

Product Concept Document

Recommended Entry	Considerations
Market Problem or Opportunity	Rising energy costs and government mandates for reduced greenhouse emissions are driving the need for energy-efficient water heating solutions. SRU's solar water heating system offers improved efficiency and lower costs, addressing these market needs.
Market Segments	Primary segments include residential homeowners and commercial businesses seeking energy-efficient heating solutions. These segments are prioritized based on demand and potential regulatory incentives.
Key Financials	Initial cost analysis shows a 40% return on investment (ROI) in Year 1. Other key metrics like Net Present Value (NPV) and Internal Rate of Return (IRR) are favorable, considering projected market growth and cost savings.
Market Window	The solar water heater market is projected to grow at a CAGR of 8.50% (2023-2032). SRU must launch within the next 12-18 months to capitalize on increasing demand and government incentives. Reducing installation wait times by 50% is critical for early market entry.
Competitive Landscape	Key competitors include General Electric, Rheem Manufacturing, Bosch, and Sun Pad. SRU's advantages include lower prices (at least 10% savings) and innovative features like bifacial solar panels and user-friendly systems. Competitors may have more established brands, but SRU's product is positioned as more innovative and cost-effective.
Main Features and Functionality	The Minimum Viable Product (MVP) includes advanced features like evacuated tube solar collectors, compact instant water heaters, and bifacial solar panels. A product versioning schedule will roll out further upgrades in efficiency (25%) and additional features.
Key Differentiators	SRU's key strengths include groundbreaking solar technology, a user-friendly interface, and long-lasting, maintenance-free systems. The company's established market presence and competitive pricing also act as key differentiators. A weakness could be supply chain risks, which SRU plans to mitigate through diversification of suppliers.
Go-to-Market Logistics	Distribution will occur via online platforms like Amazon, Walmart, and Home Depot. SRU will also leverage local installers to meet demand and reduce installation wait times. Delivery logistics are streamlined to ensure prompt installation.
Business Success Measurements	Success will be measured through key performance indicators (KPIs) such as market share growth (target: 20% increase), ROI (target: 40% in Year 1), and customer satisfaction (as measured by reduced wait times and system performance).

Product Concept Document

INTERNAL IMPACT	EXTERNAL IMPACT
<ul style="list-style-type: none">• The new product will demand enhancements in supply chain efficiency to handle the complex sourcing of materials and ensure a steady supply.• It will also require internal staff training on the new technologies, from the evacuated tube solar collectors to the more compact instant water heaters.• Departments will need to work collaboratively to meet SRU’s ambitious goals of <i>reducing installation wait times by 50%</i> and <i>increasing market share by 20%</i>. Additionally, engineering will need to focus on <i>improving system efficiency by 25%</i>, as this is a key selling point for the new product.	<ul style="list-style-type: none">• The market is likely to respond positively to SRU’s new product because it addresses the core concerns of rising energy costs and environmental sustainability.• The product’s advanced features (e.g., bifacial solar panels, flexible solar options, instant water heaters) and competitive pricing will likely attract both residential and commercial buyers.• SRU must also manage supply chain risks due to limited availability of key materials like copper tubing and insulation.