
Successful New Product Introductions.

Why do so many new product launches fail? Companies often are so enamored of their new product ideas that they fail to do their homework or they ignore traditional disciplines. Sometimes, the pricing or the distribution channels are wrong. Sometimes the advertising doesn't communicate. Successful product launches result from an integrated process that relies heavily on research and solving up-front issues.

Market research

Market research is the key. Without the necessary information, you're simply flying blind in a storm, headed for a crash landing. Market research does more than confirm your "gut feeling," it provides critical information and direction. It identifies market needs and wants, product features, pricing, decision makers, distribution channels, motivation to buy. They're all critical to the decision process.

Timing

Are all elements of the process coordinated? Is production on the same time schedule as the promotion? Will the product be ready when you announce it? Set a time frame for the rollout, and stick to it. Many products need to be timed to critical points in the business cycle. Miss it, and invite failure. There are marketing tales galore about companies making new product announcements and then having to re-announce when the product lags behind in manufacturing. The result is loss of credibility, loss of sales, and another failure.

Capacity

If the new product or service is successful, do you have the personnel and manufacturing capacity to cope with the success? Extended lead times for new products can be just as deadly as bad timing.

Testing

Test-market the new product. Be sure it has the features the customer wants. Be sure the customer will pay the price being

asked. Be sure the distributor and sales organization are comfortable selling it. You may need to test your advertising and promotion as well.

Distribution

Who's going to sell the product? Can you use the same distribution channels you currently use? Can you use the same independent representatives or sales force? Is there sufficient sales potential in the new product to convince a distributor, retailer, or agent to take on the new line? There are significant up-front selling costs involved in introducing new products. Everyone in the channel wants some assurance that the investment of time and money will be recovered.

Training

Your sales organization, inside employees, and distribution channels will need to be trained about the new product. If the product is sufficiently complex, you may need to provide face-to-face training. Or perhaps some type of multimedia program will do the job. If the product is not that complex, literature may work.

Again, timing is critical. Train before the product hits the shelves, not after.

Promotion

Finally, you need the promotional program to support the introduction: advertising, trade shows, promotional literature, technical literature, samples, incentives, Web

site, seminars, public relations. Time it all with production, inventory, shipments, and training. The new product will simply sit in the warehouse without the right support materials.

These are some of the myriad issues you face in launching a new product or service. Research, timing, and planning can all help increase the probability of success. Give us a call at **888.681.8600** for your next new product launch – done right!



SmartTARGET

Creative Marketing Services provides marketing, creative and sales promotion services on an "outsourced" basis without the high-cost or overhead of a traditional advertising agency. To discover how you can make your marketing more effective, visit www.mysalespromotion.com
