

TIPS FOR PLANNING THE PERFECT PRODUCT LAUNCH

You've spent thousands of hours bringing a new product to fruition. You've invested energy and significant financial resources in multiple development cycles, and you've worked through prototypes that almost worked, could have worked, and were almost good enough. Finally you are ready to go with a product that you are proud of and it is time to press the button on the product launch. But what should you have in mind before you press that button?

Many companies launch new products and/or services in a speech at a major event. If you're doing this, have the person giving the speech do a dry run in front of the whole company, members, associates, or friends. That way, the numerous questions they ask can be answered within the format of the speech. It will also give you a chance to know what it is consumers will be looking for from this product.

Do you know the category/industry you are specifically targeting?

Start by defining the 'category' that your product/service exists within and then map it to its key product benefits, the core value proposition and competitor benchmarking – right down to core messages and launch strategies, plans and objectives – at least for the first 12-24 months.

Keep asking: “who exactly is my customer and why exactly should they buy from me?”

Janine Popick at Inc magazine takes the product launch strategy a step back and highlights the importance of building an audience for your launch even before you have a working prototype of your new product. She explains her reasoning thus:

“Building an audience before you even have a product is critical. You're going to need to tap people to test what you're building, and it can't be Aunt Mary and Uncle George. You're going to have to answer the question every potential investor asks: “How many people are using the product today?”

When you first established the target audience as part of your evaluation of the market opportunity, did you identify any additional segments within your target audience? Determine how the needs of those individual segments differ, and think about the various ways you can align your product with those needs. Pick out the features that will matter most to each segment and highlight them in your messaging and promotional strategy.

No matter what product you're launching, people tend to use the products that are the most relevant to their needs. Give them the right message at the right time, and they'll be more likely to adopt. Remember, a product can serve the needs of multiple target segments, but the positioning needs to be appropriate to the audience.

(Tip: Almost no one anymore invests in companies that don't have customers.)

How about announcing it on Facebook? Or creating a page strictly for this product?

The number one reason a Facebook user “likes” a brand is to receive a discount or special offer. Research also shows 84% of users who “like” a brand on Facebook never return to that brand’s page after exercising the incentive that got them there. This means the typical marketer’s Facebook strategy is doing little to grow their customer base, and worse, it could be inadvertently and dramatically hurting their margins. Marketers must ask themselves: What, other than a discount, will both incent new customers to like my brand and habituate their interaction with it?

Don’t gloss over the basic question “Who will buy this and at what price?”

Here’s a story about targeting the wrong audience at the wrong price.

The buzz spiraled out of control when news of a secret new product, code-named Ginger and created by the renowned inventor Dean Kamen, leaked to the press nearly 12 months before the product’s release. Kamen, it was said, was coming up with nothing less than an alternative to the automobile. When investors and the public learned that the invention was actually a technologically advanced motorized scooter, they were dumbfounded. Ads showing riders who looked like circus performers perching on weird-looking chariots didn’t help, nor did the price tag—\$5,000.

When it was launched in December 2001, the annual sales target was 40,000 units, and the company expected to sell 50,000 to 100,000 units in the first 13 months. Segway Inc's investors were optimistic. Dean Kamen predicted that the Segway "will be to the car what the car was to the horse and buggy" and John Doerr, a venture capitalist who invested in the company, predicted that Segway Inc would be the fastest company to reach US\$1 billion in sales. However, only about 30,000 Segways were sold from 2001 to 2007.

Instead of selling 10,000 machines a week, as Kamen had predicted, the Segway sold about 24,000 in its first five years. Now it sells for far less to police forces, urban tour guides, and warehouse companies, not the general public. If there was ever a product to disprove the axiom “If you build it, they will come,” it’s the Segway.

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