Intersect CPG: Transformative Product and Business Model Innovation, DSGN 495-40

Course Description

This experiential course lives at the intersection of transformative innovation, design thinking, and business model innovation. The learning experience will be both rich and realistic! Student teams will work under NDA on five real-world upstream product innovation projects sponsored by Procter & Gamble, experiencing and helping to advance the way in which big innovation works in highly scaled businesses like P&G, as well as comparing innovation at different business scales including startup and licensing. Each student team will develop both the consumer and business value proposition of their project through hands-on exercises, prototyping and weekly coaching by sponsor mentors both on-site and via video conference. Unique characteristics of this class include physical and virtual product prototyping, business model development at three different scales (startup, licensee, global CPG), and robust primary consumer research among the target audience for each project, applying a range of state-of-the-art consumer research methods. The work will be hard, comprehensive and rewarding. If you want to experience how big product innovation works in the real world of CPG, and learn powerful frameworks that guide this kind of innovation at several different business scales, this is the course for you!

Frameworks

Big innovation comes to fruition when great creative and analytical work is done at the intersection of business, technology, and human values. Integrating effectively across these domains is not a matter of managing, rather of collaborating with the range of skillsets required. Each student team will have diverse membership from McCormick, Kellogg, and Medill to create the requisite mix of skills and points of view.

The Design Thinking framework helps guide how teams do great product and business model innovation. Central to this process is empathizing, i.e., experiencing the lives of the humans you are trying to serve with your product innovation. Here the student teams will do in-home ethnography, combined with central site and on-line longitudinal consumer research to define the tensions and aspirations relevant to their project and to get consumer feedback on key elements of the product experience and business models.

Another key framework will be the concept of brand equity and equity stretch, i.e., with which brands do the product innovations best fit, and how these innovations potentially stretch and enhance the brand equity that currently exists.

Final Deliverables:

The final deliverables of each team will be presented to multifunctional teams from the sponsor at the end of the quarter, and are the key output of the class upon which the students are graded. These deliverables are quite robust, and will demand the best of each student individually and as team members as they apply their existing skills, critical thinking, and creativity combined with the principles leaned and insight gained throughout the quarter.

A) A model of consumer behavior, tensions, touchpoints and/or life stage segments that will find the product innovation/experience most appealing
B) A consumer pitch that shows how to engage consumers in a way that drives desire and choice
C) Minimum Viable Prototypes that deliver the intended experience with supporting evidence showing that the prototype experience will be adopted
D) Draft business models at three levels of scale – Global CPG, License, Startup and a recommendation of which to pursue.
E) **A final Pitch to the project stakeholders** that covers the above and explains if/why further investment is warranted.

F) **Thorough documentation of the project and deliverables** including executive summaries, interim and final presentations in written and video format, prototype design details, bill of materials and CAD, details of the supporting consumer research/feedback, and student portfolio materials that respect the Confidentiality Agreement terms.

G) **Recommended next steps** for the corporate sponsor.

The specifics (details subject to change)

| TIME: | Class: Mondays 3 hours, 12-3pm  
| Studio Lab: Thursdays 12-3pm (The first 90 minutes are reserved for teams to work together, studio time will typically be 1:30-3pm)  
| Weekly one hour working session with project sponsors (timings arranged by team at mutually convenient time) |
| REQUIRED TEXTS: | Business Model Generation – Osterwalder & Pigneur  
| The Lean Startup – Reis  
| Ten Types of Innovation – Keeley  
| Selected readings and Case Studies |
| RECOMMENDED TEXTS: | What Really Matters – Pepper  
| Thinking Fast and Slow – Kahneman  
| Blink – Gladwell  
| Predictably Irrational – Dan Ariely |
| PREREQUISITES: | A strong interest in and passion for product and brand innovation, a willingness to bring your A game in and out of class, and a readiness to work collaboratively and creatively on a real world innovation project. |
| LOCATION: | The Garage, 2311 Campus Drive, Suite 2300 (in the North Parking Garage)  
| Mondays: 12-3pm  
| Thursday Lab 12-3pm  
| Office hours: 30 mins before and after class times by appointment. |
| FACULTY: | Faculty:  
| Craig Sampson, TBD Innovation and Helen von den Steinen, Procter & Gamble  
| IA: Aarushi Karimpanal, Segal Engineering Design & Innovation |

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<tr>
<th>Date</th>
<th>Topic</th>
<th>Assignments</th>
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| 1A: March 27 | Overview of course (45 mins):  
| - Class deliverables  
| - Syllabus  
| - Key milestones  
| - Consumer Learning Plan  
| Brief P&G project intro – 5 mins per project (30 mins)  
| Robb present Key Frameworks (brands, business models and tensions and examples (45 mins)  
| Coaches in depth presentation with project teams (60 mins) | Homework assignment (Hwk)- watch videos on how to do an IHV (before Thursday)  
| Review roles and responsibilities for communicating with Panelists document on box. |
| 1B: March 30 | Q&A on projects, process etc. | Hwk: Practice interview skills for IHVs.  
| Consumer Research Prep for Fieldwork:  
| - Logistics for Saturday!  
| - Practice qual. interview skills for IHVs.  
| - Refine/familiarize with discussion guide  
| - Familiarize with video equipment | Refine/familiarize with discussion guide  
<p>| Work out logistics/pairs for dyads |</p>
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<tr>
<th>Date</th>
<th>Activity</th>
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| 1C: April 1 | Go to consumers’ homes (in pairs) and conduct research.  
3 one-hour in home visits (nominally 11am, 1pm and 3pm) |
| 2A: April 3 | Team dynamics – Ten faces of innovation (30 mins - Craig)  
Use to identify what types of innovators are on your team and develop strategies of how to work together to leverage strengths.  
Working session synthesizing learnings from IHVs and mapping on to Business model canvas (focus on ‘your offer’ column)  
Using the right tools to answer the question. Leveraging qual and quant, implicit and explicit in the design process. (Helen)  
Hwk:  
- Explicitly address how you will leverage team diversity and openly discuss potential tensions.  
- Team presentation for Thursday |
| 2B: April 6 | Debrief consumer research results – Tension Map, Summary Stories, Journey Map, Business model  
Working session on consumer analysis and business model.  
Peer learning – teams present ‘your offer’ from business model and thoughts on prototyping (10 minutes per team)  
Hwk:  
Business Model Generation Ch 2: Patterns and Ch 3: 134-159 |
| 3A: April 10 | Creating a malleable and testable visualization of your consumer value proposition  
• Brainstorm: **Diverge** and create wide range of consumer experience scenarios covering key touchpoints  
• Nominal group convergence, considering short term success and long term disruption/ transformation.  
Prototyping presentation with examples  
Output:  
Consumer Research Results  
- Tension Map complete  
- Summary Stories complete  
- Draft Journey Map with focus areas  
Business Model  
- Consumer research mapped into Consumer Value Proposition  
- Priorities & base scenario identified with P&G coach (before next class) |
| 3B: April 13 | Creating your prototypes/representing your ideas visually and experientially on a base scenario with riffs on key points of uncertainty (**converge**)  
• Working Session to create prototypes for your project  
Preparing for central site visit – methods for getting consumer reaction to prototypes (hands on sessions)  
Team picks base scenario prior to class to work on during studio  
Hwk: develop plan for central site visit (to discuss next class) |
| 4A: April 17 |  
• Central site (prototypes and execution plan) peer to peer critique and building - 60 min/10 mins per team  
• Visualization Working Session – 90 min  
• Finalize logistics for Central Site Thursday. – 30 min  
Updated testable visualization |
| 4B: April 20 | Central Site Research:  
Test your consumer value proposition visualization that illustrates what the consumer experience would be at key touchpoints and brings to life how that would be better than today’s experience.  
• Learn what’s working well, what needs improvement, what more you need to research/prototype/test for second half of the term  
• Test one or more base scenarios, then expand on options at specific touchpoints where you have highest uncertainty or competing hypotheses  
Hwk: debrief on learnings from consumer central site visit. Come prepared to share next class. |
| 5A: April 24 |  
• 12-2pm. Teams share Central Site Research results and progress against project deliverables with class (see list of deliverables) 10 minute sharing with 10 minute feedback/discussion. (Note, these deliverables are a work in progress, of course, so you are summarizing your progress while acknowledging there is more to do in the second half of the term.)  
• 2-3pm. Team Working session on mid-term presentations incorporating feedback from 12-2pm session and updating of business model.  
Updated Team Business Models  
Emphasis on customer value proposition, prototypes and consumer feedback.  
Hwk: create story and outline presentation/notes for mid-term. |
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<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
<th>Details</th>
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<tbody>
<tr>
<td>5B: April 27</td>
<td>Mid-term Dry Run with peers and faculty (10 min presentation/10 minute feedback)</td>
<td>Update materials and incorporate feedback and new data. Emphasis should be on the consumer proposition and first thoughts on how make your proposition available (Mainly ‘your offer’ and a bit on ‘business value proposition’ columns in the P&amp;G business model canvas).</td>
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<td>6A: May 1</td>
<td><strong>Mid-term Review</strong> with Clients</td>
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<td>6B: May 4</td>
<td>Seventh inning stretch</td>
<td>Breathe……….</td>
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<td>7A: May 8</td>
<td>• Debrief mid-term review and client input.</td>
<td>Update business model with key pivot options, analysis, direction.</td>
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<td>• Guest lecture on business models, Pivots Principles and practice by Dave Caracci, P&amp;G, with Robb Discussion on Pivots</td>
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<td>7B: May 11</td>
<td>Working session on adjustments to projects and Pivots</td>
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<td>Preliminary logistics for central site visit (who invite, how long etc)</td>
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<td>8A: May 15</td>
<td>• Synthesis of Consumer, business and technology learning</td>
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<td>Focus on lead ideas and consider the business plan behind each (different scales)</td>
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<td>Team working sessions</td>
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<td>8B: May 18</td>
<td>Working session to prepare for Central site research</td>
<td>Update business model. New prototypes/stimuli to share with consumers, including path to market.</td>
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<td>9A: May 22</td>
<td>Central Site Research</td>
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<td>9B: May 25</td>
<td>• Team presentations: Sharing with class the Central Site Research results and your progress against project deliverables (see list of deliverables) 10 minute presentation with 5 minute feedback/discussion.</td>
<td>Updated Team Business Models. Refined consumer value proposition with more robust business value proposition (how are you going to make money with it!). Hwk: Final presentations incorporating feedback and updating of business model</td>
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<td>10A: May 29</td>
<td>NO CLASS – Memorial Day</td>
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<td>10 B: June 1</td>
<td>Draft pitches, peer coaching 10 minute presentation per team/10 minute feedback</td>
<td>Refine presentations. Practice, practice, practice.</td>
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<td>June 5</td>
<td>Final Pitches and Presentations Deliver final pitch with supporting deliverables</td>
<td>Deliver final pitch with supporting deliverables including comparative paths to market. Update box with all presentations and documentation.</td>
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Below are the graded components of the class and their relative weights:

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<thead>
<tr>
<th>Component</th>
<th>Weight</th>
<th>Type</th>
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<tbody>
<tr>
<td>Building the Foundation</td>
<td>20%</td>
<td>Group</td>
</tr>
<tr>
<td>Class Participation</td>
<td>15%</td>
<td>Individual</td>
</tr>
<tr>
<td>Mid-term Presentation</td>
<td>15%</td>
<td>Group</td>
</tr>
<tr>
<td>Final Presentation</td>
<td>50%</td>
<td>Group</td>
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While all deliverables are team based, team member feedback will also be taken into consideration for individual grades.