

Booz, Allen & Hamilton (1982) Classification Scheme

Newness to company	HIGH	New product lines 20%		New to the world products 10%
		Improvements to existing products 26%	Additions to existing product lines 26%	
	LOW	Cost Reductions 11%	Re-positionings 7%	
		Newness to Market		
		LOW		HIGH

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Classification Scheme

- New To The World
 - These new products creates entirely new markets
Examples: WiFi, Internet, Digital Camera etc
- New Product Lines
 - To enter an established market for the first time.
Example: Philips in flat T.V. (after existing CTV market)
- Additions to the Existing Product Lines
 - Additions or supplements to established product lines.
Example: McDonalds Pudina flavour burger for Indian consumers

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Classification Scheme

- Improvements To Existing Products
 - Improved performance or greater value to replace existing products. Examples: Windows XP, 8, 10
- Repositioning
 - Existing products targeted to new markets or market segments. Example: Airline Economy Class with some airlines is now advertised as Premium Economy Class with small additional benefits
- Cost Reductions
 - Similar performance at lower cost. Example: Newer versions of existing mobile phones