



## Commercial Concept Viability Assessment

**Booth Morgan Marketing Innovation**

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*If you can imagine it and describe it, you can prototype  
it for marketplace success...**in near-real time!***

# **SAMPLE REPORT**

<b>Client:</b>	QSR, Inc.
<b>Assessment Identifier:</b>	6308-796-717-1
<b>Commercial Concept Name:</b>	CircuitCHAMP™ Circuit Management
<b>Assessment Date:</b>	October 3, 2000
<b>Isaiah Version:</b>	v9.xc; n = 1,284

*Isaiah™ Commercial Concept Assessments are based upon research, expert human evaluation, probability theory and statistics. Though assessment conclusions are suitable for commercial concept developmental purposes, assessment findings alone are not intended to be the basis for significant capital allocation decisions.*

## Assessment Input

<b>Assessment Identifier</b>	6308-796-717
<b>Client</b>	Ms. Kathleen Conner President QSR, Inc.
<b>Commercial Concept Name</b>	<i>CircuitCHAMP</i> <sup>TM</sup> Circuit Management
<b>Concept Type</b>	Existing Service
<b>Geographic Scope</b>	North America
<b>Customer Scope</b>	Commercial Enterprises CFOs, COOs, Presidents, Telcom Mgrs.
<b>Substitution Possibilities</b>	Teletron and Quantum Shift
<b>Relative Price vis-a-vis Competing Offers</b>	Same
<b>Gender Specification</b>	70% Male Intensive
<b>Age Specification</b>	30+
<b>Commercial Concept Image</b>	N/A

## **Commercial Concept Being Evaluated**

QSR takes stock of all your telecom circuits and what you're paying for them, delivering the inventory and discrepancy reporting you need to eliminate overcharges.

As in any human endeavor, mistakes happen. The fact is, since most telcos perform minimal quality assurance on bills, telecom billing generally includes a small percentage of new errors in your bill every month. Carriers document dispute procedures which generally favor the consumer, but many companies have no process for performing accuracy verification on the bills they receive.

What's more, once an error is introduced, it's usually propagated month after month from that time forward. The most substantial losses occur, not from the new errors, but from the cumulative effect of repeating errors over a period of time. When we perform our *Audit* service, we may well discover overcharges for which you have been paying for months or even years. Once those errors have been brought to the attention of the carriers, some or all of the loss can often be recovered. At the minimum, these errors can be stopped for future billing.

The direct benefit to your financial position which could be realized from our *Audit* service can be staggering. Depending on the size of your telecom inventory, the telco billing discrepancies we find and resolve could lead to millions of dollars in rebates and annual cost savings, yet without any degradation in the quality of the service you are receiving.

CircuitCHAMP is QSR's integrated, modular circuit management application that will enable you to centrally administer your telecom provisioning and billing processes. CircuitCHAMP's battery of automated modules gives *our* team the tools we need to provide our service offerings accurately and efficiently; and it gives *your* team on-line access to your database from anywhere in the world.

Using a design covered under a patent pending with the U.S. Patent Office, CircuitCHAMP provides unique benefits to our clients. CircuitCHAMP is an enterprise system into which we've embedded the know-how to support our circuit management services. And because CircuitCHAMP can be accessed via a browser over the Internet, it can also provide your organization with on-line access to your entire database of circuit management information. CircuitCHAMP consists of nine modules, five for use by our team and four for use by yours.



## Commercial Concept Viability Assessment

Commercial Concept: *CircuitCHAMP™* Circuit Management

### Overall Probability of Marketplace Success

**26%**

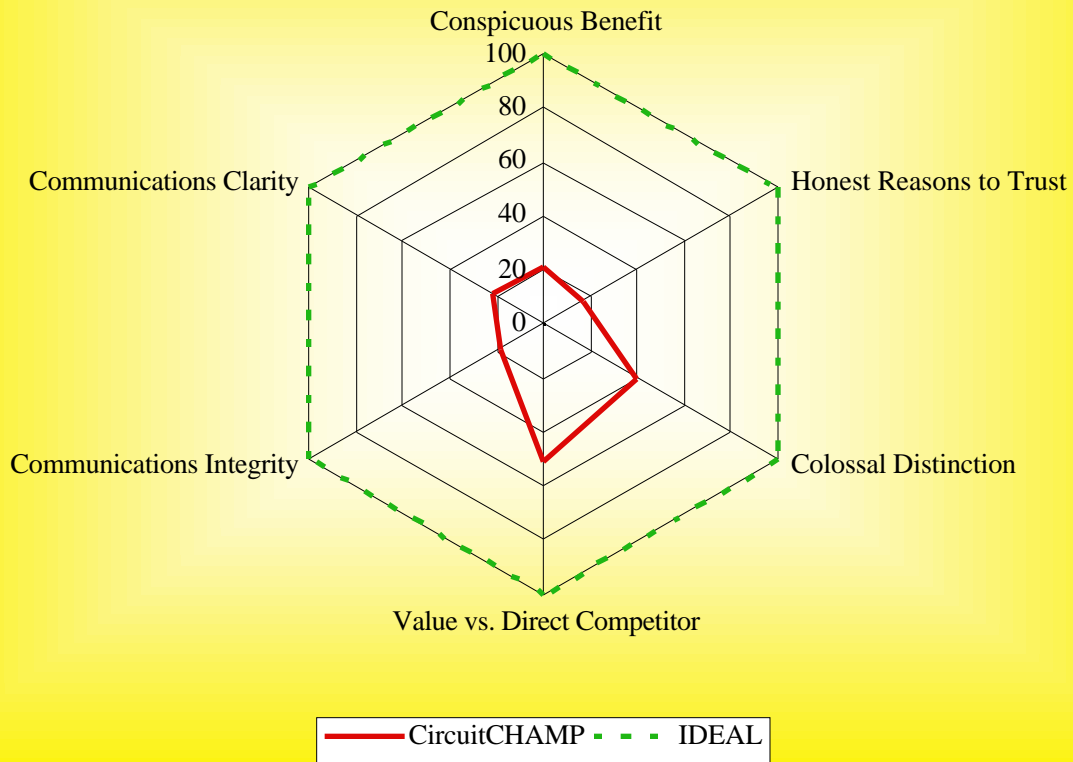
*Isaiah* estimates that *CircuitCHAMP™* has a 26% probability of surviving in the market for five years or more, that is, about a one-in-four chance of success. The five-year hurdle has been selected as a surrogate for marketplace success for three reasons: (1) it will focus you on the development of enduring commercial concepts, (2) a five-year time horizon is sufficiently distant to overcome introductory hype which otherwise could create a false-positive reading, and (3) data is readily available to estimate the *Isaiah* predictive model on product/service endurance or survivability.

You will recall that the average probability of success of all of the 4,600 commercial concepts modeled in *Isaiah* is about 20%, or one-in-five. An “acceptable” endurance score is conditioned upon the level of investment required to bring the concept to market and your overall tolerance for risk.

Component scores are presented as percentiles in the chart below:

1.	<b>Conspicuous Benefit</b> (clear, quantifiable, relevant)	<b>21<sup>st</sup> Percentile</b>
2.	<b>Honest Reasons to Trust</b> (credibility to deliver the benefit)	<b>17<sup>th</sup> Percentile</b>
3.	<b>Colossal Distinction</b> (unique or radical)	<b>40<sup>th</sup> Percentile</b>
4.	<b>Value vs. Direct Competition</b> (relative cost for utility delivered)	<b>51<sup>st</sup> Percentile</b>
5.	<b>Communications Integrity</b> (the extent to which the first four elements support each other)	<b>19<sup>th</sup> Percentile</b>
6.	<b>Communications Clarity</b> (7th grade reading level; jargon-free)	<b>22<sup>nd</sup> Percentile</b>

**CircuitCHAMP™ Market Viability Assessment**  
**Percentile Score: 0 = poor; 100 = excellent**



**Application Planning Using *Isaiah*™ and Important Disclaimer**

*Isaiah*™ is the most comprehensive and powerful commercial concept evaluation and outlook tool available (see the The Science Behind *Isaiah*). Its predictive power is based upon historical market performance data. *Isaiah*™, by itself, is a statistically rigorous platform upon which to rapidly develop and prototype commercial ideas, whether they are products, services, brand extensions, advertisements, brochure content, direct mail packages, or sales presentations. That said, because of the dynamic nature of commercial markets, *Isaiah*™ assessment data alone are insufficient to justify large capital investments. *Isaiah*™ has no way of knowing the quality of execution supporting any given commercial concept. If marketing strategy is flawed, or if marketing fulfillment or product/service quality is poor, the marketplace viability of the assessed commercial concept may be seriously diminished.

When a high-risk or capital intensive project is being considered, there is no substitute for direct customer input. In these cases, we recommend one or more *Isaiah*™ assessment be conducted in conjunction with *ValueKeys*™ customer and/or competitive research.

## Gerry McDonough's Observations & Recommendations

Commercial Concept: *CircuitCHAMP™* Circuit Management

Your commercial concept needs considerable work before it is market ready. The concepts' first challenge is that it is attempting to solve a problem that many in your target audience don't know they have, as opposed to one that is clear and present. This will involve education and potentially lots of it.

Of the three benefits mentioned, cost savings, central administration, and online access, none are expressed quantifiably and with bold clarity. Is online access to the entire database of my circuit management information really important to me as a CFO?



Begin by listing each of your benefits. Ask yourself what the benefit means to a member of your target audience. Then take each separately and convert it to a *Conspicuous Benefit* by quantifying it in terms of dollars or time saved. Make it bold and distinct. *Isaiah* marketplace viability research indicates that products or services that trumpet one or two *Conspicuous Benefits* have greater marketplace endurance than do those that list three or more. Identify your two most compelling benefits and position them conspicuously.

Your concept is largely unsupported by *Honest Reasons to Trust* that you can deliver the benefits suggested. The marketplace today is characterized by high levels of mistrust and skepticism. Prospective customers – either consciously or subconsciously – look for *Honest Reasons to Trust* any benefit claim or promise you make. Look at each conspicuous benefit and fortify it with one or more *Honest Reasons to Trust* that you can deliver. Will a widely known and credible third party testify to the benefits you can deliver? Do you have case examples where the benefit was delivered? Can you guarantee part or all of the benefit to be delivered? View each of the *Conspicuous Benefits* you offer as a table top and each *Honest Reason to Trust* as a table leg. Put as many legs as you can under the table top. CAUTION: Make sure each reason to trust is honest and relevant to the benefit it would support.

There is a hint of uniqueness in your offering – as evidenced by the patent pending on the technology used – but this distinction isn't developed or leveraged as a *Colossal Distinction*. How does the patent pending technology differentiate your offering from that of competitors? How will this distinction change the industry? What does the distinction mean to your customers? Why should your competitors be concerned that you have this *Colossal Distinction*?

Your pricing strategy is essentially the same as your chief rival; both offer fee-for-service and share-of-overcharges-recovered options. Fee structures are similar as are the recovery percentage. Little distinction may be found in your value proposition as it is currently structured.

Low percentile scores in the first four components all but guarantee a low score in *Communications Integrity*. The first four components are the branches upon which the communications web is secured. Non-existent or weak branches cause the web to collapse. Take action on the recommendations presented earlier in this report and then come back and integrate your message. Make sure you have strong *Conspicuous Benefits* and that each is sufficiently supported by *Honest Reasons to Trust*. Then wrap your *Conspicuous Benefit / Honest Reasons to Trust* package with *Colossal Distinction* to create what I call a *Matchless Value Proposition (MVP)™*.

Finally, simplify your concept description. Currently it contains 23% passive sentences. Invigorate your concept description by using active voice. The *Flesch Reading Ease Score* for your current concept description is 38.4; it should be in the 60-to-70 range (high score means an easier read). Your *Flesch-Kincaid Grade Level Scale* scores your current concept description at the 12th grade level. Rewrite it to the 7th grade level. You'll find that the greater your *Colossal Distinction*, the easier it will be to differentiate it using simple, straight forward language.

Let me encourage you to continue to develop this concept. And, I'll be here if you would like additional advice, or if you would like to submit a new concept description to *Isaiah*.