Kreischer Miller

PEOPLE | IDEAS | SOLUTIONS

Specialty Areas

Product Benefit Analysis Diagnostic

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Every product or service in your portfolio must be a contributor to the company.

Product diversity and quality are normally at the forefront of a company's strategic initiatives. Do you offer your customers the appropriate product mix? What should be your next product or solution? In our experience, successful businesses are adequate in product excellence, customer intimacy, and operational excellence — but excel in at least one of those areas.

Kreischer Miller's **Product Benefit Analysis Diagnostic** is a useful tool to help fine tune your product strategy in order to achieve product excellence.

Our process involves the following steps:

- Establish a list of products you would like to assess.
- Brainstorm and select factors and benefits that are relevant to your business (e.g. profit, sales volume, perceived customer value). It is best if your selections apply to all of your products. You can select as many factors and criteria as you like, but we recommend no more than ten.
- List your factors and benefits in the left column of the diagnostic worksheet (*Exhibit A*).
- Examine your factors and weight them according to their importance. The result must total 100.
- You can now score the individual selection factors for each of your products. Your score for each option cannot exceed the weighting you have allocated to the selection factor.

Quantifiable Outcomes:

Conducting this exercise allows you to assess the target score for each product, how each of your products scored, and whether there is a minimum score each product must achieve in order to stay in your portfolio.

How can you improve your scores?

The real benefit of the Product Benefit Analysis Diagnostic is what comes next: defining the change management process and assigning accountability, with a goal of increasing your product scores to an acceptable level.

PRODUCT BENEFIT ANALYSIS -- DIAGNOSTIC RESOURCE

FACTORS AND BENEFITS	WEIGHT	PRODUCT					
		A	B	C	D	E	F
Profit	20	10	20	5	15	5	10
Sales volume	20	10	5	20	15	5	5
Customer's perceived value	12	6	6	9	12	3	12
Low price sensitivity	12	6	9	3	3	3	12
Ease of gaining market share	8	4	6	8	2	2	8
Low threat of replication	8	4	2	8	6	2	8
Low time commitment	6	3	6	3	0	6	3
Building the brand	8	4	8	2	0	8	2
Innovative concept	6	3	6	0	6	3	6
TOTALS	100	50	68	58	59	37	66

What are your company's plans for increasing the product score or exiting the product?