



Marketing your idea/invention/innovation

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A E Bunn: Marketing your ideas



PART 1:

Non Confidential Technology Marketing

Applicable to university based inventions with support from the university technology transfer office (if you have one)



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Adapted from C Moody Isis Enterprise 2009



Overview

- what is a non confidential technology brief?
- who is the audience?
- composing the brief
- Do's and Don't's
- Value Proposition- Group exercise



The Technology Brief

Is a one page document that includes

1. technology summary
2. the people involved (especially if well known scientist or institution)
3. the value proposition
4. current status
5. opportunity

As a public domain documents it must not disclose anything that we wish to maintain as confidential



Why do we write technology briefs?

- To inform potential licensees
 - what the technology can do
 - the advantages of the technology
 - how they could get a return for licensing
- To generate investor interest in your technologies



Who is the target audience?

- Business development managers
- In-licensing executives
- MDs/CEOs
- Technical directors
- Technology scouts
- Investors



Composing the brief

One page only

- Use pictures, in colour if possible
(The picture must not be enabling from a patent position, unless the patent is filed)

Banner Heading

- Indicate industry sector and the type of opportunity

Heading

- Use words that can be searched on the internet.
- avoid use of words such as 'novel', 'superior' etc



Sub-headings.....

1. Summary of the Invention

- about 2 paragraphs on the invention in relatively broad terms to be read by Business Development ,Executives/In-licensing Officers.
- Highlight the advantages!

2. People involved

- important if inventor, team, institution are well known

3. The value Proposition (very important to get right)

- This statement should convince the customer that the technology or service will add more value or better solve a problem than other similar offerings.



Sub-headings.....

4. Current status

- stage of development; eg no-excuses prototype
 - regulatory position for export countries
 - IP position
-
- *If publications are available, include references.*
 - *If the patent is published indicate this.*

5. Opportunity

- we are seeking partners interested in developing the opportunity (eg commercialising the technology, manufacturing, distributing in territory xyz)



And when presenting remember.....

Do

- Put yourself in the customers shoes
- Know your subject
- Research your market
- Be prepared for questions

Don't

- Be too technical
MDs/CEOs are probably not interested in the science, and will pass it on to their Technical Director. They are interested in a solution and profitability.
- Include confidential information
- Be arrogant



The value proposition

Now what makes a good one?

- Clarity! It's easy to understand.
- It communicates the concrete results that a customer/company will get from licensing/purchasing/using your products and/or services.
- It says how it's different.
- It avoids hype (like '*never seen before amazing miracle product*'), superlatives ('*best*') and business jargon ("*value-added interactivity*" or "*integrated fuzzy-nano logic*").
- It can be read and understood in about 15 seconds.



The components of a good Value proposition

Headline *Attention grabber.*

What is the end-benefit you're offering, in 1 short sentence.
Can mention the product and/or the customer.

Sub-headline or a +-2 sentence paragraph.

A specific explanation of what the technology offers, for whom and why is it useful.

Max 3 bullet points. List the key benefits or features.



Group Exercise

- Split into your teams -you have 10 minutes to:
 - Develop a value proposition for the invention/technology that you will be presenting on Friday.



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PART 2:

Marketing and selling your product offering



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MARKETING OVERVIEW

- 1. Market Analysis** – analysing the market for the innovation
- 2. Market Strategy** - selecting the “optimal route to market” and the most appropriate “vehicle to market”
- 3. Marketing** –publishing or advertising the innovation to a commercial/development partners or end-users.



1. Market Analysis

The market analysis is attempting to answer the questions:

- How many?** (Size of market)
- To whom?** (Who is the target market)
- At what price?** (Value of the market)

These are simple questions, with often complex answers and a high level of uncertainty.



These questions may be answered by segmenting the market into:

- **Demographics**
- **Geographics**
- **Behavioral**



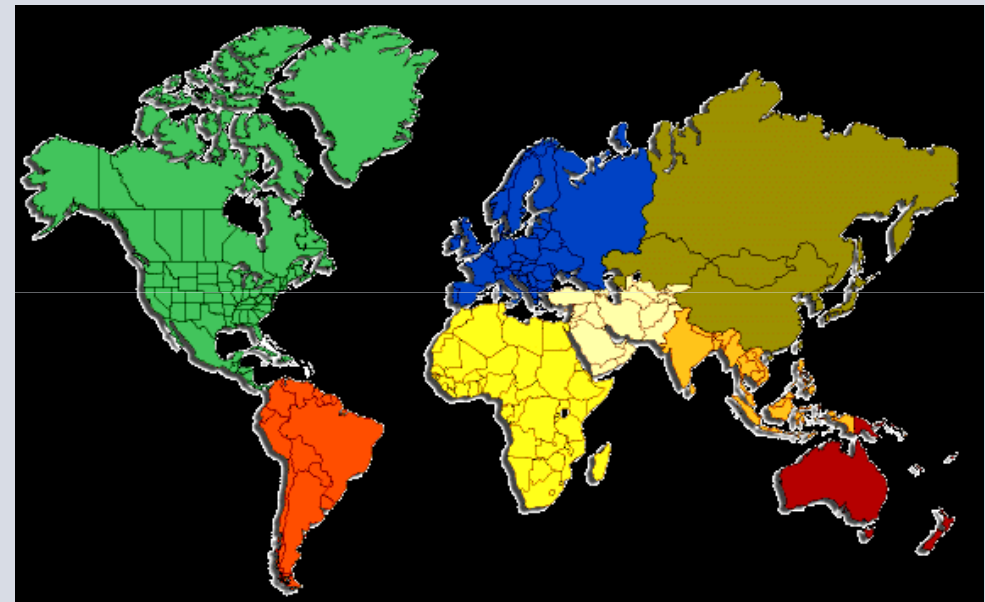
Demographic Segments

- Institutions or individual users
- Age group - Gen Y, Gen X, Baby Boomers and Seniors, males or females or both)
- Tech savvy?
- Income Group – low, middle and high income groups
- Geographic location – village, small town, city, country.
- Value of your product in money, space and time.



Geographic Segments

- International markets
- National markets
- Regional zones
- Community districts





Behavioral Segments

- Product or service usage
- Type of benefits from using the product
- Pricing sensitivity
- Utilization – daily need, luxury item, hobby item, etc.
- Brand loyalty



2. Market Strategy

EGAS = Ethos (vision), Goals, Actions, Structures

(1) Deciding on the optimal route to market

- manufacturing
- marketing
- distribution

Outsource or do it yourself?



(2) Deciding on the optimal “vehicle” to market

- **License it to an established company**
- or**
- **Spin out/start-up (form a new company).**



Licensing

- License the invention to an established company via an agreement
- Licence agreement transfers the rights to exploit the IPR from licensor to licensee
- Initial marketing campaign includes sending non-confidential summary to targeted companies
- Advertise (eg on the university TTO web site)



Licensing

Pros

- They work, you get paid
- Can make good money
- Usually faster time to market
- Lower cost, less risk

Cons

- Usually needs patent protection
- Sometimes it is a long wait for the revenue stream to flow
- Relies on licensee to do the work and market the product
- May need proof of concept (resources)
- They might bury it or under resource the effort



Spinout

- Start a New Company to bring the product or idea to market
- University may take Equity
- The amount of equity may be influenced by the licensing of the IPR to the new company
- The market evaluation and route to market will form the heart of the Business Plan
- The Business Plan will be used to recruit commercial management and secure Equity (Venture) Capital



Spinouts

Pros

- Exciting and attracts attention and recognition
- You can potentially make more money
- You still retain some control

Cons

- Large competitors may present an insurmountable barrier to entry
- Needs Investment
- Needs management
- Needs a lot of your time
- Needs a lot of external advice
- Management, Lawyers, etc.
- Higher risk



3. Marketing

Marketing – things you do to:

- Promote your business
- Get your name and/or your business name remembered
- Generate sales



Product Marketing

- Whose attention are you trying to get?
- What are their needs?
- How are you different from your competitor?
- How do you plan to access your customers?
- **How much budget is allocated for this?**
- How will you measure your success?



The Four P's of Marketing

1. Products or Services

Identify clearly what your product is and its appeal.

2. Price

Should be competitive with competition

3. Place

Where is the product available – country, state, city, etc.

4. Promotion

Additional appeal for buying your product.



The Five F's of Customer Needs

- **Function**- functional need
- **Finances** - price advantage and savings to customer
- **Freedom** - saving time, space and effort
- **Feelings** – enhance security, safety, status etc.
- **Future** – benefits in the future for the customer – extended life of the item, savings in maintenance, etc.



Marketing Tools

- Website
- Correspondence
- Presentations in Professional Conferences
- Tradeshows
- Presentation at customer sites
- Brochures
- Sales reps and distributors
- Give-aways
- Publications
- Networking
- Press release



Thanks



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