

The Super Lean Innovation Process (SLIP)

The Super Lean Innovation Process is focused on three templates and a variety of activities that reduce the up-front activities for generating an idea and conceptualizing the features of a new product or service. The foundation of the SLIP approach are the use of three interdependent templates. They are the FAD, the Organization and Industry Analysis and the Business Process Overview templates. These templates are easy to use and reduce the time spent on front-end analyses. The net result is that they improve the overall result by structuring the process, and at the same time they facilitate creativity and learning.

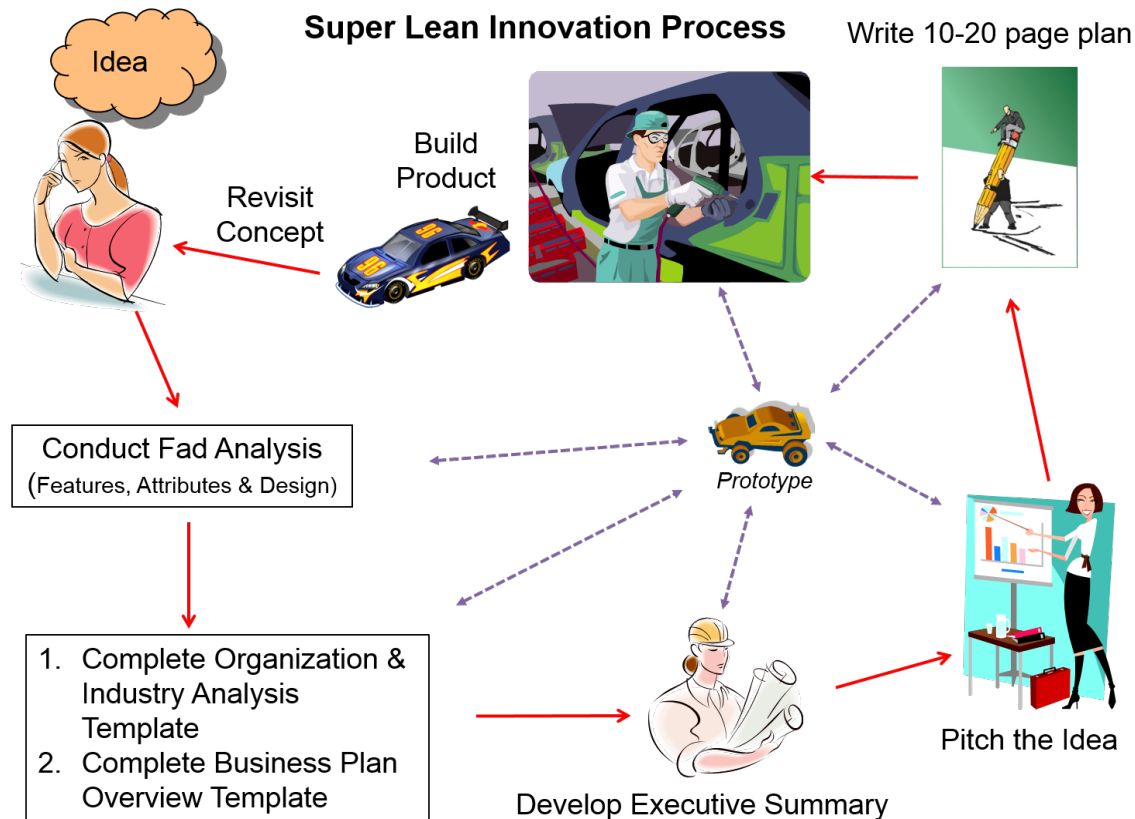
The Features Attribute and Design (FAD) template: The FAD template is used to provide structure for identify the features and attributes that can be used for product and service differentiation and to gain initial insight into the market characteristics. Before proceeding to the next step you should let the idea incubate at least one day.

The Organizational and Industry Analysis template: This template is used to help you understand the current and proposed organization and the target industry. You basically look inside your organization in terms of resources and core competencies and outside the organization in terms of customers, the competition and market dynamics. This template is an integration of supply and value chain analysis, resource-based analysis, Porter's force model, and Blue Ocean strategy canvas analysis.

The Business Plan Overview (BPO) template: Once you have completed the FAD and Organization and Industry Analysis templates it is very easy to complete this template. This template is a essentially a one-page business plan outline.

These three templates can be used to develop the Executive Summary. This in turn can be used to develop a full-blown business plan, which is the foundation for building the business.

The following figure illustrates the entire SLIP process from conceptualizing the business idea through building the business. It is a never-ending ongoing process. You should note the importance of developing simple prototypes (even pen and paper diagrams) right from the beginning of SLIP. The red lines can be used as review points for the product development stages. Visit www.glsanders.com for additional resources.



Step 1: Features, Attributes and Design (FAD) Analysis

Team Members & their role in the project

Company name and
proposed product names

Date

Product or service description: What will it do and what is the function of the product or service?

Value Creation: Summarize how this product solves a problem or presents an opportunity

The market is currently large

The market is growing

The products in this market are constantly changing

Is the product customer or technology driven?

Describe the target market and customer
segments in greater detail.

Who are the existing & potential competitors?

How does your product compare to other similar products on these dimension?

Very Low

Low

Average

High

Very High

NA

Price

Quality & reliability

Ease-of-Use

Performance
(faster, smaller, bigger)

Attractiveness of design

The purpose of this section is to help you identify product features that will be used to differentiate your product from other products that are available in the marketplace.

Identify the Points of parity (POPs): List the attributes, features, and functions that most of the products in a category usually have and that your product or service will have.

Identify the Points of Difference (PODs): List the attributes, features and functions of the product that distinguish your product from the competition.

Identify Blue Ocean Features and Exciters (BOFs): List the attributes, features and functions that could be used to develop a new Blue Ocean market for a product or service.

Identify the Dissatisfiers (DISs): List the attributes, features and functions that can cause some consumers to avoid using your product or your competitor's product.

What product features are you using to differentiate your product from the competition?

How will you version your product? If you will not version, explain why.

Develop a Strategy Canvas for new product compared with competitor or industry. You can use the PODs, POPs, BOFs, and DISs you identified up above. You can develop this in PowerPoint or use the Excel spreadsheet available at www.glsanders.com. The next section presents a very simple Strategy Canvas that you can enter here.

Develop a simple Strategy Canvas using 4 attributes or features by comparing your product to other similar products.

Enter features name	Enter feature name	Enter feature name	Enter feature name
Very High	Very High	Very High	Very High
High	High	High	High
Average	Average	Average	Average
Very Low	Very Low	Very Low	Very Low
Low	Low	Low	Low
NA	NA	NA	NA

Design a Prototype Product or Service

Develop a mock-up picture of the product or service (use sketching, drawing software, mock-up software, photo software, or presentation software). If the idea behind the product or service involves a complex process or business process, then draw a flow diagram or a business process diagram (use presentation software or specialized flowchart and business process diagramming software). A very useful way to present your idea is to develop a thought experiment. It is just a drawing with a brief description. See my blog entry for how to develop a [thought experiment](#) for a new product or service.

Step 2: Organizational and Industry Analysis Template

Describe the business model including what products or services are produced?

Describe your target customers and the size of the market?

List and describe your current competitors and your potential competitors?

Who will you purchase materials, components or other inputs from?

Management skills and expertise	Employee skills and expertise	Funds availability
Status of marketing/branding	Status of supply chain	Status of R&D
Product development	Business scalability	Investment strategy

Strengths, Weaknesses, Opportunities and Threats: Try to limit to 4 items for each box

What are your ***internal strengths*** (products, R&D, supply chain, brand, pricing, core competencies, resources, infrastructure, scalability and interfaces)?

What are your ***internal weaknesses*** (products, R&D, supply chain, brand, pricing, core competencies, resources, infrastructure, scalability and interfaces)?

What are the ***external opportunities*** (growth, market share, product lines, Blue Ocean, complementary products, lock-in, brand, or first mover advantage)?

What are the ***external threats*** (substitutes, emerging technologies, new entrants, economic climate, government regulations, and social/culture issues)?

Step 3: Business Plan Overview Template

What is your mantra and what is the meaning behind the product (3-10 words on why your company should exist)?

What is the overall mission of the business (1-3 sentences on what your company does or will do and your target customers)?

How will you make money in terms of product differentiation, being the low cost producer and what complementary products and services will be offered in order to generate recurring revenues?

What are your goals & objectives over the next 3 months to year (2-6 phrases on precise performance intentions)?

What tactics will you use over the next 3 months to a year to reach your objectives and mission (4-10phrases)?

The next step is write the Executive Summary. Chapter 9 presents a simple format for constructing the Executive Summary using these three templates. The next page presents a brief overview

Step 4: Crafting the Executive Summary

Paragraph 1: Introduce the idea (4-6 sentences).

The first line of the executive summary should be a catchy sentence that captures the essence of the mantra. The remaining sentences of the paragraph should discuss the mission of the company and describe your target customers.

Paragraph 2: Talk about how your company will make money (3-6 sentences).

Discuss why your business model will work in terms of product differentiation and/or being the low cost producer. Describe how your approach and your products are superior to the competition. Discuss the size of the market and how you will capture part or all of it. If this is a Blue Ocean opportunity, discuss it.

Paragraph 3: Discuss your strengths (3-6 sentences)

Use the SWOT analysis to discuss your strengths, your competencies and resources in terms of people, technology, supply chain, marketing or whatever. Do not point out weaknesses or threats directly. Just point out how you will overcome deficiencies by hiring and/or developing processes.

Paragraph 4: Discuss and emphasize the business opportunity (3-6 sentences)

Use the goals and objectives outlined in the Business Plan Overview template to indicate how the firm will take advantage of the opportunities.

Executive Summary (First draft not for distribution)

It is said that music is the wine of silence. Aged wine is for those seeking silence and comfort in the chaos of everyday life. It is our mission to bring aged wine to the discriminating concern and to give everyone the opportunity to drink aged wine at a reasonable price. A good merlot can take up to 15 years to age a Pinot Noir or a Burgundy can take up to 5 years to age and Shiraz-based wines may require 20 years. We sell the most advanced solutions for improving the aged quality of most wines without having to pay high prices or wait many years for the wine to be ready for the palate.

Our product (see prototype below of the Advinter Star) can attract variety wine drinkers including wine connoisseurs, the wine aficionado, and expensive restaurants/clubs and wine enthusiasts and dabblers. Our product will help to reduce the time that a consumer has to wait for fine wine, it will also increase the quality of low-priced wines and it will increase the status of the owner of the product. We are strong believers in design-driven innovation and will spend several months experimenting with new ideas and concepts for creating new customer meanings for wine ageing. Research and development will be the key driver for developing products that are unique, contemporary and relevant to the wine community. The competition will simply not be able to keep pace with our research-based design driven products.

We are an idea driven company and have assimilated a creative team of researchers and entrepreneurs to deliver products to compliment and reflect contemporary tastes. Our marketing and production plans are in place and we have a strong grasp of the critical elements in the supply chain. We are developing an organization that will not just listen to consumers but will also be proactive in developing products that will anticipate and drive demand.

Per capita wine consumption in the US exceeds 9 liters per year. Wine drinking by the Gen Xers and the Millennial's exceeds the consumption of beer and spirits . We have an opportunity to tap into that huge market and develop products that are relevant to the lifestyle Gen Xers and the Millennial's. We believe that we can generate nearly \$7 million in revenue the first year. It is our goal to enter the market by January with two new products for producing fine wine time before its time.