

MAKE YOUR NEW PRODUCT LAUNCH SUCCESSFUL Three Key Marketing Strategies You Can't Live Without

Walter Ruckes, Vice President, Sales & Channel Engagement,
BIWORLDWIDE

70 to 95% of
new products will fail

At least 35,000 new consumer products were introduced in the United States last year. On a global basis, about 120,000 new products will hit the market this year. That's about 650 a day! Depending on which analysts you consult, anywhere from 70 to 95% of these new products will fail.

poor or
inadequate
design

The reasons products fail are far and wide, such as poor or inadequate design, inferior quality, manufacturing issues, a market need that never existed, a market need that couldn't be created, unacceptable pricing, bad packaging, inadequate distribution and even a product consumers don't understand.

inferior quality

manufacturing
issues

market need
never existed

market need
couldn't be
created

unacceptable
pricing

bad
packaging

inadequate
distribution

consumers
don't understand
the product

The blame game

Sometimes - actually too many times - excellent, innovative and even compelling products fail because their own marketing campaign or lack thereof, failed them.

A recent Harvard Business Review article listed these marketing glitches as some of the most common reasons for product failure:

Too much of the budget was used to develop the product, leaving too little for launch marketing and sales support.

The target audience wasn't adequately defined resulting in an unfocused marketing campaign.

The marketing campaign was developed by internal company resources and lacked the objectivity an agency could have provided.

The product had insufficient exposure and limited advertising, marketing, public relations and promotional support.

The launch budget was too small and depended solely on one marketing strategy.

Not enough marketing tactics were used to reach an increasingly diverse, social and technology based consumer.

Too much of the marketing budget was used for the launch and too little was left for ongoing promotion.

Partners in the sales channel weren't adequately informed, trained and motivated to sell the product.

Products come to market faster than ever. The average development cycle has dropped from an average of 12 to 18 months to a scant six months. That's not much time to do everything that needs to be done to get a product launched, much less think about what's to be done to sustain interest and broaden appeal beyond the initial targeted audience.

New product success factors

Of course even the best marketing campaign in the world will fall flat, if the new product isn't user-worthy and hasn't been adequately researched. How do you know if your product is ready to be developed and ultimately launched? Here's a well-regarded, 12-step checklist developed by the Nielsen organization to help you decide!

12-step check-list

1 Distinct proposition.

Your product is truly innovative and something consumers want.

2 Attention catching.

Targeted customers are interested and recognize that this is something new.

3 Message connection.

Packaging and labeling create a mission statement and make the product's purpose clear to the user.

4 Clear, concise message.

The product message is focused.

5 Need/Desire.

The product serves a real need such as ease of use or convenience.

6 Advantage.

The product is different and superior to other competitors.

7 Credibility.

Packaging, ads, coupons, messages, etc. are honest and contribute to the customer's trust in the brand.

8 Acceptable downsides.

You have identified and addressed the downsides before the customer has the opportunity to point them out to you and everyone else via social media.

9 Findability.

The product can easily be located for purchase.

10 Acceptable cost.

The price of the product and the cost to use it resonate with the customer.

11 Product delivery.

The product is available now.

12 Product loyalty.

The product can stand its ground when the competition reacts to it.

3

Three Must-Do marketing strategies for your market-ready product

Once you believe your product is ready for market, here are three marketing strategies you should consider to make your launch as successful as possible.

1 Hire an agency.

You need objective thinking, strategic planning and tactical support to get your product message to your sales channel and target audiences. A good agency will act as your “general contractor” to bring together all the resources you need to prime the pump for the launch, launch the product and create sustainability.

2 Build a realistic budget.

Working with your agency, develop a marketing budget to include pre-launch, launch and post-launch strategies. If you neglect pre-launch activities, you aren't building a good launch foundation. Equally if you push-off post-launch as something to worry about later, you will likely find yourself wondering why customers aren't continuing to purchase. This could put you in the 70 to 95% failure category.

3 Create a comprehensive marketing plan.

Your agency should guide you through a detailed process to consider the best pre-launch, launch and post-launch strategies that fit your specific market needs. Don't settle for a launch-only strategy.

Prelaunch strategies your agency should consider based on need include:

- Product awareness information for sales channel partners
- Product training for sales channel partners
- Sales or service certification training
- Sales meetings and product reveals
- Teaser campaigns to create anticipation for the launch

Launch strategies a good agency will discuss with you can include:

- Advertising and direct marketing through traditional media
- Social media campaigns
- Public relations events
- Event sponsorships
- Product road shows
- Customer promotions and contests
- Sampling and give-a-ways
- Sales incentives for channel partners

Each launch strategy should include a way to collect data with a firm plan in place to analyze the data during launch and immediately after each launch tactic.

Post-launch recommendations your agency can include based on data collected:

- Targeted customer promotions
- Sales channel incentives
- Advertising and direct marketing through traditional media
- Social media campaigns
- Public relations events
- Event sponsorships

Again, each post-launch strategy should include data collection and analysis.

success

Market for success

Many factors determine a product's success or failure. Making sure your marketing strategy includes pre-launch, launch and post-launch plans developed with you by a competent agency can have a dramatic impact on whether you rank in the minority of winning products or the majority of losers.

For more information on successful Product Launch strategies and to see how **BIWORLDWIDE** can assist you, visit BIWORLDWIDE.com or email us at LATAM@BIWORLDWIDE.com

ⁱThe Nielsen Company, Factors For Success Framework. 2013. Web.