

# **ICT Innovation – Spring 2017**

#### MSc in Computer Science and MEng Telecom. Engineering EIT Masters ITA, S&P,SDE

Lecture 01 – Introduction Prof. Fabio Massacci

#### **Research and Development**





# Basic Research

- Discovery process
- No set timing
- Unpredictable returns
- Long term

Technology Development

- Loosely structured
- Difficult to plan
- Less predictable
- Medium term

## Product Development

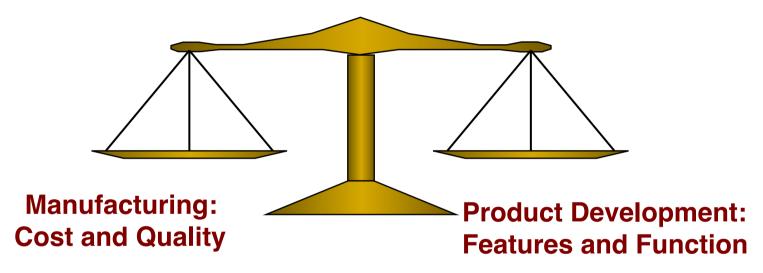
- Structured methods
- Planned timing
- Predictable outcome
- Short term

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#### What makes a successful product?



- A successful product is based on several features
  - Features and functions of design process
  - Cost and quality of manufacturing process



- Cost and Quality can be improved leading to a "cheaper" product
  - Eg just in time production lower cost of stockage  $\rightarrow$  overall cheaper
- Features and Functions can be improved by a good product development process that yields "better" products



- Seller beware! And designer even more
  - "ogni scarrafone è bello a mamma soa" (saying from Naples)
    - Every cockroach looks a beauty to its mother (more appropriate than English "beauty is the eye of the beholder")
  - You need to balance cost/quality with features/function for your intended customers, not for yourself
- What is
  - an "acceptable cost" for a "desired functionality" might vary
    - Either minimum functionality or maximum cost might be different
  - a "better" product might be so for an "unintended" functionality bundled with the product

#### **Example "Unintended feature"**



# SMS intended life

- Designed to push configuration information to GSM Phone or pull information from the Network
  - "INFO GPRS" returns the remaining network traffic
  - "SET APN ibox.mycompany.com"
- 256 characters more than enough for this purpose

# SMS actual life

- Used by phone users to send brief messages
- A large source of revenues for the telecom operator
- MMS follow-up
  - Sending much richer data (photo, video, audio)
  - Why it never took over?

#### Why Italians were so fond of SMS?



# Omnitel

- In 1998 ha 6.1M customers
- My birthday present on October 1999 for my wife (Beatrice) was one of them
  - and she used a lot of SMS (now whatsapp)
- Social explanation?
  - Now we collect them in class...



#### Why Italians are so fond of SMSs



- Answers in 2017
  - Easier Concentrate for some short period of time
  - Not real time communication doesn't require other guy to communicate
  - Doesn't attract attention
  - Used to be cheaper
  - Perceived as less intrusive
  - Deaf people cannot use phone call but blind people cannot send SMS
  - Can broadcast, time savings
  - Can be stored
  - Girls prefer messages than calling
  - Less affetcted by signal problems
  - Remains the proof that has been written
  - Can send a message while doing something else (cannot call when you cannot speak)
  - Can correct and weight the right word,
  - more respectuful you may not reply and not be so rude
  - More neutral from emotions
- Only one issue about costs, rest is about psychology or convenience

#### Why Italians were so fond of SMS?



#### • 2016 Explanations

- If you can't really talk on the phone, sms is better
- for some people to talk it is hard (psychologically)
- takes more time, writing messages is fast
- It was new
- There was internet messages but there was not really internet penetration in italy
- It was cheaper than calling
- Asynchronous communication
- If what you need to say can fit in to 256 charcthers there is no need to talk
- When you want to meet somewhere the sms can be stored and checked later
- Again only one answer is about costs the rest is psychological or convenience





- 2000 Fabio and Beatrice have a baby
  - The kindergarden closes at 16:00
  - Fabio tends to linger in the office longer than necessary
  - Wed 15:15 Beatrice has an important meeting
  - Thu 19:15 Beatrice is hungry
- "Timing exercise" in Class
  - 15:15 12 seconds
  - 19:15 17 seconds
- Acceptable prices for each family conversation?
  - 15:15 0.05€ (+1), 1€, 0.25€, 0.01€, 0.10€
  - 19:15 more or less the same



- Beatrice was a young professional, let's take a more middle class role
- What is an acceptable "meaningful cost" of "Sorry I'm late by 1h." "Ok, I'll pick the kid at school" for 1999's family?
  - Italian High School Teacher with MA Degree
  - 42 working weeks out of 52 (4 days a week, 4-5 hours a day)
  - How many hours/days/weeks must work to pay phone bills?
- Calling for 17' a day, off-peak, for the year
  - 1999: teach for 1day, 2days, 1week, 2weeks,
  - now: teach for 1hours
- Calling for 12' a day, normal hours, for the year
  - 1999: teach for 2days, 3-4days, 2weeks
  - now: teach for 1-2days

#### Why Italians were so fond of SMS? Data



- Omnitel
  - In 1998 ha 6.1M customers
- Omintel Tariffs in 1999
  - From "La Repubblica" 29/January/1999
  - Peak times (8-16): 0.51€/minute (before were 1€/minute)
  - Off peak (22-8): 0.101€/minute
  - SMS costs: 0.086€/each
  - "Scatto alla risposta" Talk 1 minute or 30 second, still pay 1 minute
- Vodafone (who bought Omnitel) 2015
  - Basic: 0.125€/Minute
  - Unlimited Minutes: 34€/Month (actually 4 weeks)
- What does it mean?

#### **Balancing cost vs function**



- Remember people must work to pay you
  - Even the very rich must spend time of their servants, lawyers etc. to buy stuff
- Family cost of "Sorry I'm late by 1h." "Ok, I'll pick the kid at school" in 1999
  - Talking: 0.5-1€ vs SMS: 0.16€
- Starting salary of Italian High School Teacher with MArt Degree
  - 42 working weeks out of 52 (4 days a week, 4h/day, 4-5hours/day), 20% taxes.
  - 1999: 10.253,22€
- Calling 10' a day for <u>every</u> working day
  - off-peak, for the year  $\rightarrow$  teach for two weeks
  - normal hours, for the year → teach for <u>two months</u> just to pay phone bills, don't eat, don't pay rent, don't buy clothes, just pay the phone bills
- Texting once a day for every working day
  - off-peak, for the year  $\rightarrow$  teach for 2 hours
  - normal hours, for the year  $\rightarrow$  teach for 2 hours

#### Exercise



- Compute "Meaningful Cost" for same teacher today
  on using SMS vs MMS vs Whatsapp
  - Last one provides photos or audio as well as text but requires internet connection either flat or by byte
- High School Salary
  - 42 working weeks out of 52 (4 days a week, 4h/day), 20% taxes
  - 2015: 20.973,22€ (plus performance bonus but ignore that)
- Cost of doing for every (work)day
  - Calling 10'x2 vs 2 SMS vs 2 Whatsapping it
  - 1 baby picture to Granny with MMS vs Whatsapping it

#### **Second Exercise**



- Winners and Losers
  - VHS vs Betamax
  - Phonogram vs Gramophone
  - Mac vs PC (but only for for Graphic Designers)
  - Mac vs PC (but only for Small Companies)
  - iPad vs Windows Tablet (Pen Tablet)
  - Qwerty vs Dvorak
  - 2+ Buttons Mouse vs 1 Button Mouse
- Each student will have to chose a case study and submit ONE slide per case study x Thursday evening
- <u>http://doodle.com/poll/ep2mnspvwh6vqpmu</u>

#### **VHS vs Betamax Slides**



- Common Characteristics
  - If any

#### VHS Unique Characteristics

- Key differentiating characteristics (Business, technical, usability, whatever)
- Bla bla

### Betamax Unique Characteristics

- Key differentiating characteristics (Business, technical, usability, whatever)
- Bla bla
- Why VHS Won?
  - The reasons for you
- Evidence
  - Some links/paper etc.

#### Textbook



#### Product Design and Development Karl T. Ulrich and Steven D. Eppinger 5th edition, Irwin McGraw-Hill, 2012

- 1. Introduction
- 2. Development Processes and Organizations
- 3. **Opportunity Identification**
- 4. Product Planning
- 5. Identifying Customer Needs
- 6. Product Specifications
- 7. Concept Generation
- 8. Concept Selection
- 9. Concept Testing
- **10. Product Architecture**
- 11. Industrial Design
- **12.** Design for Environment
- 13. Design for Manufacturing
- 14. Prototyping
- 15. Robust Design
- **16.** Patents and Intellectual Property
- 17. Product Development Economics
- 18. Managing Projects

#### **FIFTH EDITION**

## Product Design and Development



KARL T. ULRICH + STEVEN D. EPPINGER



# <u>http://doodle.com/poll/</u> ep2mnspvwh6vqpmua3wsmaym/admin

