

**I**PROD

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# Improvement of Product Development Studies in Serbia and Bosnia and Herzegovina



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**WP 7.5**

# MARKETING PLAN

**REPORT**

2015

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*... We begin to change the world when we stimulate long-term prosperity using product development. There is no a problem that's large enough that innovation and entrepreneurship can't solve.*  
**Naveen Jain**

## 1. Executive Summary

Overall purpose of this marketing plan is establishing role of continuous learning in field of Management and Product Development, as a new strength of regional industry and education process. This will be performed through cooperation between the industry and universities in framework of Industrial Product Development Center (IPDC) as a new concept, as well as courses for industry and courses for unemployed persons. IPDC will serve as a virtual company where students will be organized in teams. Each team will develop specific product in relation with the needs of the certain SME. Besides this in cooperation with industry, master thesis for students will be defined. Also courses for industry will be organized that the engineers will learn about the new technological achievements, while unemployed persons will get new competencies that will help them in job finding.

Target groups of the Project, and thus of the Marketing Plan, are:

- Students
- Unemployed persons
- Industry (SMEs)

Several stakeholders have also been identified. Communication will be focused on next: Industrial Product Development Experts for IPDC, National Employment Service (NES), SMEs, National Agency for Regional Development (NARD), Regional Development Agencies (RDAs), Chambers of Commerce, Business Clusters, Universities, Faculties and Colleges of Applied Sciences and Legal Attorneys.

Target groups and stakeholders will communicate following key messages:

- *“We can work together, building strong relationship with vital performance and market outputs.”*
- *“With mutual cooperation, information and experience exchange, we can achieve great results.”*
- *“Industrial product development can improve technological and market performances of enterprises”.*

We have set three main communication goals:

- Inform our target groups and stakeholders on IPDC's services and benefits of working with IPDC, Courses for Industry, Courses for unemployed persons and new and modernized study programs;
- Persuade and engage target groups and stakeholders to start cooperation;
- Remind our target groups and stakeholders on our activities.

Strategy approach was devised to convey key messages to our target groups. Four basic groups of activities have been identified and further detailed. These activities form components of the strategy:

- **COMPONENT 1:** Develop existing services, projects, work, analysis and benefits. Goal of activities in this section is to prepare all of documents and material of interest to our target groups.
- **COMPONENT 2:** Develop communications "toolbox" and framework for outreach. Prepared material in the component 1 is now used to prepare effective communication tools and materials to be distributed to target groups.
- **COMPONENT 3:** Perform offline promotion techniques. After the preparation of marketing toolbox and all needed material, they are put to a good use. Several important fields of activities in offline promotion are to be used, such as advertising, public relations, direct marketing, conferences, events and meetings.
- **COMPONENT 4:** Build strong online presence. In modern business internet is used for instant and direct communication, and it is a first choice for information search. Thus, building strong online presence is of vital importance.

Continual monitoring and evaluation of activities performed is of key importance.

## 2. Goals of Marketing Plan

Overall purpose of this marketing plan is establishing role of continuous learning in field of Management and Product Development. This means presenting activities and benefits to target audience, connecting with adequate business profiles, and gaining recognition in educational field.

Specific goals of this marketing plan are:

- Identify links between IPDC and the target groups;
- Identify means and activities to utilize links between SMEs and Universities;
- Increase visibility of Educational Courses in target market;
- Create relationship with SMEs in order to use innovations;
- Raise awareness of investing in innovations and education;

In order to fulfill these goals, we have to analyze the environment, target market and its demands, but also services offered and tools to position and communicate those services.

Final result of this plan will be clear set of activities necessary to fulfill stated goals.

### 3. Situation Analysis

Transition from planned economy to the market orientated economy in Republic of Serbia and Bosnia and Herzegovina has led to collapse of their economy due to low competitiveness on a global level. Production facilities are primarily oriented towards simple production with low profit margins due to obsolete and uncompetitive product portfolios, which are the consequence of shutting down of sectors for Industrial Product Development (IPD) as the most expensive sector in companies. According to the research results, the percentage of engineers involved in IPD is about 10% of all employed in the production industry, while that percentage in developed EU countries is greater than 40 %. Regional companies are not capable to answer to current market demands mainly because their already weakened IPD structures don't have appropriate knowledge and management skills necessary for modern IPD, as well as the management abilities necessary for operating on the global level. Furthermore, regional Industrial enterprises are dissatisfied with competence profile of development engineers educated by PC universities. Development engineers possess excellent professional and methodical competences but their creativity, elaboration potential and social competences are on a low level. On the other side, the increased competition on the market, decrease of time to market and complex product development processes require effective management of development process, as well as the managing of processes in product innovation. Such state is mainly the consequence of inappropriate and obsolete education in the many engineering and management fields. According to the facts that three aspects of IPD – systems, methods and processes – are influenced and constantly changed, it can be stated that, beside education in engineering subjects, for effective IPD and achieving of innovation, is necessary to provide interdisciplinary and multidisciplinary education in areas such as Management in Product Development, Innovations management (MPD&IM) and Eco-product development (EPD).

#### 4. Target Groups

Target groups of the Project, and thus of the Marketing Plan, are:

- Students
- Unemployed persons
- Industry (SMEs)

It is important to understand why these target groups are interesting for us. First, importance of education for students is imperative, because, with high quality education, future engineers can give great contribution to the industry development. However, that kind of education give them the competences, which raises their value at job market. Second, unemployed persons have certain level of knowledge acquired on faculties, so their position at job market should be improved with additional education and include in Lifelong learning concept. Third, it is very often that engineers don't have actual knowledge about new methods and technical solutions, so it can be applied on solving real problems. With continuous education of engineers, industry can be use new knowledge and applied them in practice. However, by establishing the connection between students and industry through IPDC, students will acquire knowledge and experiences in framework of realization of real projects, while experts-mentors have opportunities to transfer their own.

It is of great importance to identify stakeholders and to devise means of communication with selected target groups and stakeholders.

We have identified following stakeholders to target groups:

##### **a) Industrial product development experts for IPDC**

As the main providers of services, identified industrial product development experts are the first information source to begin with. Internal information and knowledge already existing within organization can yield great results if used properly.

##### **b) National Employment Service (NES)**

National Employment Service (NES) of the Republic of Serbia is the connection between employers and unemployed people. NES has the most accurate database of labor market needs. In collaboration with universities, NES will contribute to the development of new curriculums based on the requirements and needs of the labor market. The roll of NES will be to provide access to the unemployed persons.

##### **c) SMEs**

Small and medium enterprises (SMEs) are one of most important pillar of industry development in region. Therefore, strengthening them through cooperation with

universities in the form of training of engineers and its impact on the modernization of the curriculum for future engineers is of great importance for the improvement of education and enterprise development.

#### **d) National Agency for Regional Development (NARD)**

As a main implementing national body in charge of regional development, NARD can be an excellent information source on market segments and market needs. Existing links between NARD and SMEs can be utilized with great effect.

#### **e) Regional Development Agencies (RDAs)**

Knowledge of businesses on local level is of crucial importance. RDAs can play crucial role in noticing of early signs of needs for technological innovations in local SMEs. In order to properly do this, RDAs should receive at least basic education on identification of suitable SMEs. RDAs to target:

- Užice
- Kragujevac
- Kraljevo
- Leskovac
- Novi Pazar
- Požarevac
- Zaječar
- Niš
- Zrenjanin

#### **f) Serbian Chamber of Commerce, international, regional and local chambers of commerce**

Similar to NARD and RDAs, chambers of commerce have many active links with SMEs and can provide quick insight into needs of SMEs. Information they can provide to members is of highest importance for communicating the project properly. Some of chambers of commerce to target:

- Chamber of Commerce and Industry of Serbia
- **Regional Chamber of Commerce Niš**
- Belgrade Chamber of Commerce
- Regional Chamber of Commerce Novi Sad
- Regional Chamber of Commerce Kragujevac
- Other international, regional and local chambers of commerce

#### **g) Business Clusters**



In recent years many business clusters were formed in Serbia. Majority of those are closely connected to industry and implementation of new technologies. Members of these clusters are the role-model targeting segment for IPDCs – these are enterprises aware of necessity of technological advance, and they are active in adopting new trends. These clusters are mainly supported by Ministry of Economy and by SECEP project. Some of these are target groups for several Industrial product development. Here is the list of target business clusters:

- Automotive cluster of Serbia, Belgrade
- ICT Belgrade
- Megatronics cluster, Niš
- Textile cluster, Arilje
- Wood production and furniture cluster, Vranje and Kraljevo
- KIS- Agriculture, Novi Sad
- ICT Vojvodina, Novi Sad
- Automotive cluster of Central Serbia, Kragujevac
- BIPOM – Balkan and Black Sea Industry of Agricultural Machines, Belgrade
- “Šumadijski cvet” – flower producers, Kragujevac
- Wood agency, Belgrade
- Galenit – Collection and recycling of used batteries, Belgrade
- First cluster of plastic and packaging – JATO, Subotica
- ECO Krug – Usage of electronic, industrial and hazardous waste, Belgrade
- Netwood – cluster of furniture producers, Kragujevac
- MEMOS – cluster of metal industry, Inđija
- other product development oriented clusters

**h) Universities, faculties and colleges of applied sciences (product development, business and economy...)**

All faculties and colleges of applied sciences related to business and product development are often in direct contact with the industry itself. This provides them with information on SME needs and problems. They can be effective channel in connecting Industrial product development with SMEs. Some of these institutions are rather famous in providing consulting services to large companies, as well as to SMEs.

**i) Legal attorneys specializing in protection of intellectual property/patents**

Legal attorneys specializing in protection of intellectual property/patents are working closely with enterprises active in the innovation field. These SMEs are fully aware of importance of product development innovations and improvements. They will be more than ready to listen to proposals which can further improve their product development position.

## 5. Positioning

The goal of IPDC positioning is to keep our services on top of SMEs' mind when they're considering an introduction of new product development and improvement in their business product development. To be successful, positioning must achieve three objectives:

- Differentiate our services from the alternatives
- Address important SME buying criteria
- Articulate key service and Industrial product development characteristics

Our positioning strategy is standing on following three pillars:

- Benefits for SMEs
- Service Attributes
- Building strong relationship between SMEs and IPDCs

The goal of Courses for Industry positioning is to keep industry knowledge up to date all the time. It is necessary, especially in product development to be in the trend with new achievements in the world. To fulfill this goal, proposed courses must achieve three objectives:

- To monitor state of the art achievements in the product development
- To constantly inform industry about the new achievements
- Courses must be available to the stakeholders from industry all the time

The goal of Courses for unemployed persons positioning is to enable the unemployed persons to be more competitive on the job market. This goal will be mainly achieved by prequalification of the unemployed persons. Important role in all of this will have National Employment Service which will:

- License courses
- Promote courses
- Finance courses
- Announce tender with courses at the beginning of each year

The goal for students positioning is to bring closer all benefits to students about studying on these programs. New study programs are connected and follow needs of industrial sector development.

Key messages we are communicating are:

- ***“We can work together, building strong relationship with vital performance and market outputs.”***
- ***“With mutual cooperation, information and experience exchange, we can achieve great results.”***
- ***“Industrial product development can improve technological and market performances”.***

## 6. Communication Goals

A recurring challenge in the provision of advice and support to target groups is the means of delivery. Despite the level of sophistication of communication tools and high level of resource input to provide a comprehensive support service, it is not easy to satisfy real-time informing of target groups. We can point out several characteristics of communication with them.

First, it is important that suppliers of advice and support have a specific 'focus' or segmented client base. Hence, a previously presented segmentation strategy can help manage clients' expectations as well as focus the resources of the assisting agency.

Second, owner-managers are aware of the different formats of advice and innovation support delivery. This appears to vary according to the intensity of exchange required. In some cases, information may be easily gleaned and collected via a website whilst in others, a face-to-face event may be important.

However, attention needs to be paid to building relationships with businesses. It has to be recognized that many businesses seeking advice require guidance and this will involve an iterative process with the advice provider in order to unpack the real issues that lie underneath an immediate problem.

Third, Industrial product development center may be regarded as a source of advice and support i.e. to businesses directly, but they should also be regarded as part of a referral network. Thus, IPDC should be able to receive clients from other support agencies/institutions as well as refer clients to other support agencies/institutions. However, it is important that individual Industrial product development experts retain their independence and continue to have direct access to businesses, rather than being subsumed under only one communication channel. Alliances with private sector organizations, such as business consultants, would also prove useful as a means of delivering services as well as raise its profile.

Finally, the evidence suggests that in order to reach the SME market more effectively, a mass marketing campaign would be appropriate. Within this campaign, there needs to be emphasis on helping small firms solve problems related to product development innovations and benefits for SMEs. Mass campaign does not necessarily need to be costly – we use this term in sense of number of targeted SMEs to which we want to convey information on our services and benefits of cooperating with IPDCs.

### **Having this in mind, we can set following overall communication goals:**

*Goal 1 – **Inform** our target groups and stakeholders on IPDC's services and benefits of working with IPDC, Courses for Industry, Courses for unemployed persons and new and modernized study programs.*

The objective is to develop initial demand for IPDC services and education. Informative advertising will tell our target groups about our services, explain industrial product development and how it works, and should build awareness for the services, benefits of

cooperation and education. There should be enough information to motivate our target groups to take action.

**Goal 2 – Persuade** and engage target groups and stakeholders to start cooperation

The idea is to persuade target audience to engage into building a relationship with Product development through direct cooperation in framework of virtual company, education courses and enrollment in new and modernized study programs.

**Goal 3 – Remind** our target groups and stakeholders on our activities

Objective is to reinforce previous promotional information. Characteristics of a service, testimonials of past/existing clients, public response, and promotion techniques are repeated in the hopes of reminding past clients and garnering new ones. It is used to keep the public interested in, and aware of, services of Industrial product development.

**Table 1.1: Communication goals**

Goal: INFORM	Goal: PERSUADE	Goal: REMIND
IPDC, education courses and study program process and benefits	Benefits for cooperation in virtual company, education courses and enrollment	Experiences, results and benefits
Develop existing services, projects, work, analysis and benefits	Secure conference speaking engagements	Information exchange and 1-on-1 communication
Develop communications “toolbox” and framework for outreach	Organize events, meetings and conferences with target groups and stakeholders	PR efforts and presentation of achieved results
Outreach to target groups	Support innovative ideas	Participation at conferences
Perform offline informative promotion techniques	Develop individual service offers and relationship strategies	Continuous distribution of information online
Build strong online presence		

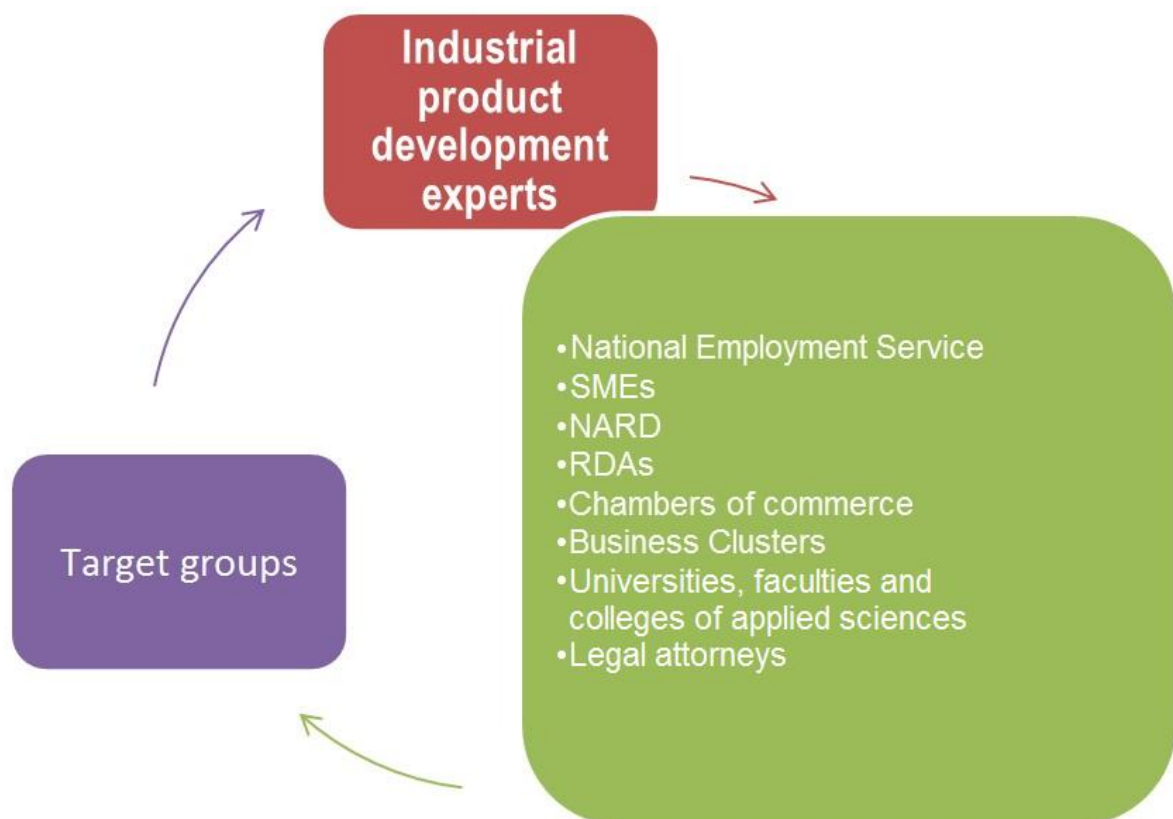
**Table 1.2 Matrix of goals/stakeholders**

	INFORM	PERSUADE	REMIND
Industrial product development experts for IPDC	Y	N	N
National Employment Service (NES)	Y	N	Y
SMEs	Y	Y	Y
National Agency for Regional Development (NARD)	Y	N	Y
Regional Development Agencies (RDAs)	Y	N	Y
Chambers of commerce	Y	N	Y
Business Clusters	Y	Y	Y
Universities, faculties and colleges of applied sciences	Y	N	Y
Legal attorneys	Y	N	Y

## 7. Communication Channels

Two sets of outreach activities can be identified; promotion activities and business sector market management activities. Promotion activities involve the development of promotional materials announcing programs and product development opportunities in terms relevant to specific target groups. Planning and implementing conference and trade show, developing and implementing direct mail programs to communicate with distribution channel members and potential participants and partners, and maintaining a database. Business sector market management activities involve development of business sector profile reports that identify key players in targeted business sectors, the industrial structure of each sector, each sector's product markets, and potential applications of new technologies to new products, product improvements or production and distribution systems in each sector. Business sector market management activities also include responding to new product requirements, qualifying prospects as eligible for programs, and facilitating, coordinating, supporting and using new solutions in product development programs.

### **Illustration 1.1: Stakeholders/target groups**



With this structure in mind, we have to work on all levels of communication with our target groups:

- **Non-media communication:** includes telemarketing, exhibitions, fairs, "open doors" events. A wide audience cannot be reached by means of non-media communication.
- **Media communication:** electronic media (television, radio, video, Internet, CD-ROM, etc.), booklets, newspapers, etc. Large audiences can be reached in a short period of time.

Apart from this, we also have to look at communication channels as **personal** and **non-personal** communication channels which can be used for marketing communications. Within both of them there are many sub-channels. We use non-personal communication channels to fulfill our goals of **informing** and **reminding** our target groups. We use personal communication channels to **persuade** SMEs into building relationship with Industrial product development, but also to inform and remind our target groups.

The marketing communications mix is now thought of as consisting six major modes or types of communication alternatives:

- **Advertising**

Advertising aims to make IPDC, Courses and Study Programs familiar to target groups, to create favorable image to the cause, to educate and inform the public, and attract target groups to find more about. Most common used media in advertising are press, radio, television, direct mail, outdoor and indoor advertising, online, directory listings, etc.

- **Sales promotion**

Sales promotion relates to short term incentives or activities that encourage the purchase or sale of a service. Sales promotions initiatives are often referred to as "below the line" activities. The goal is to reach prospective clients in search for problem solution, and to present them with possible strategies. The most common used approaches in business sales promotion activities are seminars and workshops, conferences, trade shows, telemarketing and direct mail campaigns, newsletters, event sponsorships, etc.

- **Events and experiences**

Events and experiences relates to creating an environment for a target group, in which you are able to present them with information on your services. Creating conferences or workshops on specific topics of interest for our target groups is a good example of this communication channel.

- **Public relations and publicity**

Public relations relates to building good relations with the stakeholders (public) of your business by obtaining favorable publicity, building a good corporate image and handling

information flow. PR typically includes news creation and distribution (media releases); special events such as news conferences, grand openings and product launches; speeches and presentations; educational programs; annual reports, brochures, newsletters, magazines and AV presentations; community activities and sponsorships.

- **Direct marketing**

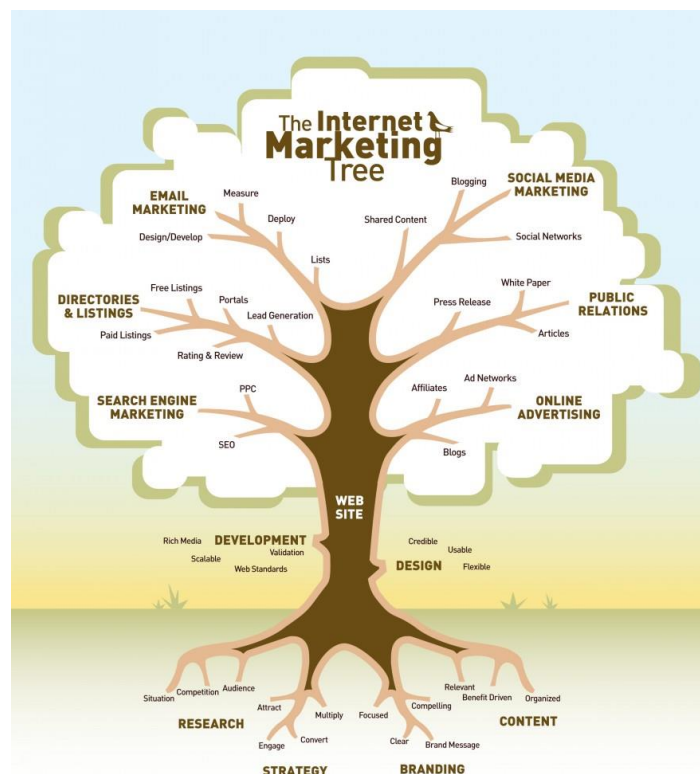
Direct marketing targets individual potential clients with personalized communication message to each individual target. Direct marketing messages emphasize a focus on the customer and data. Thus, besides the actual communication, creation of actionable segments, pre and post campaign analytics, and measurement of results, are integral to any good direct marketing campaign.

- **Personal selling**

Personal selling relates to direct communication with decision makers in our target groups and conveying the information directly. Personal selling usually uses means of face-to-face meetings, presentations or demonstration of product/service. Previous successful stories can be used as a strong personal selling tool.

In recent years there is a trend of separating **Internet activities** as a **separate communication alternative**. In our case this communication channel will be of great importance. In illustration **1.2 Internet marketing tree** are presented main tools of communication through this channel.

**Illustration 1.2: Internet marketing tree**





Overview of communication channels used to communicate with target groups, and related goals and key messages we are conveying:

**Table 1.3: Key message**

TARGET GROUP	GOAL	KEY MESSAGE	COMMUNICATION CHANNELS
<b>Industrial product development Experts for IPDC</b>	Inform	With mutual cooperation, information and experience exchange, we can achieve great results	Personal and non-media channels
<b>National Employment Service</b>	Inform, Remind	Industrial product development knowledge can improve competitiveness in the job market.	Personal and non-media channels Advertising, direct marketing, PR, events, internet.
<b>SMEs in Serbia</b>	Inform, Persuade, Remind	We can work together, building strong relationship with vital performance and market outputs.	All communication channels
<b>NARD</b>	Inform, Remind	Industrial product development can improve technological and market performances of enterprises	Personal and non-media channels Advertising, direct marketing, PR, events, internet.
<b>RDAs</b>	Inform, Remind	Industrial product development can improve technological and market performances of enterprises	Personal and non-media channels Advertising, direct marketing, PR, events, internet.
<b>Chambers of commerce</b>	Inform, Remind	Industrial product development can improve technological and market performances of enterprises	Personal and non-media channels Advertising, direct marketing, PR, events, internet.
<b>Business Clusters</b>	Inform, Persuade, Remind	We can work together, building strong relationship with vital performance and market outputs.	Personal and non-media channels Advertising, direct marketing, PR, events,

			internet. Personal selling.
<b>Universities and faculties</b>	Inform, Remind	Industrial product development can improve technological and market performances of enterprises	Personal and non-media channels  Advertising, direct marketing, PR, events, internet.
<b>Legal attorneys</b>	Inform, Remind	We can work together, building strong relationship with vital performance and market outputs.	Personal and non-media channels  Advertising, direct marketing, PR, events, internet.

## 8. Strategy and Activity Plan

Having defined target groups, stakeholders and communication channels, it is time to put them to practical use through definition of specific activities to be carried out.

Before we can inform our target groups, or try to persuade and remind them, we need to create all necessary tools for actions that will fulfill those goals. Only after that we can engage with our target groups. We have defined 4 components of our activity plan:

- a) **COMPONENT 1:** Develop existing services, projects, work, analysis and benefits
- b) **COMPONENT 2:** Develop communications “toolbox” and framework for outreach
- c) **COMPONENT 3:** Perform offline promotion techniques
- d) **COMPONENT 4:** Build strong online presence

### ***COMPONENT 1: Develop existing services, projects, work, analysis and benefits***

Goal of activities in this section is to prepare all of documents and material of interest to our target groups. We should prepare detailed information about each service, explain industrial product development and how it works, and should build awareness for the services, benefits of cooperation, as well as the IPDC included. There should be enough information to motivate SMEs to take action.

- **Develop individual IPDC profile**

Institution profile for each product development expert has to be developed. Each profile has to consist of basic institution data, history, fields of expertise and capacities of institution.

- **Develop individual service offers and relationship strategies**

For each service that IPDC has to offer to target group, we should develop individual service offer. This offer needs to include information on: service name, short service

description, product development behind service, characteristics of a service, process of delivering service, how the service can influence performance of SME and in which area, how will it affect market performance, references/ testimonials / successful stories (results), time needed to implement service.

- **Develop trainings within the IPDC**

Trainings for industry should be developed in order to update the existing knowledge. These trainings can be organized in any time depending on the needs of the industry. Topics are next:

- **Basics of product development and relevant technical legislative**
- **Project management of product development using the software package MS Project**
- **Protection of intellectual property – patents and patent documentation**
- **Basics of rapid prototyping technology**
- **Innovation management**
- **Structural analysis**
- **Basics of 3D modeling of parts in CAD software**
- **Calculation of machine element using modern software**
- **Design for Manufacturing**
- **Design for Assembly**
- **Design for Environment**
- **Design for X**
- **PLM (Product Lifecycle Management)**
- **CAM – NC manufacturing (CAD module)**

- **Students projects within the IPDC**

Students will be organized in teams which will represent virtual enterprises. Each team will develop specific product in relation with the needs of the certain SME. Process of product development will go through next phases:

- Research of the market situation
- Defining the profile of the product
- Development of new ideas
- Development, defining and evaluation of the concept
- Detailed design of the selected concept

- **Master thesis within the IPDC**

Students will get master thesis according to the specific needs of the certain SME.

- **List key benefits; List individual service benefits;**

How do offered services influence SME business and operations? This is the key question every SME will need to know answer to, before venturing into product development. Prepare a list of key benefits of product development in industry. For each individual service you are offering, answer the following questions:

- How does the implementation of this service impact the productivity and efficiency of SME?
- How does it influence total costs of doing business? How will it impact individual business costs (labor costs, materials, research and development...)?
- How does it influence market performance of SME?
- How will it distinct SME from competition?
- How does it influence future competitive position of SME?
- Does new product development open new markets?
- Will it enable SME with better exporting?
- What is the cost of service in comparison to other options?
- What will SME learn additionally during the product development experting process?

### **Illustration 1.3: Formulate the Innovation Assignment - SMEs**

- **Why?** (Why do we want to innovate?)
- **Who?** (Who is the target group?)
- **Where?** (For which distribution channels, countries, regions or continents)
- **What?** (Evolutionary or revolutionary products, services or business models)
- **When?** (Intended year of introduction)
- **Which?** (Which criteria should the new concepts meet?)

By Gijs van Wulfen, Innovation Expedition

- **Turnover.** How much turnover must the new concept realize during the next period? If new products compete with existing products, how much extra turnover must be realized?
- **Profit.** What profit margin should the new concept realize?
- **New.** Should the new concept be new to the market, new to the country or new to the world?
- **Appeal.** How attractive and pioneering to the target group does the new product concept need to be?
- **Promotion.** To what extent do we want the product concept to create buzz and hype among potential customers?
- **Positioning.** To what extent should the new product concept fit the current brand positioning?
- **Production.** Do we produce the new product ourselves (with our own manufacturing facilities) or can we form production partnerships?
- **Strategic fit.** To what extent should the new product concept fit the business strategy of the organization?

Parallel with listing of benefits, it is wise to accent industries these benefits target primarily. This is excellent tool for giving insight into market segments and their needs.

### Illustration 1.4: Managing Innovation in SMEs



- **Develop an arsenal of success stories**

There is no better way of showing the results of a performed service than provide potential target SME with a related success story. These stories tell a lot about the institution. They provide firm image of the institutions, establish it as an expert in the field, and, most importantly, they tell your future clients that you can improve their businesses. In order to create positive impact, create success stories for each service-related project your institution has performed. In success stories include following information:

- Information on the client
- Industrial/market field that client is working in
- Situation analysis prior to commencing services
- Problems to solve
- Proposed solution and performed tasks
- Results in performance of SME (production wise)
- Change in market performance of SME
- Other impacts on business of SME
- Testimonials of SME management

These success stories can later be used in their full, but can also provide partial input for promotional or development purposes (e.g., testimonials for web site, list of benefits for service description...).

In case your institution does not have a relevant success story on related service, it is advised to create a case study(ies) on successful international stories, which can be applied in similar manner in our market.

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**COMPONENT 2: Develop communications “toolbox” and framework for outreach**

Goal of this component is to use all gathered material and documents and prepare effective communication tools and materials to be distributed to target groups.

- **Visual identity**

Basic elements of visual identity are created: logo, colors, font type, images, graphic content, stationeries, and other. These elements will be put in use in all channels of communication.

- **Project examples sheets, success stories, case studies**

Based on previously created success stories and case studies, promotional tools are created. Material is designed using defined visual identity elements. Key projects are prepared for printing (term sheets) and for online use. Vital parts of material (such as testimonials) are prepared for offline and online use.

- **Photos/graphics and video material**

Prepare all illustrative material to be used on project. This includes photos, graphics (tables, graphs, and info graphics), videos, and other visual material. Material has to cover following areas:

- Service in action
- Product development in use
- Benefits
- Events
- Reports

- **Document templates (word, power point...)**

Based on visual identity and graphic material, create templates for the project. These templates are to be used for project communication. Templates should include already prepared information on the project which can be used as additional information in all types of documents.

- **Presentations for online and offline purposes**

Collect all created project material – presentations, studies, information brochures. They should be available to target groups at all time. Primary tool for distribution of these materials is a project web site.

Create presentations on crucial topics of interest. These will be put to use for general public, but will also be used as a baseline for individual meetings with target groups. Topics of interest to be covered:

- General information on IPDC and services it provides

- Information on each individual service offered
- Presentations on benefits for SMEs
- Other identified topics

- **Educational/research material**

Collect all educational and research material which is freely available. It can be already created project material, a part of an already conveyed project, or results of research studies carried out in other countries. These materials are important for communicating benefits of product development.

- **Marketing Collateral – brochures, newsletters, flyers, posters, service term sheets**

Create material on project, containing crucial information. Material should be prepared in printed and electronic form. Following marketing collateral should be created:

- Brochure in project and key benefits
- Brochures on individual services offered
- Service term sheets for each individual service
- Posters, roll ups etc., to put to use in conferences and events

### ***COMPONENT 3: Perform offline informative promotion techniques***

After we have prepared marketing toolbox and all needed material, we are ready to put those tools to a good use. There are several important fields of activities in offline promotion.

- **Advertising**

Since we are targeting clear target group and conveying a complex message, a limited use of advertising is proposed. Our goal is to use advertising tools, but not paying the full price for using them. Press, radio and television will be used to convey interesting stories and product development/business related topics. Hence, we will use these tools in Public relations sense. Outdoor advertising is not envisaged on the project, while indoor promotion will be focused on using created materials (posters, roll-ups, etc.) on conferences and events.

- **Public Relations**

- **Building the PR Database**, PR opportunities identification and contact - newspapers, radio, television, magazines and websites. Create a list of all media related to product development and business. Create a list of relevant contacts in those media (reporters, editors). List all TV and radio shows related to product development and business. This database will be crucial to serving all PR efforts of the project.
- **Develop a media relations campaign** and target product development reporters/ editors. After contacts have been identified, inform them on the

project and interesting stories/concepts. Provide them with ready-made material they can use with small additional effort. Let them know that you are ready to assist them in their other articles by providing information and/or experts' comments and opinions. Help them do their job easier and better.

- **PR efforts and presentation of achieved results.** This is continuous activity. Each commenced project and started partnership should be communicated to our PR database. Results of the service performed, testimonials of SME, market opportunities created, growth of SME business, new employments... all of these are great topics for any product development/business journalist.
- **Direct marketing**
  - **Create Direct Marketing database.** This is **crucial step** in offline promotion in our project. Since we are communicating a complex message, time and attention needed for that is high. Thus, direct contact with target groups is of vital importance. DM database should include basic information and contacts of all our identified target groups, but primarily focused on SMEs. These database inputs should be grouped in several categories, in order to convey key messages to target groups of interest. SMEs in the database should be categorized (and be able to be filtered) by their industry field, services provided and product development in use.
  - **Sending letters and promotional material to individual targets.** In previous activities we have created extensive marketing and project material. Now it is the time to provide it to our target groups. Use DM database to filter target groups and create individual offline packages to be sent to them. Although costly, this activity is of high impact on knowledge of target groups on the project. People can often neglect online communication. However, if they receive personal business related material, which can show useful to them, they will take some time to study it. Physical material still creates stronger bonds and relationships than electronic.
  - **E-mails.** Basic mean of electronic communication. We should use this tool in three manners:
    - **1)** to provide initial information on the project and services;
    - **2)** to provide updates, reminders and information on project progress;
    - **3)** to provide individual communication relationship with target groups.
- **Conferences and events**

Events that gather large number of our target groups are ideal and cost-effective tool to engage target groups. We can use them as a mean to create contact with target groups, or to convey a message to larger public.

- **Develop events calendar.** Create a calendar of all related events that gather our target groups. Product development and business related events are our primary focus. If possible, we should attend all relevant events in order to engage with our target groups.



- **Secure conference/seminars/forums speaking engagements.** When possible, secure speaking engagements on events. This benefits project in several fields: it creates expert image, it conveys project and service information, and it calls target groups for action.
- **Participate in events, meetings and conferences with related target groups.** We should attend all relevant events in order to engage with our target groups. Primary goal is to create initial leads and contact database.
- **Organize events, meetings and conferences with related target groups.** If possible, create an event of your own. Focus of these events should be on product development, innovations and benefits of it. List all existing events you are already organizing. Invite all prospective target groups to event. These events can be conferences, meetings, presentations, or even round tables. All of these can cause significant PR effect.
- **Organize “Open Doors” event.** Inform all target groups on the opportunity to ask and discuss all the questions of interest on specific event. Provide them with option to engage in face-to-face meetings. Organize public discussions on topics of interest. Use it to get information on target group’s needs.
- **Participate in fairs.** Create a list of all related fairs. List all of the fairs you are currently participating. Create a list of fairs you are not participating in, but our target groups are participating in large numbers. Use these fairs to communicate your message directly to target groups, either by participating or by visiting and communicating with participants.
- **School visits.** Create a list of all schools from which future students can come. Visit these schools and place the information about the study opportunities (paid student dorm for 5 best students, IPDC, ...)
- **Science popular lectures and trainings.** Send information to all schools about these lectures and trainings. The goal of these lectures and trainings is to attract students to technical sciences.
- **Free preparatory lessons.** Inform all future students about the organization of the free preparatory lessons. The goal of these lessons is to better prepare students for the entrance examination.

- **Trainings for unemployed persons**

Goal of this tool are Product development/productivity related trainings that have been licensed with National Employment Service. This is a clear benefit for a specific target group, and can be used in building relationship with it. Trainings are prepared to correspond to target group. Topics for these trainings are:

- **Basics of product development and relevant technical legislative**
- **Project management of product development using the software package MS Project**
- **Protection of intellectual property – patents and patent documentation**

- **Basics of rapid prototyping technology**
- **Innovation management**
- **Structural analysis**
- **Basics of 3D modeling of parts in CAD software**
- **Calculation of machine element using modern software**
- **Design for Manufacturing**
- **Design for Assembly**
- **Design for Environment**
- **Design for X**
- **PLM (Product Lifecycle Management)**
- **CAM – NC manufacturing (CAD module)**

Also, **Mentoring** and **coaching** services should be considered and, if possible, put to use.

- **Meetings**

This is one of the crucial tools in promoting the project and services. This is a direct and immediate communication with interested target group. This is an opportunity to directly gather knowledge on potential client, and to get insights in problems it's facing. Goal of this tool is to start relationship with SMEs and to work on joint projects. In order to facilitate meetings in best possible manner, we are to use Direct Marketing database we have already created. Based on reaction on sent direct mail and provided material, but also on direct contacts with target groups, prioritize individual prospects and organize meetings.

- **Personal contacts and face- to-face meetings.** This is crucial activity in order to build strong relationships with target groups.
- **Host meetings.** Act as facilitator – connect SMEs that could have mutual benefits of joint cooperation. Use these meetings to communicate your services and impact of cooperation with product development expert for all participants.
- **Information exchange and 1-on-1 communication.** Keep track of meetings. Provide participants with meeting minutes and related materials. Use the opportunity to provide additional material on project and services. Keep track of interactions with participants. Keep regular communication and update on status of partners. Update the DM database regularly.

#### **COMPONENT 4: Build strong online presence**

Modern business is pushing more towards online communication. It is used for instant and direct communication, and internet is a first choice for information search. Thus, building strong online presence is of vital importance.

- **Create a IPROD web site (interactive portal).** This portal should have all necessary information for our target groups. It should provide them information on

the project, cause, individual Industrial product development, services, and all relevant project materials.

- Information on project and its goals
  - Information on Industrial product development
  - Information on services, benefits, success stories, case studies
  - Project presentations, documents, marketing material
  - Research and educational material
  - Provide guides and handbooks of use for SMEs
  - Develop educational online seminars – webinars
  - Provide marketing toolbox online
  - Free Questions & Answers database (F.A.Q. – frequently asked questions)
  - Provide Free questions & answers service
- **Identify relevant online websites and create information distribution database.** Create a database of business and product development related websites. Provide those websites with interesting stories and project material. Ask for link back to project website.
  - **E-Mail marketing and communication.** As previously stated, we should use this tool in three manners:
    - **1)** to provide initial information on the project and services;
    - **2)** to provide updates, reminders and information on project progress;
    - **3)** to provide individual communication relationship with target groups.
  - **Newsletters.** Ask your target group to subscribe to newsletter. Ask this directly, on meetings and in direct offline and online communication. Create a “Subscribe to newsletter” option on web site. Send periodical newsletter containing information on news, new services, new partnerships and trends on the market.
  - **Create a social media presence to engage and interest audiences.** Primary goal of these tools is to create general awareness and build knowledge about us. Create Facebook Page and LinkedIn profile/groups for the network and individual Industrial product development. Use these tools to provide useful information to target groups and general public. Provide followers with interesting stories from your experience, successful stories, interesting facts, modern trends, international case studies, new product development improvements and discoveries... engage in communication with followers.
  - **Social media marketing.** In specific cases of promoting an event or specific story, we can use advertising on social media. This option provides us excellent targeting options, and can lead to large increase of follower database. It is a recommendation

to combine social media marketing in the first months of creation/start of promotion of Facebook Page. This will speed up the process of building follower database.

- **Develop an electronic communications campaign that directs audiences back to project website.** Create specific electronic media campaigns, and use created information distribution database to convey the message. At this point, we can basic campaign in need of creation. This campaign should consist of information on:
  - industrial product development and purpose of the project and its participants;
  - services offered;
  - benefits of relationship with IPDC.
  
- **Search Engine Optimization (SEO).** SEO is the process of affecting the visibility of a website or a web page in a search engine's search results. Two most popular general tools for SEO are optimizing a website (which may involve editing its content, HTML and associated coding to both increase its relevance to specific keywords and to remove barriers to the indexing activities of search engines) and promoting a site (to increase the number of backlinks, or inbound links). Since this is a specific task which would require extensive and continuous education of performer of service, our recommendation is that we outsource this activity to an outside consultant or agency.
  
- **Online documentation distribution.** As we have already prepared project documentation, we need to distribute it to target groups. We need to use web site, e-mail, newsletters, social media and relevant websites. This is continuous activity.

## 9. Monitoring and Evaluation

It is the task of project management to ensure that the marketing plan is carefully monitored, evaluated and controlled. Typical controls involve setting standards of performance, evaluating actual performance against standards and, if the deviations are intolerable, taking corrective action. Marketing planning can be seen as a cycle, which begins with clear objectives that set out what the marketer intends to achieve, and ending with a feedback mechanism in order that the objectives can be evaluated, a course of corrective action can be taken (if there are deviations from plans) and the organization can monitor its usage of resources.

Main aspect of control is monitoring of activities as described above. Some base rules should be constantly monitored and next following areas should be answered:

- **Tracking and follow-up:** Do we still have the discipline, as an organization, to track results of the marketing plan and make sure that we implement?
- **Market segment focus:** Do we have the discipline to maintain the focus?

After the time plan for activities is developed, following monitoring and evaluation measures should be implemented:

<b>Monitor and review marketing performance</b>	<ol style="list-style-type: none"> <li>1. Progress against <b>performance targets</b> in the marketing plan is monitored to determine whether the organization is achieving its marketing strategy</li> <li>2. Marketing outcomes and performance are recorded to enable comparisons with planned marketing objectives</li> <li>3. Variations on predicted results are analyzed and recorded</li> <li>4. Reports on progress against marketing plans are prepared and distributed to appropriate staff</li> </ol>
<b>Evaluate and review marketing plan</b>	<ol style="list-style-type: none"> <li>1. Marketing plan is evaluated against our strategy and direction</li> <li>2. Staff are encouraged to propose ways of improving marketing performance</li> <li>3. Reaction of target groups to all aspects of the marketing is obtained to improve targeting and identify opportunities for improvement</li> <li>4. The marketing plan is adjusted in light of performance and customer feedback</li> </ol>