

READERS' CHOICE 2015

TOP 10 PROVIDERS

- Dassault Systèmes
www.3ds.com

- Gerber
www.gerbertechnology.com

- Infor Global Solutions
www.infor.com

- Microsoft
www.microsoft.com

SMB Market Leader

- Oracle
www.oracle.com

Best in Category

“Oracle Agile PLM for Process brings process and workflow capability to our supplier relationships. In the past, that would have been manual. Now, we have visibility and gatekeeping with our PLM system to ensure accountability. At Heinz, it's been a great asset for us to leverage for a number of years.”

— RANDY GUNZBURGER, GLOBAL IT ENTERPRISE ARCHITECT, HJ HEINZ COMPANY

- PTC
www.ptc.com

Customer Satisfaction Leader

- SAP
www.sap.com

- Selerant
www.selerant.com

- Siemens
www.siemens.com

- Sopheon
www.sopheon.com

CATEGORY CUSTOMER SATISFACTION: **3.39**

New Product Development & Introduction

The consumer goods industry's preferred providers of solutions for product management, including new product development, formulation, packaging and launch.

In such a highly competitive market, consumer goods companies must focus their efforts on new product development in order to survive. Therefore, George Young, CEO for Kalypso, details the current landscape of new product development and introduction solutions, including how technology can play an important role in this area of investment.

Can you comment on this list?

YOUNG: Overall, this list reflects the current landscape of new product development and introduction solutions in the consumer goods industry. Oracle has a new innovation management solution, PTC has invested a lot in ProjectLink and other products, and small to medium-sized businesses that are not ready to invest in a more sophisticated solution continue to use Microsoft, given its large footprint and numerous collaborative offerings.

Given that the majority of the list is product lifecycle management (PLM) solutions and specialty PLM solutions, the surprise is that there aren't more product portfolio management (PPM) solutions in addition to Sopheon, such as Planview and Planisware. This is either because the consumer goods industry isn't aware of these solutions yet or the functionality of the PLM solutions is improving to the point that the decision to go best-of-breed isn't as attractive anymore.

Is incremental innovation or breakthrough innovation more important these days?

YOUNG: The most frequently asked question that I get from my clients is about how to develop more breakthrough products. There is a lot of debate over what constitutes breakthrough innovation versus incremental innovation. I see two definitions for breakthrough innovation:

- 1 The innovation is new to the world and/or market.
- 2 The product has more than \$50 million in annual sales.

All consumer goods companies are challenged with the pressure to deliver short-term results. The pressure inevitably leads to a higher degree of incremental products because they have a greater chance of success. Truly new to market, breakthrough products are extremely difficult to bring to fruition. For those companies that have delivered incremental innovation, it is hard to retool and deliver breakthrough products by that definition.

Consumer goods executives want to deliver bigger innovation — defined by sales. Therefore, they need to develop better products that are made with an incremental improvement on an existing base. That requires greater knowledge of the consumer and greater portfolio management. If you look at IT investment in this space you're seeing consumer goods companies invest in those two areas. ❖