How to Build a
WINNING
STRATEGY
for Your Next Product Launch

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INTRODUCTION

Ever heard of the Apple Newton? What about Microsoft WebTV? It's likely that you haven't. Even if you're familiar with these names, it's probably because you read an article somewhere about failed products. In fact, 75% of retail products and consumer packaged goods fail to earn even $7.5 million in their year of launch according to the Harvard Business Review.

So if a majority of product launches fail, that puts you at a risk of having yours fail as well. That means all the time and effort you've put into developing the product and the marketing strategy would be flushed down the drain.

The harsh reality is that it's not easy to successfully launch a product. And even the most seasoned marketers can face challenges with their launch process. The good news is that there are ways to tackle the issues and challenges that often result in product launch failures.
In this ebook, you'll get step-by-step instructions for a winning product launch strategy.
You'll get elaborate insights into how you can evaluate the product, and determine its suitability to your target audience. You'll also learn how to study your competition, and build a strategic solution to get ahead of them.

Worried that your new product will fail? Having trouble developing a compelling product launch strategy? Read on to discover the comprehensive solution to your problem.
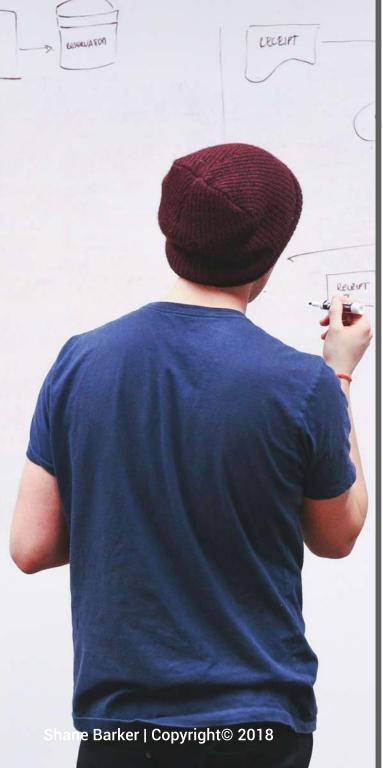
CHAPTER 1

WHY YOUR PRODUCT LAUNCH CAN FAIL

In the introduction to this ebook, you learned that a majority of product launches fail. The same study found that less than 3% of consumer packaged goods managed to exceed $50 million in first-year sales.

But what could be the reason why so many others experienced failure? Maybe it's due to lack of preparation. Or maybe because the product failed to deliver. Understanding the reasons behind these failures can help you prepare accordingly.

Let's take a closer look at some of the reasons why your product launch may fail:

1.You fail to target the right market – When developing a new product, it's only natural that you need to deliver something that people will want to buy. However, the same product may experience different levels of acceptance or appreciation in different target markets. Some marketers may be targeting their product to the wrong market and experience failure. Maybe their target audience isn't interested in the product, or they don't have the funds for it.

Remember, that just because that target market needs the product, it doesn't mean that they'll buy it. In fact, a lot of advertisers could be missing out on their potential audience by targeting the wrong market according to Google's VP of Marketing, Lisa Gevelber. For example, only 31% of mobile searchers for video games are men between the ages of 18 and 34.

2. You launched before the product is ready – One of the biggest mistakes companies make is in launching the product before it's thoroughly ready.

Maybe you're getting pressure from higher-ups or maybe your competitors just launched something similar. You might feel compelled to launch the product despite not having tested it thoroughly. So you're just delivering a product that has a huge chance of being flawed or incomplete.

3. Your product didn't live up to the hype – In their excitement, many marketers end up building too much hype about their upcoming product launch. When a product

is already so hyped up, you risk failing to live up to the consumers' expectations.

You may overstate the benefits of the product, or promise capabilities and features without being able to deliver on them. This means you'll have a bunch of disappointed customers when your product fails to live up to the hype.

4.Your company can't support fast growth – You may have gotten everything right – you built and launched your product successfully, but what's next? Do you have a plan in place in case the product takes off?

Some marketers fail to think beyond the product launch and end up being unable to support the fast growth resulting from the product's success.

Will you be able to deliver the same quality of products if you need to produce more units due to high demand? If not, there's a chance that your product will fail in the long run.

There could be many other factors contributing to the failure of a product. These are the biggest and most common causes. And you should prepare yourself for them.

In the next chapter, you'll get a step-by-step guide to help prepare you for a product launch, and combat these issues.

CHAPTER 2

STEP 1: EVALUATE YOUR PRODUCT

The first step to a successful product launch is product evaluation. Tons of new products flood the market every day. If your product doesn't stand out, or offer something extremely useful, there's a huge chance it's going to get lost among the sea of other new products. That makes it crucial for you to thoroughly analyze your product and determine its value and suitability in the market.

Ask yourself these important questions to understand whether your product has the qualities that will make it successful:

1. Does it offer unique features? – What's the point of bringing something to the market that consumers have already seen? You need to offer them something that will get their attention and will be of interest to them.

2. Will it have mass appeal? – If the product is going to appeal only to a small

niche, there might be a problem keeping it in the market in the long run. Consider whether it will sell to different demographics.

3. Can it solve their problem? – People will be more likely to buy your product if it helps them solve an issue. Maybe it could be an issue related to their work, or a problem around the house. If your product offers consumers a solution, it improves its chances of success

4. Is it easy to use? – Think about how your target market will be using the product. Will it be difficult for them to learn how to use it? Or can you give simple explanations about how it works? If it's too complicated, there's a serious chance of failure.

5. Does the cost match its value? – You might need to sell the product at a cost higher than your competitors' due to the expenses you've incurred in developing it. If you're offering something new and different, this could be perfectly reasonable. But if people can easily find a similar product with the same features at a much lower price, your product might not sell well.

6. Can you back up your claims? – If you're making bold claims about your product, you need to back them up with proof. People need to trust you and your product before they buy it. If you can provide success stories or studies and reviews to back up those claims, this will improve your chances of success.

When you know your product well, you can easily address the doubts and questions people may have about it. Being prepared with a thorough product analysis will also help you gain clarity about your product and come up with a convincing sales proposal.

CHAPTER 3

STEP 2: STUDY YOUR AUDIENCE

Now you have an excellent product to sell, but you have to find the right people to sell it to. Who's going to buy your product? How can you market it to them? What value proposition would they be the most interested in?

These are some important questions you have to answer before you can launch your product. So studying your target audience is the next thing you need to do to develop a winning strategy for promoting the new product to them.

Here are a few useful tips to help you out:

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• What's your target demographic?

Take a good look at your product, and ask yourself what demographic would value it the most. Studying details about the demographic will help you market your product more effectively. The study will involve the gender of your target consumers, and the age group under which they fall. Maybe you've created a new gadget that teenage boys will love. So study this demographic carefully to understand where and how you should market the product.

You should also take a close look at their income category and their educational background. This will help you come up with the right pricing for the product. It will also help you understand the kind of sales copy you should create for the demographic. Find out their geographic location and spending habits as well so you can then develop a customer profile or persona.

• What are their interests?

Studying your target audience involves understanding their interests so that you can make use of that knowledge to market the product. What kind of books do they read? Do they watch a lot of movies and TV shows? If so, then what kind? Do they like to listen to music? What genre of music do they seem to like the most? What are their personal values and religious beliefs? You can make use of these details to market the product launch in-tune with their interests.

• Where do they shop?

When you're launching a new product, you have to think about the distribution method. This means you will need to gain a better understanding of where your target market shops. For instance, you might be selling your product through distributors or retailers.

This means you'll need to find ones that can reach your target customers with your value proposition.

Does your target audience primarily shop online? If so, where? What search term would they use to find your type of product online? You will need to integrate your product launch strategy with search engine optimization (SEO) so these searchers can find your product.Maybe they shop from a combination of online retailers and brick and mortar stores. Use geo-targeting so the retail shops selling your product will be among the top search results.
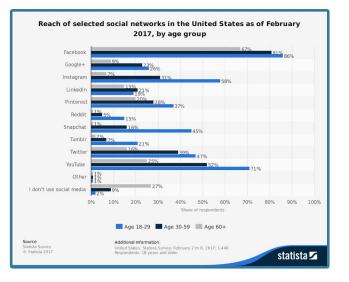
74% of shoppers search online to see if items are in- stock at a nearby store. 59% look for maps that display which stores have the item they searched for. 75% look for the price of the item at a nearby store. So having these details readily available can

dramatically improve your efforts to motivate store visits if you're distributing through brick and mortar shops.

Local Information Can Motivate Store Visits

Shoppers would find this information very/extremely helpful in search results:

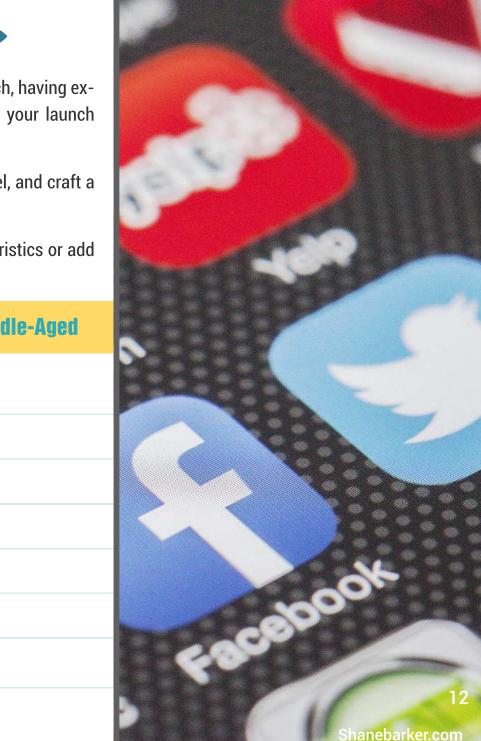| 75%	74%	66%	63%	59%	56%
Price of item at a nearby store	Item is in stock at nearby store	Location of closest store with item in stock	Details about local stores (hours, phone number)	Map showing which stores carry the item searched for	What else is available at the store that carries the items searched for

• **Which media channels do they use? –** When studying your target audience, one of the most important factors to consider is the media channels they use. Which media outlets help this target customer base in finding products similar to yours? Do they read newspapers or magazines? If so, which ones? Instead of wasting your efforts on spreading ads

through every newspaper and magazine, finding the most relevant channels will be the most effective and inexpensive method.

Additionally, find out which social media platforms they are most like to use. Maybe they use YouTube the most, so you could come up with short promotional videos and post them on your YouTube channel. Or you could work with YouTube influencers, and have them contribute to promoting the product launch.

Reach of selected social networks in the United States as of February 2017, by age group

Age 18-29 Age 30-59 Age 60+

Source
Statista Survey
© Statista 2017

Additional Information:
United States; Statista Survey; February 2 to 8, 2017; 1,446 Respondents; 18 years and older

Take a look at the age distribution report on top social networks to give you a fair idea of which channel(s) might be best for you.

While there are a number of variables that can have an impact on your product launch, having extensive and accurate market intelligence can optimize your efforts in developing your launch strategy.

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Take the time to study all of these factors so you can select the right media channel, and craft a compelling sales copy that encourages the audience to buy.

Make use of this template to study your target audience. You can edit the characteristics or add more factors as needed.

Age Group	Millennials	Young Adults	Middle-Aged
Language Preference			
Education Level			
Income Category			
Media Preference			
Lifestyle			
Credit Card Owner			
Internet Savvy			

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CHAPTER 4

STEP 3: STUDY YOUR COMPETITION

Your product launch strategy won't be complete without a thorough analysis of your competitors. When you have a clear idea about similar products and competing businesses, it'll help you understand how to position the product in a fresh and unique way. Having an extensive knowledge about your competition also gives you a clear idea what you're up against, so you can develop your strategy accordingly.

Here are a few tips on conducting competitor analysis:

• **Determine your competitors –** The first step will be to determine who your competitors are. Think businesses who sell similar products or services to the same target audience. Find out the features and qualities of the products or services they sell. You also need to take a look at their market share and their marketing strategies. Find out how they reach out to the target audience.

Collect all these details so you can move on to the next step of determining their strengths and weaknesses. This enables you to come up with ways to capitalize on their weaknesses and work on trumping their strengths. See the potential threats they pose, so you can come up with a strategy to prepare for them.

• **Compare your offerings –** Your next step will be to compare what you offer with what your competitors are offering. See how you rank next to them, so you can understand where you need improvement. You can use a competitor grid to list their weaknesses and strengths, which will then help you understand your differences.

Here's a template for a competitor analysis grid, which you can modify as per your needs.

Competitor	Product/ Service Price	Product/ Service Features	Facility	Strength	Weakness	Strategy	Differences

A good competitor analysis will help you understand market gaps and market trends. You'll be able to determine what kind of competitive advantage you have, and how you can position that to your target audience.

CHAPTER 5

STEP 4: ESTABLISH YOUR GOALS FOR THE LAUNCH

Establishing a goal for your product launch is crucial. It's the backbone to the entire launch strategy. If you don't have a set goal in mind, you might have no idea how to measure the success of the launch. With a goal in place, everyone in the organization can work together towards a similar outcome. It'll tell them exactly what they need to do. However, your goal needs to be realistic and measurable in addition to being defined by a timeframe.

First, take a look at some of the types of product launch goals to give you an idea:

- **Sales goals –** You probably already have sales expectations. Define how many units your wish to sell within a particular time frame. For example, you want to sell 1,000 pairs of shoes within two months of your launch.

• **Product awareness goals –** This type of goal concerns trying to make the market aware of your company and your product. You can steer your marketing efforts towards building that awareness. For example, you want 100 social media mentions and 1000 website visits within the first week of launch.

• **Prospect goals –** This type of launch goal is especially important for those who have a long lead time to sell new products. Outline the number of prospects you expect to get from the product launch. For example, you want to identify 500 prospects in the first six months of launch.

• **Product defect goals –** Product defects are inevitable although you might have done whatever you could to produce something with minimal defects. You can set a goal to resolve any issue that comes up so as to avoid letting it affect the rest of your goals. For example, you want to address high-priority issues within 48 hours of being brought to your attention.

• **Customer goals –** Customer goals are essential if it's not your first release. Have a goal in place to measure how your existing customer base is adopting the new product. For example, you want to see at least 50 customers who want to upgrade within two months of launch.

You could come up with different goals for a shorter and longer timeframe so that you can measure the success of the product in the long run. These goals will help you draft the perfect strategy that will address each objective effectively.

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CHAPTER 6

STEP 5: DEVELOP A STRATEGY

While every product launch strategy is different based on the product and industry, there are three essential elements that every winning strategy needs to address. These elements will then form the basis of the rest of your launch strategy.

Ask yourself these three important questions when you're developing a strategy to launch your product:

1. How will you deliver the product to the target market -

You've done thorough research on the product and your target market. Now the important thing to consider is how you'll deliver the product to this market that you have defined.

Since you've already determined where your target customers are most likely to shop, you'll now have to think of a cost-effective method of delivering the product to them without a compromise on quality.

Think about whether you should go for a direct or indirect distribution channel. Maybe you could

make use of both channels. Direct distribution would be selling your product through your web-site or through your flagship store. Indirect would be selling it through an intermediary like a wholesaler or retailer.

Take a look at the table differentiating between the two channels.

Who Makes the Sale?	Web-Distribution Channels	Physical Distribution Channels
You (Direct)	Your company website	Direct sales through flagship stores
Intermediary *(Indirect)*	• Ecommerce sites • App platforms • Aggregators • Social commerce • Two-step distribution	• OEM distributors • Dealers • Retailers • Value-added resellers • System integrators

You will also need to consider the needs of the end-user. Maybe a live demonstration will effec-tively convince them to buy the product.

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