A Method to Explore Synergy between Products

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Abstract

Many companies struggle to benefit from similarities between products they sell. The challenge is to find these commonalities that can be shared between products, while the product value for different customers is not (too much) compromised. A method is provided to understand the playing field both in marketing and technology. Better understanding of the playing field facilitates choices about synergy.
### Types of synergy

<table>
<thead>
<tr>
<th>Customer objectives</th>
<th>Application</th>
<th>Functional</th>
<th>Conceptual</th>
<th>Realization</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Multiple markets</strong></td>
<td>different customers</td>
<td>different applications</td>
<td>similar products</td>
<td>shared concepts</td>
</tr>
<tr>
<td>for example electron microscope markets:</td>
<td>material sciences life sciences semiconductors</td>
<td>EM specialists biologists process quality</td>
<td>everything possible specific handling high throughput</td>
<td>e-beam sources, optics vacuum acquisition control</td>
</tr>
<tr>
<td><strong>Single market</strong></td>
<td>same customers</td>
<td>different applications &amp; stakeholders</td>
<td>different products</td>
<td>shared concepts</td>
</tr>
<tr>
<td>for example, health care, radiology market</td>
<td>radiology department</td>
<td>gastrointestinal orthopedics neurology</td>
<td>radiography x-ray diagnostics MRI, CT scanner viewing</td>
<td>patient support patient information image information storage &amp; communication</td>
</tr>
</tbody>
</table>
## Approach to Platform Business Analysis

- Explore markets, customers, products and technologies
- Share market and customer insights
- Identify product features and technology components

### Make Maps:
- Market segments - customer key drivers
- Customer key drivers - features
- Features - products
- Products - components

- Discuss value, synergy, and (potential) conflicts
- Create long-term and short-term plan
Explore Markets, Customers, Products and Technologies

market segments
customers
products
technology

Asian country
Asian city
African
US private
US social
EU

Won Lan
JJ express
Pretoria national
Johnson
Columbia

P1800
P1900
P2200
P2600

Basic
Buffer
Hf feeder
Sunp.
Feeder
Buffer

1800k/hr
2100k/hr
2100k/hr
3000k/hr

brain storm and discuss time-boxed
Study one Customer and Product

What does Customer need in Product and Why?

Customer

What does Customer need in Product and Why?

Customer objectives

Application

What does Customer need in Product and Why?

Customer

What

How

Product

What

How

What does Customer need in Product and Why?

Product

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Customer

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Product

What

How

What does Customer need in Product and Why?

Customer

What
Work Flow Analysis for Different Customers/Applications

2D map

Where

workflow

What

preparation workflow
1. get patient
2. patient on table
3. get RF coil
4. position RF coil
5. move patient in magnet
6. plan scan

patient

stakeholders

Who

nurse
physician
admin

sketch

How

time line

When

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EPLOworkFlowAnalysis
Make Map of Customers and Market Segments

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MPBProductMarketMap
Identify Product Features and Technology Components

features

- basic
- 1800k/hr
- 2100k/hr
- 3000k/hr
- buffer
- sunp.
- feeder
- hf feeder

applications

- adjust
- order
- workflow
- prepare
- packing
- process
- browse
- fast imaging
- networking
- file-system
- OS
- CPU
- RAM
- etc
- domain specific
- handling subsystem
- power
- control subsystem
- generic

services toolboxes

- drivers
- store
- conveyor
- robot
- scheduler
- buffering
- cooling
- heating
- cleaning
- feeding
- climate subsystem
- handing subsystem
- power
Example Criteria for Determining Value

- Value for the customer
- (dis)satisfaction level for the customer
- Selling value (How much is the customer willing to pay?)
- Level of differentiation w.r.t. the competition
- Impact on the market share
- Impact on the profit margin

Use relative scale, e.g. 1..5 1=low value, 5 - high value

Ask several knowledgeable people to score

Discussion provides insight  (don't fall in spreadsheet trap)
## Determine Value of Features

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<table>
<thead>
<tr>
<th>features</th>
<th>satisfaction</th>
<th>sales price</th>
<th>market share</th>
</tr>
</thead>
<tbody>
<tr>
<td>feeder</td>
<td>1</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>hf feeder</td>
<td>4</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>buffer</td>
<td>4</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>sunpower</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>products</th>
<th>satisfaction</th>
<th>sales price</th>
<th>market share</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1800</td>
<td>3</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>P1900</td>
<td>4</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>P2200</td>
<td>4</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>
Example Platform Scoping

heterogeneous domains and application

intelligent buildings
motorway management
railway stations
airport terminals

shared core technology
Closed Circuit TV
audio broadcasting
access control
networking