

# Product Launch

## Conducting a successful product launch

Great ideas achieve commercial success because of three key factors:

- They are innovative and meet a unique customer need,
- They are easy for your customers to adopt, and
- You have sufficient cash reserves to enable the idea to gain traction, generate market share and continue to sustain it.

The biggest hurdle, however, is often the most overlooked – preparation. Make sure your focus extends beyond the design and manufacture of your product to include how you will market and promote it, develop the capability to sell it and maintain the capacity to support it.

Product launches can be a lot of fun. By following these five steps and you'll find it easier and less stressful getting your product to market.

### Quality advantage

It's time to take a fresh look at your target customer and find out what makes them tick. This will help you to determine if your product idea will appeal to them or even help you to generate new ideas. In addition to knowing your target client, it's also important to stay up to date on current trends in your industry and what your competitors are doing.

*Our tips:*

- Revisit your market research – visit <http://canadabusiness.ca/eng/>, <http://www.ic.gc.ca/Intro.html>, or your local Chamber of Commerce for free resources, help and assistance.
- Know your target customer profile inside out – who are they, what motivates their buying decisions and where do they go to buy, to understand how you will market to them?
- What is it specifically about your product that appeals to your target customer? What do 'quality' and 'value' mean for your customers – it could be your commitment to service and after-sales support just as much as the materials and construction.

### Compatibility

Take a step back and focus on the tangible, real world benefits of your product rather than just the features.

Benefits solve a problem for the customer or fulfill a need. In essence, the benefit sells your product.

Think about the following:

- How will your product solve a problem for the customer?
- Will your product improve the customer's life?
- In what way is your product better than the competition?
- Is your price competitive?

*Our tips:*

- Skip the jargon. It's easy to get wrapped up in tech-talk, but your customers just want to know how it benefits them. If you're a bicycle manufacturer, your customers are more interested in the lifetime warranty you offer rather than the technical process you use to strengthen your frames.
- Understand who will be most receptive to the marketable benefits of your product? If your benefits don't align with the desires of your target customer, they aren't benefits.



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## Complexity of adoption

Widespread adoption of your product rests on your ability to get the word out, deliver it into the hands of consumers and make it easy for them to use.

*Our tips:*

- Using your market research to plan how you will take your product to your customers by marketing where they are. What channels are most likely to reach them? Are your customers more receptive to Facebook or YouTube advertising than traditional methods? Recognizing funds may be limited, consider which are the most cost effective and will provide the best return on your investment.
- Unless your offering appeals to a mass consumer audience, don't focus on the number of Facebook likes and Twitter followers you collect. Rather, use these social channels for more meaningful engagement. See who's talking about your offering online and then make contact with them.
- Reduce barriers to purchase by making it as easy as possible to source your product. Can your product be purchased online and in-store? Do you ship internationally? Have you got suppliers ready and willing to get behind your product? Now's the time to nail down your approach so you can be sure your product has the best chance of success.

## Triability

Offering your customers a chance to get acquainted with your products before they purchase them puts you one step closer to making the sale.

*Our tips:*

- Make it easy for people to learn more about your product with free trials, downloads, product videos, and demos.
- Establish a competitive warranty and invest in training your support staff to offer the best after-sales support policy. It's a great way to showcase your customer service skills and build life-long customers.
- Consider the implications if your product doesn't work quite as well as you hoped, or on the flip side if sales exceed your expectations. If your revenues are not as high as you had hoped or you need to address technological issues or fixes, or conversely if you need to ramp up capacity to meet high demand, are you prepared? Have a plan in place and ensure your business can weather these or other possible scenarios.

## Communicability

Now you know a little bit more about what makes a successful product, the final step is packaging your product in a way that demonstrates the previous four steps.

*Our tips:*

- Develop a launch plan and think of it as a blueprint to your entire product launch. It combines the tasks involved and, more importantly, the sequence of events in your product launch. Your launch plans should include a detailed marketing plan that considers channels, media, messaging and have a day-by-day plan for the release of information during your launch.
- After you're clear on what you want to accomplish in your launch, it's important to take inventory of your current assets. Your launch assets include email lists, video, audio, and any other assets you have at your disposal for your launch. If you're launching your product online, you may need to include assets like your website and web copy.

Once the fanfare has died down, there's no excuse to slow down. Make sure you revisit your goals and measure the outcomes of your initiatives. You'll probably want to make weekly measurements, tracking your week-to-week success.

Any time you are contemplating launching a new product, it is critical to update your business plan. Don't have a business plan? Use CIBC's Your Guide to Business Planning.

Your plan should include these five steps, as well others that can make or break your product launch. A key part of this plan is forecasting cash flow to ensure you have sufficient funds to operate your business through the product development stage and launch. In order to be prepared for the best and worst case scenarios, run your cash flow forecast through multiple situations to be sure your business can withstand fluctuations in demand or unexpected expenses.

If at any point you're unsure of your next step, consult your accountant, lawyer or financial advisor for advice.

