7 Figure Seller Summit

[Gary Huang] 0:06

Welcome back, everybody to the seven figure sourcing Summit.

[Gary Huang] 0:08

My name is Gary Huang today. I'm super excited to have Neil MacQueen with us. How's it going, Neil?

[Neil Macqueen] 0:14

Hi, Gary. It's going really good today. Thank you.

[Gary Huang] 0:17

Excellent. Excellent.

[Gary Huang] 0:18

I'm super excited to have Neil on. He's going to give you guys a masterclass on product differentiation for market success.

[Gary Huang] 0:25

So as everybody knows, you know, right now, in E commerce, things are getting a lot more competitive.

[Gary Huang] 0:31

You know, we had a quick pre call chat. Neil and I and he asked me should I should I toned down my presentation,

[Gary Huang] 0:39

I mean, for, you know, ecommerce entrepreneurs, you know, a lot of them when they're just like, you know,

[Gary Huang] 0:44

White labeling and slapping a, you know, a brand on it. I'm like, oh, Neil, do you not?

[Gary Huang] 0:51

I mean, maybe in 2016. That was the case. But you know, right now, we have to be a step ahead.

[Gary Huang] 0:56

We have to innovate. We have to differentiate. We can't just launch another me to product.

[Gary Huang] 1:01

That's why I wanted to buy Neil MacQueen. He is Gamble's Head of Design.

[Gary Huang] 1:06

He's a world leading industrial designer with 78 patents to his name.

[Gary Huang] 1:13

I think for E commerce sellers just getting one patent number.

[Gary Huang] 1:16

And that's like a huge accomplishment. So this guy has a tremendous, you know, experience behind him.

[Gary Huang] 1:24

And also he spent 10 years at Dyson, everybody knows Dyson vacuum cleaners.

[Gary Huang] 1:28

I think some of you guys are familiar with James Tyson's story as well.

[Gary Huang] 1:32

And I believe Neil has worked with the founder, James Dyson, as well.

[Gary Huang] 1:37

So I mean, just his whole unique view of design in the context of successful business strategy is really key to becoming successful now.

[Gary Huang] 1:46

So I'm really excited for today's training, product differentiation, for market success.

[Gary Huang] 1:51

So Neil, before we get started, could you tell us a little bit more? Who's the training for today?

[Neil Macqueen] 1:57

This is really for business owners and entrepreneurs who are looking for differentiation,

[Neil Macqueen] 2:03

Like not a mean to product as you described,

[Neil Macqueen] 2:05

But how do you get ahead of the competition and stay that?

[Neil Macqueen] 2:09

So people who are really looking for product differentiation in the marketplace in a way that provides you better market share better margin,

[Neil Macqueen] 2:17

And essentially a defensible position?

[Gary Huang] 2:19

Perfect, defensible. I mean, you got to build that moat around your business.

[Gary Huang] 2:23

And especially, you know, these days, it's getting social competitive. So without further ado,

[Gary Huang] 2:29

Neil, let's, let's dive right in. Would you like to share your screen?

[Neil Macqueen] 2:34

Absolutely. So thank you so much for having me, Gary.

[Neil Macqueen] 2:38

And as, as is probably obvious, this is a topic which I love to talk about.

[Neil Macqueen] 2:44

It's my past experience, and product differentiation for market success.

[Neil Macqueen] 2:50

So in the title, really, we're going to be covering two things, like the deep dive into how you gain that differentiation. And what does that mean for you as a business in the market, which, you know, success.

[Neil Macqueen] 3:04

A little bit about Canva. So I think my screens a little frozen.

[Neil Macqueen] 3:09

But Canva, just is a little bit of backdrop is an E commerce platform that provides or x or a marketplace platform that provides e commerce brands with, you know,

[Neil Macqueen] 3:25

A to Zed product development. And I think what that is really important is, you know,

[Neil Macqueen] 3:29

We can touch on research design sourcing manufacturer is an end to end, one stop shop

[Neil Macqueen] 3:36

Where we can help you differentiate and develop your products.

[Neil Macqueen] 3:39

We do that through a network of both designers and factories.

[Neil Macqueen] 3:44

So what that provides you is true expertise in any field, which you're involved in,

[Neil Macqueen] 3:50

We're really committed to the E commerce space, and its creators.

[Neil Macqueen] 3:54

And this is, you know, a broader backdrop of Canberra is that last year,

[Neil Macqueen] 3:58

We raised $12 million in a series a funding, and we're looking to be raising a series B and you know,

[Neil Macqueen] 4:05

We're a fast growing enterprise and business. Who am I as Gary are dimensioned?

[Neil Macqueen] 4:15

I'm Neil MacQueen, 78. Patients,

[Neil Macqueen] 4:17

I think my real heart and passion and experience has been in the space of ideation development.

[Neil Macqueen] 4:24

And as you'll see in go through a few case studies have been involved in some of the most recognizable products in the market.

[Neil Macqueen] 4:32

Some examples, so Nick, Gary, you mentioned the Dyson vacuum cleaners. I've got a patent on the very first,

[Neil Macqueen] 4:40

True like all technology vacuum cleaner, as well as a lot of our air purification and manipulation products.

[Neil Macqueen] 4:47

We're going to be calling out a few of these in some case studies.

[Neil Macqueen] 4:50

But in all of these and in my past experience, what is this really all about?

[Neil Macqueen] 4:55

And what that is, is taking an approach and not only applying it to a specific product,

[Neil Macqueen] 5:00

But how can you essentially take that single focused approach and apply it across a full catalog of products?

[Neil Macqueen] 5:06

So, you and your business, you know, it's very unlikely you have just a single product.

[Neil Macqueen] 5:12

And if you do, you'll be certainly should be thinking about how can I extend that across the catalog of products or further differentiation,

[Neil Macqueen] 5:20

And essentially, strengthening of your business. And that's why the Dyson, again

[Neil Macqueen] 5:25

, has done very successfully across a broad category of businesses.

[Neil Macqueen] 5:30

I think that is what we can provide you today in terms of just a few key insights for us to take away and think about.

[Neil Macqueen] 5:38

And with all of this, how do you stop this?

[Neil Macqueen] 5:41

And what is the true best way. And I think, as I mentioned, right at the start,

[Neil Macqueen] 5:45

It's a defensible position. And that typically, for people who are really investing in this area is intellectual property.

[Neil Macqueen] 5:53

But like intellectual property can take a long time.

[Neil Macqueen] 5:57

It is, you know, something which you then also need to fight.

[Neil Macqueen] 6:01

But if we dig into the heart of what is intellectual property, what it truly says is that you have something unique,

[Neil Macqueen] 6:09

You have done something that others haven't.

[Neil Macqueen] 6:12

And what that at its heart is, is solving problems that others ignore.

[Neil Macqueen] 6:21

So this is what for you and your business, regardless of his category.

[Neil Macqueen] 6:26

I think everybody can apply, what are the problems, your users, your supply chain,

[Neil Macqueen] 6:32

You're your partners in business, but fundamentally your users?

[Neil Macqueen] 6:38

What problems have they got that others are ignoring?

[Neil Macqueen] 6:41

Because that provides you your differentiation, and that for very established businesses,

[Neil Macqueen] 6:46

Often then provides intellectual property? And that's your differentiation,

[Neil Macqueen] 6:50

And your defensible position. But with all of this, if we get into the detail of it, how do we approach this?

[Neil Macqueen] 6:56

What is the approach you take to solving problems that other businesses ignore?

[Neil Macqueen] 7:01

And I think, in my past, and I would certainly really advocate strongly for you to become more familiar with this is human centered design?

[Neil Macqueen] 7:13

And what are that might not be a phrase that any of you are familiar with?

[Neil Macqueen] 7:18

What are what the fundamentals are like?

[Neil Macqueen] 7:20

What is the activities and things that you apply?

[Neil Macqueen] 7:23

In human centered design? Sorry, Gary, my slides are going really slow.

[Neil Macqueen] 7:28

But what this is, is essentially, ideation, inspiration, and implementation.

[Neil Macqueen] 7:42

Technology is fighting, so I need to differentiate and get a new laptop. So here we go.

[Gary Huang] 7:48

Solve the problems others ignore.

[Neil Macqueen] 7:51

I'm solving it on the fly here. So it's just for any breaks or pauses, everybody is going slowly.

[Neil Macqueen] 7:57

But what is fundamentally is how do you solve problems?

[Neil Macqueen] 8:01

Are there no in a human centered approach.

[Neil Macqueen] 8:04

And what you as a business need to really take into account is that your ideas do not come from a vacuum,

[Neil Macqueen] 8:10

You need to surround yourself with inspiration and an understanding of your marketplace and understanding of your users.

[Neil Macqueen] 8:16

That's inspiration, you need to take that into an ideation phase of how are I looking?

[Neil Macqueen] 8:23

How I am as a business owner, as an industrial designer, seeking to essentially solve for that problem set and that's ideation is a bunch of tools,

[Neil Macqueen] 8:31

We'll go through that. And its implementation, testing that idea in a way that allows you to gain feedback,

[Neil Macqueen] 8:38

And you know, surprise, surprise myself.

[Neil Macqueen] 8:41

No, success does not come from getting it first

[Neil Macqueen] 8:46

, right the first time it's through failures through iteration and implementation of those ideas in a cyclical process. And I think with all of these if you're ready consider these to be your core activities.

[Neil Macqueen] 8:58

How do you make sure that you are essentially considering the right things and this three guiding principles to human centered design and this if anything that you remember today,

[Neil Macqueen] 9:09

I would really encourage everyone to take away viability, feasibility desirability,

[Neil Macqueen] 9:15

For any and every idea that you come up with or competitor that you interrogate and look into these are the three guiding principles your business idea your differentiation needs to be viable,

[Neil Macqueen] 9:33

It has to provide you a margin you need to get it in for a bill of materials which is acceptable to provide

[Neil Macqueen] 9:39

You then the SSP like it has to be a business viable idea there's no point me coming up with a unicorn and fairy dust that doesn't exist at all if it does exist.

[Neil Macqueen] 9:50

It you and apparently expensive icon set so viability is incredibly important.

[Neil Macqueen] 9:56

Through to feasibility.

[Neil Macqueen] 9:57

Sorry, my terrible unicorn man export an example is like that does not exist,

[Neil Macqueen] 10:02

My supply chain can't provide me that product.

[Neil Macqueen] 10:05

So having something which is feasible, which typically comes through an advanced sourcing report,

[Neil Macqueen] 10:11

You have an idea somebody like gamma can essentially go out into the marketplace with your sourcing agents and say,

[Neil Macqueen] 10:18

What is established and existing in the market, in the supply chain area that I can execute on,

[Neil Macqueen] 10:25

That provides me my business requirements, that's feasible.

[Neil Macqueen] 10:29

And with everything, desirability, and this is probably the hardest one to essentially,

[Neil Macqueen] 10:34

Make sure you have measured correctly. But people want nice, beautiful products, right?

[Neil Macqueen] 10:40

It has to make sense from a user centered approach, like the ergonomics, usability,

[Neil Macqueen] 10:47

The colors, the design of the product, and all these three needs to be really evenly weighted out.

[Neil Macqueen] 10:54

I think the last thing here is also having a very clear view of what it is that you're wanting to execute

[Neil Macqueen] 11:01

In an on for your business. Is it something which you wanting to just manage the incremental evolution of an existing product like version one, version two, version three?

[Neil Macqueen] 11:12

Like every six months or a year through to something,

[Neil Macqueen] 11:15

Where are you wanting to create something entirely revolutionary?

[Neil Macqueen] 11:18

Because with these different approaches for product differentiation,

[Neil Macqueen] 11:23

You really need to be able to count the cost of what and viability is.

[Neil Macqueen] 11:28

Again, like if you take Dyson as an example,

[Neil Macqueen] 11:31

In my past, creating revolutionary products,

[Neil Macqueen] 11:34

That takes a long time, it takes a lot of cost takes a lot of investment through to something which is a bit more on the simpler side of something,

[Neil Macqueen] 11:43

If you're wanting to differentiate from competitors in the existing marketplace,

[Neil Macqueen] 11:48

And adapt it every evolution evolutionarily.

[Neil Macqueen] 11:51

I think you just need to then manage your expectation of it's not going to be revolutionary,

[Neil Macqueen] 11:56

It’s just going to be evolutionary, you're going to change a few key components of it.

[Neil Macqueen] 12:00

This thing managing your own expectations.

[Neil Macqueen] 12:02

Yep. So I do this really encourage everybody to have a very clear set of goals,

[Neil Macqueen] 12:08

What are you looking to establish and enable for your new differentiation? Um,

[Gary Huang] 12:14

If I can jump in, I think this is a very interesting graphic.

[Gary Huang] 12:22

It seems that for many ecommerce sellers, especially Amazon sellers, traditionally,

[Gary Huang] 12:29

The way of differentiation was to incrementally, you know,

[Gary Huang] 12:34

Tweak something to an existing nothing.

[Gary Huang] 12:38

That was like a fast fix. I believe that's, that's more on the on your image, like on the lower left,

[Gary Huang] 12:46

Right, more existing offerings and existing users?

[Gary Huang] 12:51

I'm curious with the training today, and kind of like your design philosophy, which, which way are you leaning?

[Neil Macqueen] 12:55

I think my past is very much top right hand corner,

[Neil Macqueen] 13:03

Revolutionary products, which is, you know, if we put it on a scale of differentiation,

[Neil Macqueen] 13:08

Like it puts you in a, you know, it establishes a new category, and it differentiates your business.

[Neil Macqueen] 13:14

Yeah, I think something which for the audience today is very applicable is something which is extending evolutionary products, like how can I move my product really positively forward,

[Neil Macqueen] 13:27

But still with an established feasible supply chain behind?

[Neil Macqueen] 13:31

And that's really, really interesting.

[Neil Macqueen] 13:33

I think how that's different from just an incremental improvement of this year,

[Neil Macqueen] 13:38

It was in pink this next year, we're going to come out with a black one, I think the evolutionary is like,

[Neil Macqueen] 13:44

What are the features that you can bring online for your product that solves problems for your users?

[Neil Macqueen] 13:50

But again, still harnesses a very feasible and executable supply chain.

[Neil Macqueen] 13:56

So again, if you consider 90% of the product stays untouched, what is the 10% that you can evolve to provide you to differentiation?

[Gary Huang] 14:07

Yes. All right. Makes sense. Great.

[Neil Macqueen] 14:12

Let's keep going. So I'm just going to run through two quick case studies of you know,

[Neil Macqueen] 14:18

In my past, this in the world of technology and vacuum cleaners, is old news. But equally,

[Neil Macqueen] 14:25

That makes it easier for me to share today, in terms of one of my earlier experiences with Dyson's Dec. 25,

[Neil Macqueen] 14:33

So bottom left hand corner that was one of what I think that in the case of ball technology was the first ball of vacuum cleaner available in the market in the world, full stop.

[Neil Macqueen] 14:45

And I think the key point for this case study is how do you listen to your users?

[Neil Macqueen] 14:51

So some of the feedback which we had around that vacuum cleaner was from actually our key demographic,

[Neil Macqueen] 14:57

In talking to not only the people talking to the people who don't buy it, as well as the people who have bought it.

[Neil Macqueen] 15:04

What is their feedback?

[Neil Macqueen] 15:06

And the feedback we were getting from?

[Neil Macqueen] 15:07

It was yes, it functions brilliantly. But actually, the visual of it is somewhat intimidating.

[Neil Macqueen] 15:14

It's very technical. Like, there's lots of ducks, you know, when I come to maintain or manage the product,

[Neil Macqueen] 15:20

Like I'm intimidated by like, how and where do I interact with this product?

[Neil Macqueen] 15:24

To that very much set the brief in terms of what is desirable, feasible, and viable?

[Neil Macqueen] 15:29

Okay, well, the desirability of this product from my market feedback is diminishing my potential returns.

[Neil Macqueen] 15:36

So how can we solve for that? We went through an exercise of design matching and scoring against those set of principles to say,

[Neil Macqueen] 15:44

Okay, well, how do we maintain the feasibility?

[Neil Macqueen] 15:48

The viability and the functionality, but improve the desirability of this product.

[Neil Macqueen] 15:53

And what you see through that exercise, we ended up with something which is a foxy individual.

[Neil Macqueen] 15:57

And it's something which is far more desirable.

[Neil Macqueen] 16:00

And in so much doing like form following function, we actually improved the functionality of the product,

[Neil Macqueen] 16:06

Like the turning diameter.

[Neil Macqueen] 16:08

And the general functionality of the product also evolved in terms of what it provided the client.

[Neil Macqueen] 16:14

So I think, the key takeaway from this one, and you know, what was done with the

[Neil Macqueen] 16:19

DC 25 evolving into the DC 41 was to say, listen to your users, like, what are they saying about your product? What are the things that you haven't yet solved for?

[Neil Macqueen] 16:29

Albeit this be a revolutionary product, that you could incrementally

[Neil Macqueen] 16:33

In every evaluate evolutionarily improve for the product? I think the next one, is a really good case study for the E commerce space in terms of where are stagnant markets

[Neil Macqueen] 16:47

. So on the far left of the screen, that is a picture of the original patient for the first electric fan,

[Neil Macqueen] 16:54

You know, moving to moving article, people think that was put down in 1886.

[Neil Macqueen] 17:00

So nearly 150 years ago. The thing which is shocking to me is

[Neil Macqueen] 17:05

F I look to track through some examples of this product, through to the far right, the product on the far right is still available for sale on Amazon today,

[Neil Macqueen] 17:14

For the vast majority of sellers. If I look at the core functionality of that product,

[Neil Macqueen] 17:18

I do not see much different, like there is a bladed fan that moves the air,

[Neil Macqueen] 17:24

There is a grill around that to protect someone, there's a motor,

[Neil Macqueen] 17:26

There’s a few key, there's a few key mode settings, like

[Neil Macqueen] 17:31

Yes, they've changed and adapted it incrementally, like it looks a little bit better.

[Neil Macqueen] 17:36

But it's a second market, right? Like no one has any options in the space.

[Neil Macqueen] 17:41

So again, this is where Dyson really took a new approach to say,

[Neil Macqueen] 17:45

What are some of the problems that people, here goes my laptop, again, that the users for this product are experiencing.

[Neil Macqueen] 17:56

So we start top center, to say if this was the original through to the left,

[Neil Macqueen] 18:01

What is still established in the market today, what Dyson did 10 years ago, with this air multiplier one

[Neil Macqueen] 18:07

. And what that did was address, hey, like,

[Neil Macqueen] 18:09

We can give you a single consistent surface, which is cleanable wipe able.

[Neil Macqueen] 18:15

It also requires no protection, because you can't cut your fingers off in this,

[Neil Macqueen] 18:20

As well as providing better performance. Having gone through that exercise,

[Neil Macqueen] 18:25

It moves better and more consistent, less choppy air, like

[Neil Macqueen] 18:28

That's brilliant, revolutionize the market in a way that no one else had done. And I think what how they did that was to say,

[Neil Macqueen] 18:35

Well, let's really looking at the problems that others are ignoring.

[Neil Macqueen] 18:39

And that's through conversation engagement with the users.

[Neil Macqueen] 18:42

But you know, that is a product that was launched 10 years ago.

[Neil Macqueen] 18:45

So along comes my involvement in the product to say,

[Neil Macqueen] 18:49

How does Dyson itself, essentially challenge our own product development?

[Neil Macqueen] 18:52

How do we incrementally and evolve this product for our users again, and that's to say,

[Neil Macqueen] 18:58

Well, we see that home situations have changed in the past five years, you know,

[Neil Macqueen] 19:03

How people live the environment cities, the fact that we need to add purification to this product in a way that allows you to make it more personal and you can sit on your desk and suddenly

[Neil Macqueen] 19:13

A bedside table also provide a more focused Jetavana.

[Neil Macqueen] 19:16

And that's what we did with the animal with the

[Neil Macqueen] 19:18

Dyson pure call me with multiply and air vectoring technology. Again,

[Neil Macqueen] 19:24

This is another revolutionary product. But the key takeaway here is it listens to its users.

[Neil Macqueen] 19:30

It provides something that everybody can relate to and use.

[Neil Macqueen] 19:34

UT in all of this with product development, it's not a simple road,

[Neil Macqueen] 19:39

You aren't guaranteed, again, immediate outcomes. So we start with an idea

[Neil Macqueen] 19:45

I see the opportunity and you know, with all of us will find like wow,

[Neil Macqueen] 19:50

Like I'm going to make millions of dollars with this new differentiated idea

[Neil Macqueen] 19:53

. But I'd really again, if we take into account ideation, inspiration,

[Neil Macqueen] 19:58

Implementation is through that implementation phase, then you gain better insights. You've built an early prototype, or even you've just had a focus group with a few key sellers.

[Neil Macqueen] 20:07

And you say, Actually, I haven't got this quite right.

[Neil Macqueen] 20:10

I haven't had I haven't got my idea perfect

[Neil Macqueen] 20:12

t. A strong commitment to that design and development process

[Neil Macqueen] 20:16

That you gain confidence because you iterate, you improve,

[Neil Macqueen] 20:20

I think you come at the end of the process with really high confidence because you've engaged with your key audience,

[Neil Macqueen] 20:25

You've still kept the same guiding principles of like, does this provide me the viability, feasibility and desirability that I'm looking to attain to?

[Neil Macqueen] 20:35

And you essentially leave the process with a really high level of confidence?

[Neil Macqueen] 20:38

Had you not apply, apply that same implementation phase?

[Neil Macqueen] 20:43

So if I make this a little bit more practical,

[Neil Macqueen] 20:44

I guess I've been talking at the 10,000 foot view,

[Neil Macqueen] 20:47

Like, what can for all of you do like in the next week, two weeks month

[Neil Macqueen] 20:52

, in a really practical way? So if I zoomed down to the five style,

[Neil Macqueen] 20:55

5000 foot view, is to say, again, the three core activities, inspiration,

[Neil Macqueen] 21:02

Ideation, implementation, what can we do for inspiration for inspiration?

[Neil Macqueen] 21:10

And what you know, you might say

[Neil Macqueen] 21:12

, I am not connected with a business.

[Neil Macqueen] 21:15

I haven't got an agency doing this for me. I'm not yet talking to gamba.

[Neil Macqueen] 21:18

What can I do? Well, there is a wealth of resource everywhere,

[Neil Macqueen] 21:24

I would really encourage everyone to have a look at each of these

[Neil Macqueen] 21:26

Key points, online reviews, you know, and what are people saying about your products?

[Neil Macqueen] 21:30

Are people saying about your competitors products? And more importantly, people

[Neil Macqueen] 21:35

Who aren't yet buying your product? If you can engage with your audience?

[Neil Macqueen] 21:39

Why haven't they bought your product? If they have bought your product?

[Neil Macqueen] 21:42

What did they dislike about it? I think in really diving into those customers reviews,

[Neil Macqueen] 21:48

Engaging with meaningful conversation, you can better start to understand your personas

[Neil Macqueen] 21:53

, who is your target audience,

[Neil Macqueen] 21:55

What their lives look like? What are their primary purchase drivers with all of this?

[Neil Macqueen] 22:01

For Market Success? Right? Market Success comes through purchases,

[Neil Macqueen] 22:05

Like how do I better drive my purchase propensity with my clients?

[Neil Macqueen] 22:11

I think the key thing to try and really drill into this is latent needs.

[Neil Macqueen] 22:17

People don't know what they haven't got yet.

[Neil Macqueen] 22:19

I think that's where you can really differentiate from your market,

[Neil Macqueen] 22:23

From your markets, competitors, through conversation and observation,

[Neil Macqueen] 22:27

What are the needs that people have, that you can potentially provide solutions?

[Neil Macqueen] 22:32

For? I think the last one there as well. Market Analysis,

[Neil Macqueen] 22:36

I think is really important for you as a business to say, considering where the market is,

[Neil Macqueen] 22:42

Where are the gaps, you don't want to have to, you don't want to essentially dive in and invest into an area where there's a lot of competition. Ideally, if we use an example of, let's say,

[Neil Macqueen] 22:53

Homemade kitchen kettles, like, if you looked at what is the spread of competition across there,

[Neil Macqueen] 23:00

Like intelligent heating kettles, versus like really cheap kettles

[Neil Macqueen] 23:05

Like is there a gap somewhere in between there in terms of functionality,

[Neil Macqueen] 23:09

Feature set and price that you can put in, like proactively go after because again,

[Neil Macqueen] 23:14

At better constraints, the sorts of viability questions you're going to be applying to your ideas.

[Neil Macqueen] 23:22

With all of those, you take that away, and you apply it to what I call a core requirements matrix.

[Neil Macqueen] 23:30

And again, this is just a slightly more granular level of viability, feasibility and desirability.

[Neil Macqueen] 23:36

What are the key things having had these conversations that you want to score your idea against?

[Neil Macqueen] 23:43

In the case of this, I think I took the example from air air purification

[Neil Macqueen] 23:47

, if you're wanting to come up with something that provides cooling in the home, you'd say,

[Neil Macqueen] 23:52

Well, these are the things that are really important to my users, usability, adjustability, size,

[Neil Macqueen] 23:58

Complexity, uniqueness, and delivery, so on and so forth. You provide a weighting to that new

[Neil Macqueen] 24:04

Score your ideas. So if we then kind of pivot forwards onto ideas, how do I gain? I'm sorry

[Gary Huang] 24:12

To interrupt, could you go back to the previous slide?

[Gary Huang] 24:15

I think these points are very interesting. I'm just looking at the abbreviations at the very bottom.

[Gary Huang] 24:23

I mean, Boom we know that's bill of materials, what is DDU and NPV

[Neil Macqueen] 24:29

Even use delivered duty unpaid as your how much it's going to cost to get your bill of materials to the market,

[Neil Macqueen] 24:38

You're wanting to sell it. And so it's essentially your bill of materials, including all of your shipping and import taxes.

[Neil Macqueen] 24:45

Okay, NPV is the one that really touches on viability,

[Neil Macqueen] 24:49

So that your net present value, considering how much you've spent on potentially tooling,

[Neil Macqueen] 24:56

Setting up contracts with your suppliers. You know what what's your target amount of stock you're wanting to sell?

[Neil Macqueen] 25:03

What is the net present value or like potential profit margin you're going to be making on the product?

[Neil Macqueen] 25:08

I think what are maybe, and we're going to touch on this later and find out too

[Neil Macqueen] 25:13

, if you have something which is, you know, going to provide you really positive differentiation,

[Neil Macqueen] 25:18

But it's going to cost you a lot to get it to market is they're essentially a weighing activity to say,

[Neil Macqueen] 25:25

A simpler idea could potentially provide you better profit in the short term. I see.

[Gary Huang] 25:32

And in terms of the weighting, is a higher score better or worse?

[Neil Macqueen] 25:38

So the waiting is something which to say, is the usability of my product more important to my users versus say,

[Neil Macqueen] 25:48

The uniqueness or so on so forth? So this is essentially,

[Neil Macqueen] 25:54

Is there a bias to any one of these metrics, which for you, as a business owner?

[Neil Macqueen] 26:00

Looking to differentiate a product are particularly prevalent or should be considered more important than another one?

[Neil Macqueen] 26:06

I think for somebody who's maybe starting out, and also, if that's a bit of a misleading thing,

[Neil Macqueen] 26:14

Like you could just even the weight everything that even one,

[Neil Macqueen] 26:17

But to say if, say, purification, in this example,

[Neil Macqueen] 26:22

Like that is the key thing that is really going to differentiate you from your markets,

[Neil Macqueen] 26:27

Then you should assess you apply a heavier weight into that subsequent school.

[Gary Huang] 26:32

I see. Okay, excellent. Let's keep going. Neil.

[Neil Macqueen] 26:37

So how do you come up with your good ideas, again, I mentioned earlier,

[Neil Macqueen] 26:41

They do not happen in a vacuum, you really need to create context around conversation and problem statements.

[Neil Macqueen] 26:47

I think it might be, you know, that might be for you, as a business,

[Neil Macqueen] 26:52

You and the other product managers. But I would really encourage having conversations with your users

[Neil Macqueen] 26:58

As much as possible, having a focus group, or just getting a key stakeholder group from a demographic

[Neil Macqueen] 27:03

, which you think is really prevalent, have conversation with people and engage with people around that.

[Neil Macqueen] 27:09

A key activity is to essentially say, well, you know, what you can call ideation or brainstorming,

[Neil Macqueen] 27:16

Whatever it is, there's some real simple guiding principles to this, like defer judgment, encourage wild ideas.

[Neil Macqueen] 27:23

An example I love to use for this one, essentially, the set of engineers and product managers who came up with the way how they break walnuts out of their shell, in terms of like,

[Neil Macqueen] 27:35

Wild idea. So the story goes, they were, you know, back in the day, they had to by hand or as a crushing machine, break a shell from the outside to get the nuts out.

[Neil Macqueen] 27:44

But, you know, understandably, the results weren't very good, like the majority were broken.

[Neil Macqueen] 27:51

So they said, Okay, well, let's try to solve for this idea. And one of the engineers had a crazy idea to say,

[Neil Macqueen] 27:55

Well, if we had really miniature humans that were inside the shell, and they could dig it out from the outside in,

[Neil Macqueen] 28:01

like, crazy idea, right? But let's go with it. This Okay, well, how could we achieve a similar effect? And what you find in manufacturing today is what they do is put walnuts into a vacuum chamber

[Neil Macqueen] 28:14

So that the pressure of the air inside the shell breaks out and essentially leaves the nut in the middle entirely intact. And so as a as an encouragement to stay, go with your wild ideas,

[Neil Macqueen] 28:26

But build on others stay focused on the topic of what you're trying to achieve,

[Neil Macqueen] 28:31

For your products differentiation. And I think that is how you really come up with an idea that provides

[Neil Macqueen] 28:37

You something which is really unique, really different, and stick with it,

[Neil Macqueen] 28:41

Like apply it, talk to people about it, and just keep developing.

[Neil Macqueen] 28:48

I mentioned that matrix again. So Gary, you asked about the waiting on the left.

[Neil Macqueen] 28:54

So we've gone through an ideation phase, and I have 10 ideas, like how do I tell myself which of the ones

[Neil Macqueen] 29:01

I should take forwards into the next set of development?

[Neil Macqueen] 29:06

Or like, what should I talk to my supplier about of my ideas, what you see here is

[Neil Macqueen] 29:10

I evenly apply a score of say, one to five, for usability, like that idea is really usable,

[Neil Macqueen] 29:16

Versus this one is going to be a little bit a little less usable, like you evenly apply that scoring

[Neil Macqueen] 29:21

Across all of your ideas. But what we're waiting for what the weighting does then is adjusts the scores

[Neil Macqueen] 29:28

To inform the score at the bottom. And what you'll see in going through that exercise is clearly states

[Neil Macqueen] 29:34

Which are the things that provide you the best holistic approach to providing a differentiation for

[Neil Macqueen] 29:39

Viability, feasibility and desirability. You say, Okay, well, I had 10. In my experience

[Neil Macqueen] 29:45

, I've had hundreds How do I how do I sift through hundreds of ideas to say

[Neil Macqueen] 29:49

, which are the ones we should take forwards?

[Neil Macqueen] 29:51

Applying this approach of really having a clear view of what are my core requirements that

[Neil Macqueen] 29:59

I'm execute

[Neil Macqueen] 30:00

Thing against which I believe from market insight and conversation will truly answer people's problems.

[Neil Macqueen] 30:06

Applying this Scoring Matrix, it says, Okay, off my 10, these

[Neil Macqueen] 30:09

Are the three I should take forwards? And I think the last encouragement

[Neil Macqueen] 30:13

For everybody is to say, this is also really important that you apply prototyping.

[Neil Macqueen] 30:23

This doesn't need to be a very expensive process to say,

[Neil Macqueen] 30:27

You have to get something tooled, like prototypes can be as simple as making

[Neil Macqueen] 30:32

Something out of cardboard, buying a capacitor. And just imagining that that

[Neil Macqueen] 30:36

Features than talking to somebody about this example of Dyson is to say, we didn't get it right

[Neil Macqueen] 30:43

, the first time for the supersonic, it was through engagement,

[Neil Macqueen] 30:46

And talking to be talking to our users talking to us key stakeholders,

[Neil Macqueen] 30:52

Through a process of prototyping, and implementation phase, and slowly refining an idea to get something

[Neil Macqueen] 31:00

Which is truly revolutionary. In the E commerce space. Again,

[Neil Macqueen] 31:03

If you can identify a market sector, see a gap, do the ideation and inspiration phase to say,

[Neil Macqueen] 31:10

Of all my ideas, which are the ones I'm really interested in, and then prototype that idea

[Neil Macqueen] 31:14

And continue that cyclical process of ideation, inspiration, and implementation?

[Neil Macqueen] 31:19

I think it's through that process with the guiding principles that you really

[Neil Macqueen] 31:23

Come out with a product which is differentiated and will provide you market success. So that's, that's the talk. Any questions?

[Gary Huang] 31:36

Yes. Thank you so much. That was very insightful.

[Gary Huang] 31:39

I like how you went from the 10,000 foot view, very high level,

[Gary Huang] 31:45

And then kind of go into more mid-level with the implementation

[Gary Huang] 31:48

The scorecard. And I, my first question is, in terms of product

[Gary Huang] 31:58

Design, you know, like, this stuff that we talked about? How can

[Gary Huang] 32:05

Let's say, e commerce seller, let's say their revenue is, you know,

[Gary Huang] 32:09

Six figures annual, or, you know, maybe seven figures annual, for

[Gary Huang] 32:14

This type of product design? How can they do this? Should they,

[Gary Huang] 32:18

Like, let's say, work with a manufacturer? Is this something they

[Gary Huang] 32:21

Can kind of do themselves? Or, you know, what should they be hiring like, you know, someone like yourself, l

[Gary Huang] 32:27

Like an industrial designer, or a firm like gamba? How can you walk us through like the different options? Basically?

[Neil Macqueen] 32:35

Absolutely. I think, as you said, there are different options, I

[Neil Macqueen] 32:40

Would really encourage business owners to have a very clear started themselves.

[Neil Macqueen] 32:45

So the market, if we start with market analysis and a gap analysis, you can hire a firm like gamba.

[Neil Macqueen] 32:53

Again, we can do that from beginning to end, like you will tell us that you're interested in the Home and Kitchen,

[Neil Macqueen] 32:59

We can provide you a very clear gap analysis of where the market is,

[Neil Macqueen] 33:03

Who are the key competitors?

[Neil Macqueen] 33:05

And what are the differentiating marks and claims that might provide you differentiation that will guide your ideation process?

[Neil Macqueen] 33:12

If you're not wanting to engage with an agency to do that,

[Neil Macqueen] 33:15

I think, again, that's the practical steps we've taken here, like for your established categories that you're already in?

[Neil Macqueen] 33:22

Who are your key competitors? Like are that, you know,

[Neil Macqueen] 33:25

How do you compare versus their marketing claims?

[Neil Macqueen] 33:29

And are there any feature sets you could provide or incrementally improve?

[Neil Macqueen] 33:34

Or provide you positive differentiation? In terms of your marketing claims from your competitor?

[Neil Macqueen] 33:40

I think there's a lot of homework

[Neil Macqueen] 33:42

Every brand or company can do themselves to better inform e

[Neil Macqueen] 33:46

Either their own engagement with sourcing to say is this executable, as well as better inform a very clear brief through an agency like gambit to say this is what I'm interested in.

[Gary Huang] 33:57

Right. Okay, that makes sense. So start with yourself.

[Gary Huang] 34:00

I feel like you know, ecommerce entrepreneurs, a lot of us are just, you know,

[Gary Huang] 34:05

We do everything ourselves. Right. And I think, yeah, so that does make a lot of sense.

[Gary Huang] 34:11

But at a certain point, when your business reaches a certain level,

[Gary Huang] 34:16

It doesn't make sense to try to do everything

[Gary Huang] 34:18

. I mean, you got to focus on what delivers maximum value to your business.

[Gary Huang] 34:22

So maybe that's selling maybe that's, you know, marketing, and you might

[Gary Huang] 34:27

You might want to outsource it to someone like, like Jamba or, you know,

[Gary Huang] 34:31

Have that short. So my next question is in terms of,

[Gary Huang] 34:38

Let’s say the time it takes to develop something

[Gary Huang] 34:42

I really liked your, your graphic, you know, with the four quadrants.

[Gary Huang] 34:50

I believe your recommendation is to go to the upper left. I'm trying to see if I still

[Gary Huang] 34:58

Yes, evolutionary do you think that's the main I don't want to say best option?

[Gary Huang] 35:04

But I mean, what would you advise like ecommerce sellers?

[Gary Huang] 35:09

You know? Or should we go all the way to the right, create something revolutionary?

[Gary Huang] 35:12

And if so, how much time would that take? I mean,

[Gary Huang] 35:14

Like, people probably don't have the same runway that you know, like a Dyson would have, right?

[Neil Macqueen] 35:21

I think I would really encourage everybody to have concurrent activities.

[Neil Macqueen] 35:28

So I think evolutionary as a must, if you if you aren't able to

[Neil Macqueen] 35:34

Yet invest in something which is going to come out in two years' time.

[Neil Macqueen] 35:38

I think it's really important just too evolutionarily, evolutionarily,

[Neil Macqueen] 35:42

Or incrementally improve your product immediately today.

[Neil Macqueen] 35:45

And that's something which, you know, you should already have an established supply chain.

[Neil Macqueen] 35:49

So talk to your suppliers. Again, I would don't talk to them blindly in terms of what can you do for me, I

[Neil Macqueen] 35:56

Think it's to say, I have these ideas, or these executable,

[Neil Macqueen] 36:00

Within the confines of maybe a 10% adjustment of my tooling or my protocols

[Neil Macqueen] 36:05

And formed by the insights you've gained through your ideation and inspiration.

[Neil Macqueen] 36:09

I think the other thing like that, that has a limited runway, because I think any true competitive market,

[Neil Macqueen] 36:17

Everybody is doing that. I think what you need to try and do as a business, there's also give

[Neil Macqueen] 36:21

Yourself the concurrent activity of if I'm incrementally improving my current product line,

[Neil Macqueen] 36:27

What am I doing to essentially also broaden the breadth of my categories?

[Neil Macqueen] 36:30

Like where am I not yet operating, that will provide me longevity.

[Neil Macqueen] 36:35

Because I think if you're beholden to a specific category, or a few key specific market verticals,

[Neil Macqueen] 36:43

I think broadening that and diversifying your risk profile essentially, is really, really critical.

[Neil Macqueen] 36:49

So I think that is where your evolutionary, real revolutionary products come online.

[Neil Macqueen] 36:55

And I think those typically take longer. They have five more costs involved, essentially.

[Neil Macqueen] 37:02

But I think you can also amortize that over the course of its development process.

[Neil Macqueen] 37:05

So I'd really encourage everybody to immediately incrementally improve your product voice,

[Neil Macqueen] 37:11

Because I think that helps you with your marketing that helps you to stay ahead of it gives

[Neil Macqueen] 37:15

You something to talk about, but at the same time, be thinking about what's next,

[Neil Macqueen] 37:20

Like not just what's next color, or feature, or what's the next completely

[Neil Macqueen] 37:24

New products, because that's where true business success comes from.

[Gary Huang] 37:29

Yeah, I like that. Have concurrent activities, some you're planning for the near term,

[Gary Huang] 37:34

And the long term, right, and incrementally improve your products, it helps

[Gary Huang] 37:39

With marketing as well gives you something to talk about, you know,

[Gary Huang] 37:42

Hey, we have links, you know, this, it's new, it's upgraded.

[Gary Huang] 37:46

So, yeah, that makes a lot of sense.

[Gary Huang] 37:49

You know, can you tell us more about the cost associated with these types of improvements?

[Gary Huang] 37:53

Um, how much would you? Would you suggest that entrepreneur's budget for something like this for product design?

[Neil Macqueen] 38:00

It's a really hard question to beat to give you specifics.

[Neil Macqueen] 38:04

But if we consider three key approaches, right,

[Neil Macqueen] 38:08

Because doing a new kitchen spatula through to an entirely new

[Neil Macqueen] 38:13

Home and Kitchen product, like they are completely different price brackets

[Neil Macqueen] 38:17

. I think, again, concurrent activities. If you're looking to incrementally diversify your product,

[Neil Macqueen] 38:24

Like that is your white labeling act activity, like that is very executable, there's very established supply chains.

[Neil Macqueen] 38:32

And you can look anywhere between five to seven weeks.

[Neil Macqueen] 38:36

And, again, rough numbers between three to $8,000.

[Neil Macqueen] 38:40

For them sort of an engagement to say, you know, here's my, here's my idea

[Neil Macqueen] 38:46

, my segment my market that I'm interested in, what is what is facilitated for as feasible supply chain

[Neil Macqueen] 38:52

That I can apply my brand into and better differentiate through to incremental,

[Neil Macqueen] 38:57

Which is to say, you know, I'm going to look at the supply chain and only adjust 10% of its feature set to provide

[Neil Macqueen] 39:04

Me that differentiation and marketing claims.

[Neil Macqueen] 39:07

That is the next rung up, typically, that takes between 10 to say,

[Neil Macqueen] 39:12

6 weeks to have set up and established in supply chain through

[Neil Macqueen] 39:16

To something which is entirely unique, which again, entirely depending on if it's a simple spatula,

[Neil Macqueen] 39:22

Which is entirely unique and new through something which is complicated the electronic,

[Neil Macqueen] 39:27

You're typically looking between 12 to say 26 weeks practice supply chain and full time engagement.

[Neil Macqueen] 39:35

So they quite intuitively ratchets up in terms of almost a month like this,

[Neil Macqueen] 39:41

Five a month, a month is for white labeling, like off to the races and established versus 10% adjustment,

[Neil Macqueen] 39:49

which is you know, a third on top of that three to a third on top of that again for something entirely unique.

[Gary Huang] 39:56

Excellent. And you're switching gears a little bit as the saying goes,

[Gary Huang] 40:01

A wise person learns from their mistakes.

[Gary Huang] 40:04

A smart person learns from their mistakes a wise person learns from the mistakes of others.

[Gary Huang] 40:09

So can you share maybe a mistake that you made in the past?

[Gary Huang] 40:13

And you know what you learned from that just to help our audience?

[Neil Macqueen] 40:17

Absolutely. I think, again, one that immediately sticks out to me, and I won't call it up by name,

[Neil Macqueen] 40:24

But there was a product, which we developed for the American market.

[Neil Macqueen] 40:29

And, you know, the broad brush assumption, again, and this, this was an engagement,

[Neil Macqueen] 40:35

The specifics is to say, I know America, I know what their uses are, but I haven't yet spoken to them.

[Neil Macqueen] 40:41

They like big powerful, like, size doesn't matter.

[Neil Macqueen] 40:45

And a product was developed, to say, this is big, this is really powerful.

[Neil Macqueen] 40:50

It's, you know, medium price, they're going to love it. When, in reality,

[Neil Macqueen] 40:56

When it landed, what the American said immediately was, this is too big and too noisy,

[Neil Macqueen] 41:02

And, you know, actually have slightly refined tastes. It was without the, you know, the idea was there.

[Neil Macqueen] 41:09

But the implementation and ideation around like engaging with that user to say is

[Neil Macqueen] 41:13

Like, is this too big, too powerful, too noisy?

[Neil Macqueen] 41:16

Or is it you know, it hadn't been refined in the fire of conversation with them that focus group properly enough? So I think that that didn't go as well as planned.

[Neil Macqueen] 41:27

Put it that way.

[Gary Huang] 41:30

Yeah, that's a great story to share. I think, you know,

[Gary Huang] 41:33

A lot of times we don't listen to our audience.

[Gary Huang] 41:35

And you know, sometimes we assume we know

[Gary Huang] 41:38

, but we pay the price. So thank you for sharing that. On the show.

[Gary Huang] 41:42

We only have a few minutes left,

[Gary Huang] 41:44

I wanted to ask you what is the best way for people to connect with you and gamba? Want in case they want to learn more?

[Neil Macqueen] 41:50

So you can go to our canva.com website, there's an inquiry form you can fill out.

[Neil Macqueen] 41:57

And what that'll essentially allow you to do is engage with our team to say,

[Neil Macqueen] 42:01

What is it that you're looking to execute in the market?

[Neil Macqueen] 42:04

We can come back with a proposal of engagement, like how can we provide services tailored to your needs,

[Gary Huang] 42:12

Excellence. And also, I'd like to thank Neil and gamba for generously providing two separate bonuses.

[Gary Huang] 42:19

So for the free passholders. gamba has provided a free consultation session with a design or supply chain expert.

[Gary Huang] 42:27

And we have the link up below. But also we have a all access pass.

[Gary Huang] 42:34

So these are kind of the VIP pass holders, those have purchased the upgrade.

[Gary Huang] 42:38

And I believe this is an ideation package. Could you tell us more about that meal?

[Neil Macqueen] 42:43

It's a brilliant package, Gary. So what it is, essentially,

[Neil Macqueen] 42:47

We are going to sit you down with an industrial designer,

[Neil Macqueen] 42:50

Who's going to absorb your market segment idea, like whether or not you have something already in mind or simply see an opportunity? What it is, is a weak engagement with an industry design

[Neil Macqueen] 43:02

. They're going to go through the process we just described to say, what are all the ways that we can solve for this?

[Neil Macqueen] 43:08

And what are the two or three that you should really take away and consider for future development?

[Neil Macqueen] 43:13

So it's an ideation package to say, what are the problems?

[Neil Macqueen] 43:16

How can we solve for them? And what are the key two or three outcomes that you should take away and consider a little bit more?

[Gary Huang] 43:22

Brilliant, I think that that's a can be huge for a lot of sellers that are looking to, you know, go to the next level, in terms of product differentiation

[Gary Huang] 43:31

. And I believe this package, normally gambler charges over $1,500.

[Gary Huang] 43:38

And you guys can get this for free. I wasn't even sure if this was a discount.

[Gary Huang] 43:42

Or if this was for free. And in our pre call the our gamba contact person

[Gary Huang] 43:47

, Caroline said, No, this is for free. So I'm a little taken aback by that.

[Gary Huang] 43:51

And I suggest that you guys get in on that before they changed their mind.

[Gary Huang] 43:57

So definitely, if you haven't upgraded to the All Access Pass, if you're looking to differentiate,

[Gary Huang] 44:02

You know, working with professionals like Neil to take your product evolutionary to the next level,

[Gary Huang] 44:09

I highly recommend that you guys get that. Alright, I apologize for the background noise.

[Gary Huang] 44:13

I'm working from home. And we're wrapping up right now.

[Gary Huang] 44:18

Just one last question before you run, Neil.

[Gary Huang] 44:21

I'm all about the 8020 rule, you know, like that 20%

[Gary Huang] 44:23

That delivers 80% of return. If you were to distill everything you covered today

[Gary Huang] 44:29

, what would be the 8020 or your number one recommendation for people out there that really want to differentiate their products.

[Neil Macqueen] 44:37

I think I would really just to any the key thing to take away as those guiding principles.

[Neil Macqueen] 44:43

So really look to surround yourself

[Neil Macqueen] 44:47

With inspiration to provide your ideas that make sure you always weigh your ideas against the guiding principles of viability, feasibility and desirability

[Neil Macqueen] 44:56

Think that'll really help you sift through time. Ideas and find the one that provides you everything that you need for your business.

[Gary Huang] 45:04

Brilliant. Thank you so much, Neil. This is super valuable training today.

[Gary Huang] 45:08

I learned a lot. I'm sure everyone else did too. And thank you everybody for watching.

[Gary Huang] 45:12

We'll see you guys at the next session. Bye, everyone.

[Neil Macqueen] 45:15

Thank you Gary. Thank you.

Speaker 3 45:17

India sourcing trip is a guided tour for Amazon and E commerce sellers looking to import from India.

Speaker 3 45:23

On this eight day trip to India you will get a four day conference on sourcing logistics quality control,

Speaker 3 45:29

Amazon FBA digital marketing and more. You will learn from India sourcing experts as well as other

Speaker 3 45:35

Brand builders who have built successful brands and businesses for meeting in the product so you can do it too.

Speaker 3 45:41

You'll get three days at a trade show. This is the Canton Fair of India the daily fair, you'll meet 1000s of high quality suppliers and be able to witness all their products hands on,

Speaker 3 45:52

You also get a chance to visit factories in Delhi and additional optional trip to metal and wood product factory

Speaker 3 45:59

And Murata bod. You will get introductions to vetted service providers sourcing agents from India,

Speaker 3 46:05

You'll get to mastermind with E commerce coaches who can help you with product selection

Speaker 3 46:09

, keyword research sourcing and more. And not only that, you'll get networking with other

Speaker 3 46:14

Like minded entrepreneurs, ecommerce sellers over drinks and dinner.

Speaker 3 46:17

And you'll also get to experience a taste of the culture in India you'll get a trip to the Taj Mahal one of the seven wonders of the world.

Speaker 3 46:26

And last but not least, there's the final night the Bollywood night where you'll get to enjoy a vibrant

Speaker 3 46:33

Like cultural show. You'll get to be able to dress up in traditional Indian attire and maybe even dance through

Speaker 3 46:39

The night so that sounds interesting. Definitely check out India sourcing trip the dates are October 12

Speaker 3 46:45

Through the 19th 2022 and early bird pricing ends June 30.