

Avoid the Thud

Launches are likely to fail without solid marketing.

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Launching a new product can be a source of anxiety and apprehension for any company. No wonder: Product launches fail at a rate of 50 to 70 percent. A crucial component in any successful product launch is marketing. If you fail to invest in marketing before investing in the stages of product development, the product will not be positioned for success.

Begin with the customer in mind. First and foremost, carefully consider the needs of the targeted end-user of the product, rather than what the product itself can do. A common reason for product failure is directly attributed to failure to understand customers' needs.

Companies often focus more time and effort on developing new products using their existing technologies than scanning the marketplace for trends and opportunities to solve new problems for customers. Involving marketing as early as possible in the research and development process is crucial.

Do your homework on the competitive environment. Collect as much information as you can find about the marketplace and competing products. Some things to consider in a competitive analysis:

- How does the target market perceive competitors? Their products?
- How are the products being sold and distributed?
- How are the products priced?
- How are competitors promoting their products?
- What will the product's place in the marketplace be — will it serve a niche market in a mature category or is it a revolutionary new product with mass market appeal?

Prepare and inform sales and distribution partners. Never launch a product without preparing distribution channels. In many categories, customers look to distributors and sales people to be the authority on a product. If distribution channels are unaware or misinformed, you

jeopardize your relationship with them and their relationship with customers. If your sales force and distributors don't feel knowledgeable about a new product, they are not likely to sell with conviction. Share findings from market research with distribution channels to demonstrate that a market does exist for the product. Arm sales people and distributors with the tools they need to explain and sell the product.



Understand the core brand values and the new product's fit within the brand. This is especially important for products that are to be marketed under an existing brand. While there are financial efficiencies to launching a new product under an existing brand, careful consideration must be given to the products that fall under the parent brand. The new product offering must be consistent with the core brand

values and benefits or intentionally move the brand in a new, positive direction. Taking a new product outside a brand zone can weaken or dilute the overall brand.

Use marketing to make sure that the brand's promise lives up to the product's performance. Today, it's key for companies to offer ways for end-users to experience a product, instead of simply communicating brand-based messages. Engage tactics such as sampling, social networking and targeting early adopters and influential individuals to encourage use of the new product and to create a buzz.

Businesses invest heavily to bring new products to market. And with shortened product life cycles driving the real need to get new products into the marketplace quickly, it's tempting to skip the market research and planning required to ensure that a new product succeeds. But as greater responsibility and accountability for financial performance is placed on marketers, we must look at our roles as going beyond creating demand for products to managing business risk. **KCB**

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