

# Creating Product Value

# Forward

Often it is best to look at complex business ideas through the Prism of a business opportunity. This is a case study to walk those not familiar with a product launch through some of the Major items that play a pivotal role in go to market success.

# Inception- “the idea”

Wouldn't it be great if we started not with a business concept but with a core audience? While that would be a terrific way to make some easy cash that's not how things usually start.

So it all starts with a question:

*What problem are you trying to solve?*

For this example: I want to bring the savory delight that is called okonomiyaki to the fast food nation that is the United states.

# The rationale?

We now know that we're trying to solve a problem. So what's the next most important question?

*Why should anyone care?*

- Okonomiyaki is a wonderful dish that is quite popular in Japan
- There is demand in America from foodies and others to taste exotic foods
- The glut of Teriyaki and low end Chinese restaurants doesn't represent the best foods available from Asia.

# The audience

Assuming there is a problem, and it is worth fixing leads to the follow-up question:

*Who Cares?*

This is your customer segment. Its your core audience and should be your primary concern in all business decisions.

Okonomiyaki customer base:

- Enjoys eating out
- Is nomadic in dining decisions
- Wants something more adventurous than a burger during lunch
- Tired of subpar ethnic food offerings and strip mall feel

# The Customer Explained

Large corporations have focus groups and large R&D budgets at their disposal To analyze their target audience and provide a clear profile on the primary Customer (if you're reading this likely you don't). This is where an understanding of market forces and familiarity with your target audience will help.

*So Who are they?*

Sample customer profile:

Likely single, has disposable income, between the ages of 16-35, is of Asian Decent, or has an appetite for exotic foods, eats out between 3-7 times a week, is too busy working to make lunch, typically spends between \$10-15 a Meal.

# The Offering

The offering is the product you put in place that satisfies your primary customer demands. It should not be misconstrued as simply the product itself, instead its an all up approach to the product and service rendered.

*What is it?*

- **Product:** Okonomiyaki is a savory grilled meal consisting of a batter, meat, veggies, and a savory bbq sauce.
- **Distribution Method:** The restaurant is located within walking distance of local businesses & college.
- **Pricing:** Typical full meals range from the value deal at \$7.99 to steak okonomiyaki listed at \$12.50.
- **Services:** As clients are focused on timely service, the goal will be completing service in 30 minutes.
- **Brand:** Focus on exotic naming to drive curiosity “Ichi Okonomiyaki
- **Packaging:** Chopsticks provided as primary dining tool, authentic Japanese décor, served in traditional Japanese style.

# Competitors

These are the companies that are vying for the same customers you are. Usually they are trying to send the same message you are. The more unique your message is the better chance it has of cutting through all the noise they are creating.

*Who stands in my way?*

In this case my primary competitors will be other ethnic food places, burger joints and run of the mill sub shops will not be a risk factor.

- Mexican restaurants (the mixture of low cost and authentic flavor are dangerous)
- Teriyaki restaurants (low cost, similar cultural background and sheer number of competitors)
- Mongolian grill (Quantity of food, exciting presentation of product, foreign feel of offering)

# Differentiation

The key to a successful business is really standing out from the crowd. It doesn't matter if you do something great if the existing market is owned by a competitor who does a "good enough job".

*How will you stand out?*

For the sake of this example, I'll be focusing on the following differentiators:

- Okonomiyaki is a unique offering, that is unlike any food currently available to fast food customers in the US.
- Provide a more nutritious meal that will appeal to the target audience's appetite.
- Authentic look and feel of the offering makes for a comfortable atmosphere for customers to enjoy during their day.

# Getting your message out

Its imperative that you speak to your audience as if they were the only person in the room. The target audience should hear what you're saying and feel as if you are inside their head. The quicker and cleaner the message the better the pickup of that message.

*Can you speak to them?*

Example: "Think outside of the lunchbox with Ichi Okonomiyaki"

# Foundational support of Messaging

Its important that your message be proven by your product offering, and easily tied back to statements you make about the products.

“Think outside of the lunchbox with Ichi Okonomiyaki”

*Can you support the claim?*

- Get the authentic exotic meal you can't make at home.
- Enjoy the nutrition without sacrificing the joy of a delicious lunch.
- Embrace lunch and avoid being stuck at your desk with Ichi Okonomiyaki.

# Summary of Benefits

This should get you half way there to launching a product. Lets recap:

- You have stated a problem you feel needs to be solved
- You've outlined why the problem needs to be addressed
- You have a good idea who cares about the problem
- You know who they are
- You've established the prospective solution
- You know who is in your way
- You have identified how you can stand out
- You've conceptualized how to speak to the audience
- You can support what you're telling them

So what's left? All the operational costs and hurdles that still stand in your way.....

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