Case Summary

Serial entrepreneur Wayne Soutter and his current technology start-up TrackerSense, which produces a low-cost mobile tracking device for high-value packages, provide the context for this highly applied case study.

The story follows the establishment of high tech start-up TrackerSense to the point at which the launch product is just about to go into a 500-unit proof-of-concept production run, ahead of a hoped for major venture capital investment that will enable a full-scale launch.

The discussion questions invite students to consider a number of important marketing development decisions often faced by entrepreneurs. Students are encouraged to demonstrate their practical and theoretical knowledge by addressing very real challenges across a typically broad entrepreneurial management spectrum, including product design, branding, distribution, intellectual property protection and sustainability.

This case was written following extensive interaction with the founding entrepreneur using a critical marketing perspective. It is targeted at postgraduate and undergraduate management students taking a marketing or entrepreneurship course.

Teaching Plan

A class of 60–90 minutes could be structured as follows:

10–15 minutes case introduction (inspiration, nature of innovation, market background).

Discuss the opening question. Reveal the product design later in discussion.

5 minutes plenary questions and discussion

Reveal questions 1–4

5 minutes identifying groups and assigning a question to each group

Each group to select a presenter as first action (strictly <3 minutes presenting)

20–30 minutes facilitated group discussion—broken up into five groups (one per question)

20–30 minutes group presentations, and invite wider group comments and answer reveal

Suggested Answers to Discussion Questions

1. Should the tracker unit be designed to stick on the outside or sealed inside the packages? Consider the different design, shape and required features for these two options using a simple graphical representation.

Students should consider the housing required for a mobile telephone-sized integrated circuit board. Practical
product design, often through trial and error can be unexpectedly expensive, time consuming and challenging. The first production design sought to overcome profile and adhesion issues, being seen as an exterior attachment as the large surface area and smooth profile in the early concept pictured below illustrates. Proof of concept market research with potential clients guided the decision to put the TrackerSense unit inside the packaging rather than on the exterior, reducing some demanding design constraints around adhesion, accidental damage and theft. The product (Teaching Notes Figure 1) was initially conceptualized as an open backed (less weight) case that had an opening for the circuit board and battery to be slotted into. An injection-moulded composite was selected on the basis of price, strength and durability (not metallic/silver as the mock up image in Teaching Notes Figure 1 might suggest). Signal strength was a significant limiting factor, and any coloration to the material (using suspended carbon) was found to reduce range undesirably and thus white product housing was eventually selected, as seen in Teaching Notes Figure 2.

Teaching Notes Figure 1. Initial product conceptualization. This early product model with a shiny metallic cover featured the embossed GoLoc8 name. Low profile bevelled edges and sloping left and right sides were designed to reduce likelihood of being knocked off the exterior of a package.

Teaching Notes Figure 2. TrackerSense launch product design. This first production design cover featured a round-edged white mobile telephone-sized device with the TrackerSense logo; “Tracker” bold orange font with a dripping triangle hangs off the bottom of the letter c, with “Sense” in contrasting light blue.
2. Consider an alternative brand name hierarchy. Where might it sit between a branded house (e.g. typical Fast-Moving Consumer Goods (FMCG) companies like Unilever and Proctor and Gamble) and single corporate identity (e.g. Google, Canon, and British Airways)? What URLs would you look to purchase?

Students might use examples, e.g. Nike as an example of a single brand compared with fast moving consumer goods branded houses such as Unilever, Proctor and Gamble and Coca-Cola. In rushing the first product to market some organizations select a name that limits their brand as it might seek to diversify, e.g. Starbucks dropped “coffee” only latterly.

Students are likely to suggest a range of options from the literal (tracker, trace, monitor, where's my package?) to perhaps identify more emotional benefits (secure, safe, my boss needs to know, you know where it is, etc.) or alternatively something distinctive yet unrelated to functional benefits offered (made up Latin names and acronyms are frequently used for their lack of meaning, protectability and ease of ownership). Consideration of a range of products highlighting the single use, short operational windows provided by SIM registration and battery life (TrackerSense 15, 30, 60, 120 and so on perhaps) could allow for some degree of premium pricing for enhanced and reusable product offerings.

Overly clever, text-speak brands may be easier to protect and acquire affordable and available URL domain names for, but customer comprehension is crucial and the straightforward and the functional “TrackerSense” ("Ronseal: it does what it says on the tin!") was chosen over the original name GoLoc8 (which was often mis-
read as Go Lock Eight). Have students sought to identify if the URL domain names they have chosen are available for purchase? The simple and intuitive http://www.tracker.co.uk is already taken.

3. What would you recommend as the go-to-market strategy?

Students should identify go-to-market as the place “P” of marketing, traditionally referred to as distribution.

As consumers ourselves it is often business-to-consumer (B2C) brands and business models that we consider first, often overlooking business-to-business (B2B). Although a consumer proposition is possible, Wayne believed the most effective route to market would be through a concentrated potential courier/logistics company partner base, with just 80–100 targeted. With direct access to their own customers and experience in the industry, offering a margin sharing with intermediaries was seen as an attractive risk reducing engagement. Wayne had already attracted a courier organization investor with the business idea; their involvement offered invaluable development feedback, consumer and market insights and proof of concept validation. A B2C launch was considered to be expensive, requiring a large marketing budget and market penetration that was likely to be both slow and carry a high risk for a start-up organization without any geographic presence and very limited brand awareness.

4. How might Wayne look to protect the intellectual property inherent in this innovative product offering?

The TrackerSense team identified innovation and speed-to-market as their critical forms of competitive advantage, having noted early on significant competitor activity in the child and pet tracker space. Having pondered opportunities to patent the whole product and various innovations, such as the circuit board printed aerial and backless housing the new tracker product, Wayne concluded that customer intimacy and benefit innovation were likely to be their critical success factors. Because patents offer competitors very public and detailed design insights that require only small changes to be made for legal manufacture of imitations, TrackerSense took the view that the time and costs involved outweighed any limited protection they might afford, although two small design patents were likely to be taken out at some point.

5. How might TrackerSense seek to overcome the possible negative dimensions of “disposable”? Ethically aware consumers and courier companies being held to account for their environmental impact might be sensitive to the terminology and expect to see some sustainable mitigation.

Whilst the tracker units, with extendable SIM contracts and replaceable batteries, are functionally reusable, their low cost can enable them to operate on a single use basis. Sometimes the pure cost of carriage incurred in a recycling approach (international postage) proves to be prohibitive, and transportation costs more than the value of the returned item itself. Careful nomenclature selection to replace the potentially incendiary term “disposable” with perhaps “single use” or “Tracker 15” (days) and a voluntary rather than financially required returns policy were approaches under active consideration. The charity shop return bucket collection system had been identified as offering a low cost win/win solution that might also mitigate any environmental concerns.
6. How did networking play an important role in the birth of this innovation?

Wayne Soutter developed the initial TrackerSense concept having had a stressful family experience (lost child in busy London museum), but found and validated the launch concept having struck up a conversation with a senior sales person from a leading courier service (TNT), on a plane back from Ireland.

This is, of course, the easy open goal answer. Students can be challenged to consider the strategy of bootstrapping in an often financially constrained environment and the need to effectively utilize a range of expertise, often unpaid, to help guide the lonely entrepreneur/overstretched start-up team. These connections can come from chance encounters, or more likely deliberate efforts to “get out there” and make and foster a range of professional and social contacts.

The case author connected with Wayne whilst helping out on their school Christmas fete, over an email exchange inquiring what TrackerSense was and why there was no website, which resulted in a fortuitous informal coffee discussion.

The case study affords an opportunity to emphasize the importance of chance and serendipitous networking, and how interesting and useful connections can arrive unexpectedly in unusual situations.

Strategies to Enhance the Learning Experience

The proposed teaching plan envisages this case study to encourage interactive group work and non-repetitive informal classroom presentations. Alternatively it would be entirely feasible to encourage students to prepare (in groups?) responses for all of the questions, but this would need additional time not included in these teaching notes.

Using an “expert panel” of role-playing venture capitalists, marketing entrepreneurs could be invited to competitively pitch their proposals and ask for feedback measured by the size of their financial commitment (ranging from zero to lots).

Where student numbers make this level of interactivity constraining, perhaps groups could be invited to address the questions or make a pitch using an uploaded 2-minute video (search in YouTube for prescribed title that includes course code and year) or a B2B trade show audio visual advertisement for the launch that addresses a number of the stated questions. (See Teaching Notes Figures 3 to 6.)

Teaching Notes Figure 3. TrackerSense device held comfortably between the thumb and forefinger. This production launch product in white featured the brand logo and trackersense.com web address in a lower profile mid-grey at approximately 25% font size. The visual proportion of the product as the computer-generated product visual appears to fit comfortably inside the open digits of the prominently featured hand image.
Teaching Notes Figure 4. TrackerSense proportioned adhesive packaging pouch and branded white paper insert mounted on the exterior of a cardboard shipping box.
Teaching Notes Figure 5. Example advertising for “The low cost package tracking solution.” The blue back dropped A4 image features TrackerSense product with coffee cup size comparison.
The low cost package tracking solution.

Track valuable packages every step of the way for complete peace of mind.

Know more about your packages than ever before with the TrackerSense™. This low cost, single-use product is a hassle free solution with no additional costs or monthly contract.

Our leading edge technology and revolutionary design allow you to track your package in near real-time, anywhere in the world with no additional infrastructure required.
Teaching Notes Figure 6. A4 marketing collateral explaining how TrackerSense works and providing a detailed product specification. The top graphic shows the three-step process. The middle graphic carries body text and a table featuring detailed product specifications. In the bottom graphic, the smaller TrackerSense product is shown against a larger, monitor-sized digital map.
How it works
The latest GPS and LBS (Location Based Services) technology take this product beyond the traditional waypoint track and trace solution offered by couriers and airlines. High resolution with an accuracy of up to 6 metres, it offers near real-time tracking anywhere in the world for 30+ days. It is specifically designed to add an extra revenue stream to courier and freight companies by reselling to their customers.

3 simple steps
1. **PULL**
   Pull the tab to activate.
2. **PACK**
   Pack in your shipment.
3. **TRACK**
   Visit website to track.

Intuitive web based tracking
The TrackerSense™ web portal shows tracking history and current location of shipments enabling full tracing capability. Email alerts can be configured for events such as low battery life.

30+ days battery life
The device is capable of 30+ days battery life dependant on the reporting frequency which users can configure from the TrackerSense™ web portal. For example, with the default settings of hourly reporting, the unit will last for 15 days, while 6 hourly reporting will offer 30+ days.

Other products in the range
The TrackerSense™ 365 product is a rechargeable full featured unit boasting temperature, light and shock sensors. Contact sales for more information.

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<tr>
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Contact [info@trackersense.com](mailto:info@trackersense.com) for more information and pricing.
Additional Assessment and/or Discussion Questions

1. Evaluate the critical product design requirements and augmented intangible features for a high-value package tracking service. Use graphical representations as appropriate.
2. Assess the choices available to marketers when deciding on a new brand name.
3. What are the advantages and disadvantages of utilizing a business-to-business go-to-market strategy?
4. Are product patents important in trying to establish a sustainable competitive advantage?
5. What can entrepreneurial marketers do when mandatory recycling is prohibitively expensive?
6. Present a tracker proposition pitch to a panel of role-playing venture capitalists.
7. Create a 2-minute video advertorial launching a new high value tracker brand proposition.

Further Readings


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