new products class. We are NOT professional consultants, nor are we yet experienced in writing a successful venture proposal. Please keep this in mind when reading our recommendations.

Summary

Our most important recommendation is that your proposal focuses more on the processes and techniques that you applied to your decisions. You effectively convey your decisions, but at times the systematic approach or analysis that you used to reach those decisions is unclear. All your decisions are very well grounded in common sense and logic. However, at times it seems as though common sense and logic were the only methods you used to make certain recommendations and decisions. For a mega-corporation like Kraft Foods, this may not prove to be enough.

In addition, several details or simple structural devices could be added to your final product. For example, a summary or table of contents in your report, and similarly an agenda or outline to your presentation. The addition of these changes - which we will discuss in detail - will make your content easier to convey and follow.

We designed and utilized a systematic procedure for evaluating your venture report. The details and results of our procedure are contained in the following pages. We utilized proven techniques and credible sources of possible criteria. Our recommendations in this report are based on those criteria.

The purpose of this report is to give input that could help you in your final report and proposal for venture capital to Kraft Foods.

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Procedure for Evaluation of a Venture Proposal

Our consulting group - Ashok and William, which will be referred to as we - uses a structured procedure for the evaluation of all venture proposals. We first sit down individually and write down a list of sources for criteria to evaluate the venture proposal. We do this for five minutes then meet together again. In this case, after combining our lists, the final list included: Professor Armstrong's checklist for oral presentations, Professor Armstrong's checklist for management reports, our personal rough structured guide for evaluating a venture proposal, Cooper and Kleinschmidt's criteria for new product success, and the written instructions on the New Product Policy syllabus for the venture proposal and report.

Our next step is to split up and each construct a list of criteria for the proposal. In this case, we consider all the criteria from the five sources, and combined and reworded them into a more compact list. We then reconvene and compare our lists. We use any criteria that we feel are important or are repeated in both of our lists. This final list of criteria we then insert into the Delphi Decision-Making Software for later use.

Our next step is for one of us to assume the role of a detractor. We flip a coin to ensure randomization. This detractor then attacks and criticizes the proposal in every way possible. He holds back at no point, and continues until he can not think of any more negatives. Then the other member of the team assumes the role of the contributor. He does not criticize at all, but instead adds to and discussed the highlights of the proposal. He comments and connects the positive aspects of the proposal.

The next step involves switching roles in a structured manner. We act out a potential meeting between the presenting team and the client; in this case the Oreo Handi-Snacks team and Kraft management. The person who had been the detractor before now becomes the presenter, and similarly, the previous contributor plays the role of the client or management. In this enactment,

we simulate a potential dialogue and investigate where any concerns or praise might arise. The only information that the presenting side can use is material from the presentation and the written report. A sample of quotations from the enactment is available in the appendix.

Armed with the comments of the detractor, the contributor, and the simulated meeting, we then complete the Delphi questionnaire. This involves ranking the proposal on all the various criteria, and more importantly, providing example based comments on how the proposal fared on each criteria. We then analyze the results by first looking at the responses with the highest standard deviation in rating. This shows where we have a significant difference of opinion between us. We then discuss our reasons for differing opinions, and resolve them. Finally, we find the five criteria that rated the highest, and the five criteria that rated the lowest. These are the eventual focus of our action plan and recommendations to our customer. To pretest this procedure, we applied it in entirety to our own new product venture proposal.

Final Criteria for Evaluation

The following is the list of criteria that was developed for evaluating the proposal. These criteria were inserted into the Delphi Decision-Making Software.

Details/Structure

1. Proposal identifies group members, and establishes capabilities. Who are you? What can you do? What can you not do?
2. Proposal includes a summary at the start, along with a purpose and agenda/table of contents.
3. Proposal starts off with specific recommendations, and the benefit of following the recommendations.

Presentation Style

4. Proposal keeps in mind the target audience. Effectively deals with the question, "who are we presenting this to?"
5. Proposal uses an attractive yet simple layout for visual aids/slides/tables. These should simply aid the report, and not be the entire content.

6. Proposal is delivered clearly, and during presentation, the presenters talk at a moderate pace and do not look at notes.
7. Proposal does not attack or criticize the audience
8. While taking questions, the presenters listen to the questions, do not try to think on their feet, and take note of input. Presenters try to get the audience talking and interacting

Content

9. The proposal is built on decisions, followed by why the decision was made.
10. Proposal shows the process/techniques or systematic approaches used WHENEVER a decision was made. Processes and techniques are the first and foremost concerns.
11. Proposal remains objective, and lets the audience lead itself to the desired conclusions.
12. Proposal shows clear actions steps. Along with future actions. Shows what the presenters plan on doing, what they want the audience to do, along with dates.
13. Proposal shows the application of proven techniques from courses or other reputable sources, without the excessive use of jargon or academic speak.
14. Proposal shows the use of potential customer input. For example, prototype testing, questionnaires, or surveys.
15. Proposal shows the use of expert opinion or insight

Product Concerns

16. Warranty or liability concerns are addressed.
17. Proposal shows the level of need or potential demand for the product.
18. Proposal shows that the product solves existing problems
19. Proposal shows a well defined target market, along with the needs, wants, and preferences of the consumer

The *complete* output from the results of the Delphi software applied to your presentation is available in the appendix.

Highest Rated Aspects of your Proposal

Proposal is delivered clearly, and during presentation, the presenters do not look at notes and talk at a moderate pace.

Mean rating: 8.5

This was a very strong area of your presentation. In our first stage of evaluation, the contributor had much to say about the quality of the speaking in the oral presentation. At all times, it was clear to the audience what you were saying. You kept excellent eye contact with the audience, and it appeared as though you had clearly rehearsed. There was minimal use of notes or aids to the speakers. The contributor described your presentation as “poised, comfortable, and well-rehearsed”. During the role-play, Kraft Management requested no clarification on what was said during the presentation.

Proposal does not attack or criticize the audience

Mean rating: 8.5

During the simulated meeting of Kraft Management and the Handi-Snacks team, it was brought up by Management that the presentation was deferential and respectful of the powerful Oreo brand name. This is just one example of your excellent use of a non-aggressive tone. Great care is also shown to present a realistic assessment of the threats and risks in the cookie market, in order to not insult the intelligence of the client.

While taking questions, the presenters listen to the questions, do not try to think on their feet, and take note of input. Presenters try to get the audience talking and interacting.

Mean rating: 8.5

The contributor commented a great deal on your careful attention to the questions, as well as your visible recording of all input. “You CLEARLY were paying attention to the questions, and any input you received you quickly wrote down.” This was an excellent way to end the presentation, and you got the audience involved nicely. However, the detractor noted that you seemed to be

“thinking on your feet” to answer some of the tougher questions. It reflects better on your dedication to a systematic approach to decision making if you simply reply that you will “get back to them with more details”, as opposed to trying to come up with an answer on the fly. As the detractor put it, “At times it did seem like you were “bsing” some of the answers to the questions. Just make sure you understand the question and tell the client you will get back to them at a later date after further research.”

*Proposal remains objective, and tries to let the audience lead itself to the desired conclusions.
Mean rating: 7.5*

As noted before you did an excellent job of showing the risks and threats involved in investment instead of just the benefits. Your discussion of the trends away from fatty foods, as well as the 2006 resolution to reduce trans-fatty acids demonstrates a truly objective tone. You also discussed the overall declining “size of the pie” in the cookie market. As the detractor noted however, you may have taken this too far. In your discussion of threats vs. benefits, your description of the threats is in fact much longer than your description of benefits. In fact, in the simulated meeting, Kraft management was concerned that creating more fatty-snack foods and targeting children would hurt the Oreo brand name.

As far as the audience making conclusions on its own, it would have been easier if you did two things: start off immediately with your conclusions, and never repeat them till the end; and discuss the exact techniques or processes used to reach each decision. Both of these items will be discussed in more depth in the following sections.

*Proposal uses an attractive yet simple layout for visual aids/slides/tables. These should simply aid the report, and not be the entire content.
Mean rating: 7.5*

Your slides in your oral presentation were very effectively used. Aside from the flow-chart slide in the beginning which the detractor noted was “difficult to read and messy”, your slides were very neat and added nicely to the presentation. Especially effective were the BCG matrix and product matrix slides. Additionally, the contributor noted that your use of tables in your paper was very effective at reinforcing your points.

Lowest Rated Aspects of your Proposal

Proposal includes a summary at the start, along with a purpose and agenda/table of contents.

Mean rating: 1

Not only does a summary - in either the written proposal or the oral presentation - help to structure the proposal and show the audience where you are going, it also provides a solution in the corporate world for those who are simply too lazy to read an entire proposal (or for those who just skim a proposal). A table of contents in the written report would help to organize the audience's reading.

Warranty or liability concerns are addressed

Mean rating: 1

To put it simply, you didn't address this anywhere. We realize that this was a rough draft, and sympathize with time constraints. However, as the detractor noted, when a product is being targeted at children, liability becomes a big issue. Think of all the lawsuits about obesity that McDonald's has to face. In addition, the plastic frosting spreader could pose a threat to smaller children.

Proposal identifies group members, and establishes capabilities. Who are you? What can you do? What can you not do?

Mean rating: 2

This is something you can add very easily and quickly. Just tell the audience a little about yourselves. What classes have you taken that are related to this proposal in any way? What are you *not* capable of? (As far as manufacturing, expensive product testing, etc).

Proposal starts off with specific recommendations, and the benefit of following the recommendations.

Mean rating: 2.5

As the detractor pointed out, it wasn't clear what you specifically wanted until half-way through the presentation. Hit them right off the bat with (for example), "we recommend an investment of 3 million dollars, which will provide you with a ROI of 10% per year". This directs their attention, and clarifies your intentions.

*Proposal shows the process/techniques or systematic approaches used WHENEVER a decision was made. Procedures are the first and foremost concerns.
Mean rating: 2.5*

A focus in this area will help to give additional credibility to your claims and methods. In the simulated meeting between Kraft Management and the Handi-Snacks team, management had the following to say: "It seems like throughout, you just use common sense or logic to make decisions. That's fine for everyday life, but as a multibillion dollar company we need CONCRETE PROOF, established techniques, methods".

Did you take surveys? Did you analyze or apply a formal process to your product design and specifications? Several times a passing mention is made to interviews about Oreo usage. Providing some specific data or quotes from the interviews would help. Your use of the Boston Consulting Group matrix and financial analysis is a nice example of where you applied techniques. However, too many times, decisions or recommendations are made without explicitly stating the systematic approach you used to make the decision. For example, did you test your final product idea on a group of potential consumers? During the simulated meeting, Kraft Management brought up the point that although your reasoning for why people would like Handi-Snack Oreos is solid, there have been product failures that seemed like good ideas. By showing that you received extensive approval of your idea, and indicators of intent to purchase from possible consumers, you will convince management of your product's great potential. Another example is your explanation for the mark-up figures. It is stated that they are industry-standard, but where does this information come from? (However, Jimmy did a nice job of tying in personal business experience in his explanation of the mark-up numbers during the question and answer phase).

A company like Kraft Foods has scores of new product ideas every year. In order to distinguish your very promising idea, it will be necessary to convince them that you exhaustively analyzed and applied techniques to each decision.

Other aspects of your Proposal

Proposal keeps in mind the target audience. Effectively deals with the question, "who are we presenting this to?"

Mean rating: 5.5

As the detractor noted, much of the presentation seems to be geared towards educating the audience about the market for cookies and Kraft's positioning in that market. Since your audience was Kraft Management, this seems unnecessary. Although that information was necessary since the class was merely playing the role of Kraft management, perhaps a smaller portion of your presentation should have been devoted to a description of the business environment. Kraft Management wants to know what *your* idea is all about. In our simulated role-play, management said it wanted to know "What do you want us to do? What do you plan to do? What methods and techniques did you use to come to the optimal recommendations?"

Proposal shows clear actions steps, along with future actions. Shows what the presenters plan on doing, what they want the audience to do, along with dates.

Mean rating: 3.5

You definitely do a good job of telling the company that you want funding for market launch. What else -if anything- do you want them to do? What else do you plan on doing? Is all your research and development complete? As the detractor put it, "there are no dates or schedules of what you plan to do or what you want the company to do".

Proposal shows the application of proven techniques from courses or other reputable sources, without the excessive use of jargon or academic speak.

Mean rating: 3.5

You do a nice job using concepts such as product matrix, the Boston consulting group matrix, core benefit proposal, and a little NPV. However, your use of TECHNIQUES (not concepts) is often lacking. You speak briefly of some surveys, but are unspecific. There is a wide range of techniques on the mastery chart that you can attempt to apply to this product development. In fact, you undoubtedly used many of them. Show us how you used them, and how they helped. What about sales forecasting techniques (specific techniques, for example judgemental

bootstrapping or role-playing), or techniques your group used for creativity? What about input from customers?

*Proposal shows the use of expert opinion or insight
Mean rating: 4*

It is understandable that you don't have access to experts. However, even showing that you are capable of utilizing experts by using "non-experts" on campus would be nice. What is important is a demonstration of techniques for utilizing expert insight - such as bootstrapping, or expert opinion surveys. If you show the company you know how to do this, they will be more likely to fund your future attempts with real experts

*Proposal shows the use of potential customer input. For example: prototype testing, questionnaires, or surveys.
Mean rating: 3.5*

There is some mention of customer input being taken into consideration. However, as the detractor put it, "this was not revealed in a systematic way, and the process employed does not appear formal (in the report or the presentation.)" Showing customer approval of your idea, helps to instill confidence in future demand potential. As mentioned before, going into more detail about your customer behavior studies - for eating Oreos - would be a nice step in the right direction. In the simulated meeting, Management mentioned "there are many inexpensive methods of surveying that you won't need our funding for." Take advantage of this by conducting e-mail surveys, intent to purchase surveys, or simply convenience samples. We also recommend that once a functional prototype is developed, you sit down with customers and ask them to walk you through verbally while they use it (much like you did with real Oreos).

For more comments on additional criteria, please view the comments in the Delphi output in the appendix.

Future Action Steps

In light of our evaluation, it may be necessary to suspend market launch till further research is conducted. Perhaps you can recommend that Kraft fund additional **customer input techniques**, or the utilization of **expert opinions**. However, it is critical that you provide concrete dates and a plan for what you want to do, and what you want the company to do. Without the thorough description of potential customer and expert input, many of your conclusions may appear to be based simply on common sense.

In your final report, there are several things you can add for improved presentation. These include:

- table of contents
- executive summary
- information about yourselves and capabilities
- description of recommendations and benefits at the beginning of the report
- warranty or liability concerns

Finally, our most important recommendation is to describe your use of specific proven techniques and applications used during your development. If you have not used too many techniques, describe techniques you have started to use, or plan to use (along with dates or a timeline).

Oreo Handi-Snacks is a very promising and intriguing product line extension. Common sense shows us this clearly. It is your job to continue going beyond common sense - as you have started - to *prove* this to Kraft Management.

Appendix Guide

1. Delphi Output (1-10 ratings of criteria with comments)
2. Sample of quotations from simulated meeting
2. Rough structured guide for evaluating a proposal (part of the five sources used for the ultimate criteria)
3. Selection of criteria for new product success from Cooper and Kleinschmidt (part of the five sources used for the ultimate criteria)
4. Ashok's list of criteria from the five sources (pre-combination)
5. William's list of criteria from the five sources (pre-combination)

Data results: Question #1

| Question: Proposal keeps in mind the target audience. Effectively deals with the question, "who are we presenting this to?" | | | |
|--|---------------------|-------------|-----|
| Answer | Experts' confidence | | |
| | Lower bound | Upper bound | |
| 4 | 3 | 6 | |
| No answers | N/A | | |
| 7 | 6 | 8 | |
| Total number of answers: | | | 2 |
| Mean: | | | 5.5 |
| Standard deviation: | | | 1.5 |

Experts' comments for this question

Expert's answer:

4

Expert's comment:

Much of the presentation seems to be geared towards those who are not familiar with Nabisco's inner workings. However, I realize that the class itself is not familiar with Nabisco, so this was a delicate balance to achieve. The company wants to know, "what do you want us to do? what do you plan to do? What process did you use to come to optimal recommendations?"

Data results: Question #2

| Question: Proposal identifies group members, and establishes capabilities. Who are you? What can you do? What can you not do? | | | |
|--|---------------------|-------------|---|
| Answer | Experts' confidence | | |
| | Lower bound | Upper bound | |
| 1 | 1 | 2 | |
| 2 | N/A | | |
| 3 | 1 | 4 | |
| Total number of answers: | | | 2 |
| Mean: | | | 2 |
| Standard deviation: | | | 1 |

Experts' comments for this question

Expert's answer:



3

Expert's comment:

I realize this was only a rough draft (written) so I'm sure this rating will skyrocket. It is a simple thing to do also. Simply give your contact info, along with a description of what your individual capabilities are. IE, taking a class in new product policy, majoring in marketing, etc.

Data results: Question #3

Question: Proposal starts off with specific recommendations, and the benefit of following the recommendations.

| Answer | Experts' confidence | | |
|--------------------------|---------------------|-------------|--|
| | Lower bound | Upper bound | |
| 2 | 1 | 3 |  |
| 3 | 2 | 4 |  |
| Total number of answers: | | | 2 |
| Mean: | | | 2.5 |
| Standard deviation: | | | 0.5 |

Experts' comments for this question

Expert's answer:



3

Expert's comment:

You should hit us right off the bat with, we need 3 million in funding (or whatever, specifically). If you do this, your ROI will be 10%. You do include this excellent information in your report, but not right at the beginning.

Data results: Question #4

Question: Proposal includes a summary at the start, along with a purpose and agenda/table of contents.

| Answer | Experts' confidence | | |
|--------------------------|---------------------|-------------|--|
| | Lower bound | Upper bound | |
| 1 | 1 | 1 |  |
| 1 | 1 | 1 |  |
| Total number of answers: | | | 2 |
| Mean: | | | 1 |
| Standard deviation: | | | 0 |

Experts' comments for this question

Expert's answer:

1

Expert's comment:

Again, I am sympathetic with the fact this is a rough draft. This is another easy thing you can add that will help tremendously. A one page "executive summary" for the report. Just assume that some company members will be too lazy to read the whole thing. An agenda for the presentation would have been nice to show us where we were going.

Data results: Question #5

| Question: The proposal is built on decisions, followed by why the decision was made. | | | |
|--|---------------------|-------------|-----|
| Answer | Experts' confidence | | |
| | Lower bound | Upper bound | |
| 4 | 2 | 5 | |
| 5 | 3 | 6 | |
| Total number of answers: | | | 2 |
| Mean: | | | 4.5 |
| Standard deviation: | | | 0.5 |

Experts' comments for this question

Expert's answer:

5

Expert's comment:

You definitely do show and make some decisions. IE, the design of the product, the packaging, the markup, the choice to market to children. You could include some more decisions, and more specific reasoning for the decisions. However, you do a solid job especially at the very end on this.

Data results: Question #6

| Question: Proposal shows the process/techniques or systematic approaches used WHENEVER a decision was made. Procedures are the first and foremost concerns. | | | |
|---|---------------------|-------------|---|
| Answer | Experts' confidence | | |
| | Lower bound | Upper bound | |
| 2 | 1 | 4 | |
| 3 | 2 | 5 | |
| Total number of answers: | | | 2 |

| | |
|---------------------|-----|
| Mean: | 2.5 |
| Standard deviation: | 0.5 |

Experts' comments for this question



Expert's answer:

2

Expert's comment:

This was a key problem area. Several times, you did show the process you used. However, this process often never seemed to be more than "common sense" or "logic". I realize that those two things are often very compelling ways to make a decision, but for a multibillion dollar company, they are looking for something more concrete. Did you take a survey? Do analysis? Apply any techniques?(your analysis of the returns to invesment, with the markup numbers etc was nice).

Data results: Question #7

| Question: Proposal remains objective, and tries to let the audience lead itself to the desired conclusions. | | | |
|--|---------------------|-------------|--|
| Answer | Experts' confidence | | |
| | Lower bound | Upper bound | |
| 7 | 6 | 7 |  |
| 8 | 7 | 9 |  |
| Total number of answers: | | 2 | |
| Mean: | | 7.5 | |
| Standard deviation: | | 0.5 | |

Experts' comments for this question

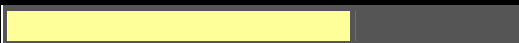
Expert's answer:



8

Expert's comment:

You did VERY well here. You discussed the risks, threats, and the negatives (ie the fight against fat foods, the declining "size of the pie" in the cookie industry)along with the benefits.

Data results: Question #8

| Question: Proposal uses an attractive yet simple layout for visual aids/slides/tables. These should simply aid the report, and not be the entire content. | | | |
|--|---------------------|-------------|--|
| Answer | Experts' confidence | | |
| | Lower bound | Upper bound | |
| 6 | 5 | 7 |  |

| | | | |
|--------------------------|-----|----|--|
| No answers | N/A | |  |
| 9 | 8 | 10 |  |
| Total number of answers: | | | 2 |
| Mean: | | | 7.5 |
| Standard deviation: | | | 1.5 |

Experts' comments for this question

Expert's answer:

6

Expert's comment:

The tables and graphs were good. The flow diagram in the beginning was a bit confusing and difficult to read. Overall the layout was attractive; there were just a few moments where things were difficult to understand.





Expert's answer:

9

Expert's comment:

EXCELLENT job. The only reason this wasn't higher was taht some slides were a little cluttered. For example the slide with the 4 colored segments and bright white text was a bit much to read and distracted from your verbal presentation. YOur use of tables integrated into the report is well-done.

Data results: Question #9

| Question: Proposal is delivered clearly, and during presentation, the presenters do not look at notes and talk at a moderate pace. | | | |
|---|---------------------|-------------|--|
| Answer | Experts' confidence | |  |
| | Lower bound | Upper bound | |
| 7 | 6 | 8 |  |
| No answers | N/A | |  |
| 10 | 8 | 10 |  |
| Total number of answers: | | | 2 |
| Mean: | | | 8.5 |
| Standard deviation: | | | 1.5 |

Experts' comments for this question

Expert's answer:

7

Expert's comment:

Presentation was very good. Both presenters were comfortable during speaking, and eye contact was kept with the audience.



Expert's answer:

10

Expert's comment:

EXTREMELY well-delivered. You were clear, poised and seemed to not look at your notes at all.

Data results: Question #10

| Question: Proposal does not attack or criticize the audience. | | | |
|--|---------------------|-------------|--|
| Answer | Experts' confidence | | |
| | Lower bound | Upper bound | |
| 8 | 7 | 9 |  |
| 9 | 7 | 9 |  |
| Total number of answers: | | | 2 |
| Mean: | | | 8.5 |
| Standard deviation: | | | 0.5 |

Experts' comments for this question*Expert's answer:*

9

Expert's comment:

The proposal did not seem attacking. The tone and pace was relaxed. It felt like a simple recommendation. Presenters referred to successful aspects of business, and how business could build on it.

Expert's answer:

8

Expert's comment:

Very good job treating kraft/nabisco with the respect they deserve. However, some of your excessive discussion of the company internals at the beginning may be "insulting to their intelligence". After all, as executives, they would already know that stuff. However, you are repeatedly deferential to the value and prestige of the Oreo brandname, this is great.

Data results: Question #11

| Question: While asking questions, the presenters listen to the questions, do not try to think on their feet, and take note of input. Presenters try to get the audience talking and interacting. | | | |
|---|---------------------|-------------|--|
| Answer | Experts' confidence | | |
| | Lower bound | Upper bound | |

| | | | |
|--------------------------|---|-----|--|
| 8 | 6 | 8 | |
| 9 | 8 | 10 | |
| Total number of answers: | | 2 | |
| Mean: | | 8.5 | |
| Standard deviation: | | 0.5 | |

Experts' comments for this question

Expert's answer:

9

Expert's comment:

Presenters took notes on feedback. Seemed interested in what audience had to say.

Expert's answer:

8

Expert's comment:

This was a solid job here. You CLEARLY were paying attention to the questions, and any input you received you quickly wrote down. However, at times it did seem like you were "bsing" some of the answers to the questions. Just make sure you understand the question and tell the client you will get back to them at a later date after further research.

Data results: Question #12

| Question: Warranty or liability concerns are addressed. | | | |
|--|---------------------|-------------|--|
| Answer | Experts' confidence | | |
| | Lower bound | Upper bound | |
| 1 | 1 | 2 | |
| 1 | 1 | 1 | |
| Total number of answers: | | 2 | |
| Mean: | | 1 | |
| Standard deviation: | | 0 | |

Experts' comments for this question

Expert's answer:

1

Expert's comment:

No warranty or liability information was provided. With a product that is targeted towards children, this is always a concern.



Expert's answer:

1

Expert's comment:

I'm sure this will be remedied in final draft.

Data results: Question #13**Question:** Proposal shows clear actions steps. Along with future actions. Shows what the presenters plan on doing, what they want the audience to do, along with dates.

| Answer | Experts' confidence | | |
|--------------------------|---------------------|-------------|--|
| | Lower bound | Upper bound | |
| 3 | 2 | 4 |  |
| 4 | 3 | 5 |  |
| Total number of answers: | | | 2 |
| Mean: | | | 3.5 |
| Standard deviation: | | | 0.5 |

Experts' comments for this question*Expert's answer:*

3

Expert's comment:

No real action steps or methods for future action were provided. No schedule or date information was provided.

Expert's answer:



4

Expert's comment:

You don't really show any dates, this is something that would help. You definitely tell the company that you want them to invest in the product. However, what else do they have to do (maybe nothing?). What else do YOU have to do? Is your entire research/development finished?

Data results: Question #14**Question:** Proposal shows the application of proven techniques from courses or other reputable sources, without the excessive use of jargon or academic speak.

| Answer | Experts' confidence | | |
|--------|---------------------|-------------|--|
| | Lower bound | Upper bound | |

| | | | |
|--------------------------|---|---|--|
| 3 | 2 | 4 |  |
| 4 | 2 | 4 |  |
| Total number of answers: | | | 2 |
| Mean: | | | 3.5 |
| Standard deviation: | | | 0.5 |

Experts' comments for this question

Expert's answer:

4

Expert's comment:

Although the numbers were helpful, there were no techniques or systematic processes employed. In terms of processes specific to the course, little was used.





Expert's answer:

3

Expert's comment:

you do a nice job using concepts such as product matrix, the boston consulting group matrix, core benefit proposal, and a little NPV. However, your use of TECHNIQUES (not concepts) is very lacking. You speak briefly of some surveys, but are very inspecific. Show us some survey questions, some results. What about sales forecasting techniques (specific, for example judgemental bootstrapping, role-playing), what about techniques your group used specifically for creativity? what about input from customers?

Data results: Question #15

| Question: Proposal shows the level of need or potential demand for the product. | | | |
|---|---------------------|-------------|--|
| Answer | Experts' confidence | |  |
| | Lower bound | Upper bound | |
| 6 | 4 | 7 |  |
| 7 | N/A | |  |
| 8 | 6 | 8 |  |
| Total number of answers: | | | 2 |
| Mean: | | | 7 |
| Standard deviation: | | | 1 |

Experts' comments for this question

Expert's answer:

8

Expert's comment:

The group provided reasons for why there might be a level of demand. Reasoning behind presentation was quite clear.

Expert's answer:

6

Expert's comment:

Pretty good job here. You show the demand levels for Oreos and some analysis. However, what process did you use? Did you ask consumers? Was this mostly common sense that demand would exist for this since people like to take apart oreos, and eat handi snack teddy-grahams? Is common sense enough to make multi-million dollar decisions?

Data results: Question #16

| Question: Proposal shows that the product solves existing problems. | | | |
|---|---------------------|-------------|---|
| Answer | Experts' confidence | | |
| | Lower bound | Upper bound | |
| 5 | 4 | 6 | |
| 6 | N/A | | |
| 7 | 4 | 9 | |
| Total number of answers: | | | 2 |
| Mean: | | | 6 |
| Standard deviation: | | | 1 |

Experts' comments for this question

Expert's answer:

5

Expert's comment:

The product does not really address any problems. It tries to further exploit an opportunity, which is believed to still be present. This is not necessarily a bad thing, although there should be some type of information provided to compensate for this.

Expert's answer:

7

Expert's comment:

Pretty good here, I like your inclusion of the study that people take apart your oreos. Perhaps show some specific data or excerpts from your personal studies? Is this something that people want? Do teddy-grahams solve the same problem? Probably not since the original non-handi-snack version is not similar to oreos.

Data results: Question #17

| Question: Proposal shows the use of expert opinion or insight. | | | |
|---|---------------------|-------------|---|
| Answer | Experts' confidence | | |
| | Lower bound | Upper bound | |
| 2 | 1 | 4 | |
| No answers | N/A | | |
| 6 | 5 | 7 | |
| Total number of answers: | | | 2 |
| Mean: | | | 4 |
| Standard deviation: | | | 2 |

Experts' comments for this question

Expert's answer:

6

Expert's comment:

The group utilized information from Kraft's annual report. Expert opinions from potential buyers or venders was missing however. Survey opinions or conjoint analyses to see if something different may be preferred, one have been helpful. Surveys and conjoint analysis could reveal the possibility of something new even.

Expert's answer:

2

Expert's comment:

This was definitely lacking. I understand we don't have access to experts. However, even showing that you are capable of utilizing experts by using "non-experts" on campus would be nice. If you show the company you know how to do this, they will be more likely to fund your future attempts with real experts.

Data results: Question #18

| Question: Proposal shows the use of potential customer input. For example, prototype testing, questionnaires, or surveys. | | | |
|--|---------------------|-------------|-----|
| Answer | Experts' confidence | | |
| | Lower bound | Upper bound | |
| 1 | 1 | 1 | |
| No answers | N/A | | |
| 6 | 5 | 6 | |
| Total number of answers: | | | 2 |
| Mean: | | | 3.5 |

| | |
|---------------------|-----|
| Standard deviation: | 2.5 |
|---------------------|-----|

Experts' comments for this question

Expert's answer:

6

Expert's comment:

Some customer input was taken into consideration. However, this was not revealed in a systematic way, and the process employed does not appear formal (in the report or the presentation.)



Expert's answer:

1

Expert's comment:

Seems to be completely lacking here. I already commented on this. (Prototype testing of course can't be done until the product prototyped.)

Data results: Question #19

| Question: Proposal shows a well defined target market, along with the needs, wants, and preferences of the consumer | | | |
|--|---------------------|-------------|--|
| Answer | Experts' confidence | | |
| | Lower bound | Upper bound | |
| 6 | 5 | 7 |  |
| 7 | 6 | 7 |  |
| Total number of answers: | | 2 | |
| Mean: | | 6.5 | |
| Standard deviation: | | 0.5 | |

Experts' comments for this question

Expert's answer:

6

Expert's comment:

Solid job here, defining your target market of children. I like how you DONT want to focus marketing at ALL on adults. Good decisions. How did you come to these decisions though? Again, was it just common sense? To specifically know the needs, wants and preferences of the consumers, don't you need to do more asking them? Use formal techniques.

Expert's answer:

7

Expert's comment:

A general view of the target market is provided. It is assumed that the product will be popular among the same group as similar products are. This is not necessarily true considering that the prototype testing was not done with the right age group. If the intended market is children, young adults should not be tested. And if it is the case that people in general like it, then targeting the product solely to kids might not be a good idea.

Highest variance in responses = 17,18
 Highest rated= 9,10,11,7,8 (in order)
 Lowest rated= 4, 12, 2, 3, 6 (in order)
 Random sample of quotes from Role-playing

Kraft: “We would like to hear more specifically about your testing...there are many inexpensive methods of surveying that you won't need our funding for.”

Kraft: “Well I can think of a few examples where this idea DIDNT work...for example, pop tarts...people love pop tarts, but someone realized that people maybe like to control their amount of frosting, so toaster strudels with a frosting package was introduced.”

Handi-Snacks: “Correct...some of the tests however are ones that you yourself have done...you realize that people take these things apart and play with them...that tendency is a fact...one which you've stated...we capitalize on that fact...with this idea...it takes two proven products...and a fact...and creates something new...that's a good start we feel...
 the next level however... requires some funding ...factual prototype development.”

Kraft: “People like to take apart Oreos yes (not everyone but some people)
 but is it really worth the pain of spreading frosting every time with a stick?”

Kraft: “It seems like throughout, you just use common sense or logic to make decisions...that's fine for everyday life, but for a multibillion dollar company
 we need CONCRETE PROOF, established techniques, methods.”

Rough criteria for evaluating a proposal

Style

Action-oriented verbs instead of a passive voice
 Easy to follow and read
 Uses prose without unnecessary verbosity.
 Avoids excessive lists
 Avoids excessive use of figures in the same sentence
 Does not attack or criticize

Structure

Follows a logical structure (chronological, stepwise, flowchart etc)
 Has a clear table of contents and introduction
 Structure in and of itself leads the reader to a conclusion
 No excessive use of footnotes, appendices or tables

Content

Instead of forcing readers to a conclusion, allows the reader to make his/her own conclusions
 The conclusion the reader reaches is the one the writer hopes for
 Forces the reader to question the current status quo, or find negative aspects of the current policy or situation, thus facilitating openness to change (from the Delta Technique)
 Puts the reader into situations where he can imagine a need for the change. Perhaps through the use of stories or possible situations where the change would have help. (Scenarios)

Doesn't try to necessarily convince, but instead to open the door for change, and guide the reader through his own thought process (from Delta technique)

Makes concrete recommendations, and action-oriented steps

Shows the risks and the rewards of the proposed change

 Gives recommendations for how to monitor success after the change

Criteria for New Product Success

PRODUCT

ADVANTAGE

Product offers unique or one of a kind benefits

Product is higher quality than competing products

Product decreases customer cost

Product is innovative- first of a kind

Product is superior to competition in eyes of customer

Product solves a problem that customers have w/competing products.

MARKET

POTENTIAL

Size of market

Market growth potential

Level of need for product type

Level of importance of the product to customers

MARKETING

SYNERGY

A good match between the needs of the product and:

Sales force and channel support of company

Skills and resources of company's advertising and promotion

Company's skills and resources at market research

Company's customer service skills and resources

Company's management skills and resources

TECHNOLOGICAL

SYNERGY

A good match between the needs of the product and:

Company's R&D or product development skills and resources

Company's engineering skills and resources

Company's production resources and skills

PROTOCOL **Before product development:**
 Target market is well defined
 Customers' needs, wants, and preferences were well defined
 What the product will be and do (product concept) is well defined
 Specifications and requirements of the product were well defined

PREDEVELOPMENT Proficiencies of:

ACTIVITIES Initial screening
 Preliminary market assessment
 Preliminary technical assessment
 Detailed Market study/marketing research
 Business or financial analysis

MARKET-RELATED Proficiencies of:

ACTIVITIES Preliminary market assessment
 Detailed market study/marketing research
 Customer test of prototype or sample
 Trail selling/test market
 Market launch

TECHNOLOGICAL Proficiencies of:

ACTIVITIES Preliminary technical assessment
 Product development
 In-house testing or Prototypes
 Trial production
 Production start-up

Possible Criteria- Ashok

Be sure to keep in mind the target audience. Who are you presenting this to?

Establishment of group capabilities. Who are you? What are you qualified to do? What are you not qualified to do?

Start off with overall, specific recommendations, along with benefits to them.

Inclusion of a summary/purpose and agenda for the meeting (or table of contents)

Emphasis on your decisions/recommendations, and why you made them

Show the process/techniques or systematic approaches you used to reach the decisions. **WHENEVER**, a decision is made, the process/analysis of how you got there must be shown. The company is concerned with the procedures first and foremost.

Use attractive yet simple layout for visual aids/slides/tables. These should aid your report, not be the entire content.

Remain objective, try to let the listener/reader lead themselves to your conclusions.

Speak clearly, do not read from notes if possible, talk at a moderate pace

Show action steps, things you plan on doing, things you want the venture company to do, along with dates

During questions, listen to the questions, and take note of their input. Try to get them talking.

Apply proven techniques from courses you have taken and from other reputable sources, without using jargon or excessive academic speak.

Report or presentation does not attack or criticize the audience

Shows the level of need or potential demand for the product, along with the market

Product is shown to be innovative or first of a kind, or offers unique benefits

Product is shown to solve problems with existing available products.

Presentation or report shows a well-defined target market where the needs, wants and preferences of the consumer are clear.

Demonstrates prototype testing, surveying or some other method of gaining input from potential customers.

Utilizes expert insight or opinions.

Possible Criteria-William

- 1) Include Executive Summary; tell me what you want us to do and why upfront?
- 2) Table of contents?
- 3) Show processes
- 4) Show author info, capabilities, date written
- 5) No footnotes in paper
- 6) Product advantage?
- 7) Future actions?
- 8) Intro to oral pres.
- 9) Who are you?
- 10) Build up to conclusion.
- 11) Simple overheads
- 12) Don't think on your feet
- 13) Summary of action steps.
- 14) Warranty/liability concerns?