

321 LIFT OFF.



How brands can get ready for a successful product launch

We've been thinking a lot lately about new product launches and how easy it is for things to go spectacularly wrong.

With so much on the line, a significant investment in resources and months worth of hard work, how is it that **75% of new launches** are doomed to failure?

In our search for answers, we surveyed a number of marketers across a range of industries and have uncovered some interesting themes around new product launches, involving insights, readiness, and fame.

We've taken a look at what we think we should be doing vs what our surveyed marketers are doing.



#1 POWERFUL INSIGHTS ARE KEY TO ANY SUCCESSFUL LAUNCH

In 'Let's Do Launch: Five Critical Moves for Your Next Launch', Bain & Company argue that many prominent launches by great marketing companies fail because marketers do not design and run user research sessions that take real-life behavior into account.

Their research shows that launch leaders not only have more advanced data and analytics tools but also take care to understand the nuances of consumer communities. They were **2.4 times more likely** than other companies to use social listening data to refine their launch strategies, and **2.3 times more likely** to understand the priorities of their target audience.

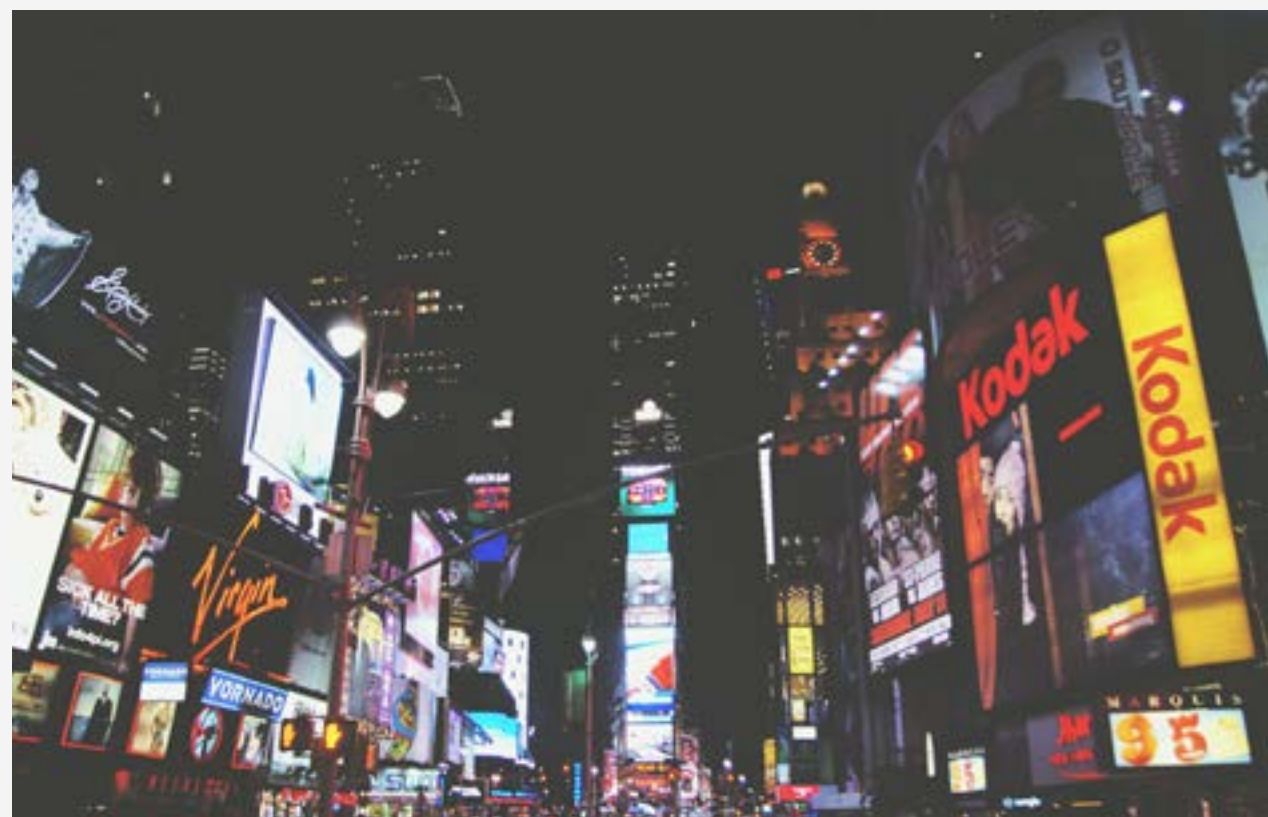
94% of our survey respondents say they aim for 'some' level of consumer understanding when launching new products (*32% of those seek a 'deep' level of understanding*). And when flipped the other way round, **80% of our respondents** chose 'Lack of strong insights' as the number one reason new products fail.





So if we know how important insights are, why do so many launches fail at lift off? It may be a case of not setting our sights high enough. Sure, nearly 100% of respondents aim for **some** understanding of the consumer, but 100% of respondents should be aiming for a **strong** understanding of the consumer.

In the attention economy, salience is key. With consumers exposed to more than 10,000 brand messages and 3,600 ads per day, brands need to work harder than ever to grab and keep interest. Understanding how to integrate consumer and market insights into new launch strategies is business-critical to influence the likelihood of a brand's success.



#2 GREASING THE WHEELS OF THE NEW LAUNCH MACHINE

According to McKinsey's 'How to make sure your next product or service launch drives growth', what really matters is having in place a specific set of core capabilities that allow for a smooth and efficient launch – listing team collaboration, incorporation of market insights, rigorous planning of upcoming launches, and growing talent.

Similarly, Five by Five report that slow processes are one of the three biggest threats to the success of a launch. Appointing a project manager, aligning departments and involving external agencies early in the process, is, they argue, absolutely critical.

Our survey respondents, however, placed little importance on readiness – with only 7% citing lack of preparation as the most important reason new product launches fail.



Perhaps, then, it's no coincidence that only 21% of our respondents expected anything above 20% of their profits to come from new product launches in the next 3 years?. McKinsey argues that this figure should be much higher – brands should be aiming for 25% and above.

With only fifty percent of launches hitting their targets, brands clearly need to be doing more to ready themselves for eventual product launches. Whether it's a dedicated launch team, more rigorous planning, or having a strong creative lead agency, if brands want to make good use of those deep consumer insights, readiness is paramount.

#3 LONG TERM FAME ABOVE FLASH IN THE PAN PR SPIKES

At Impero, we talk a lot about fame and the lure of newness in a crowded market, arguing that novelty will only carry you so far. What's important is having long ideas, ideas that will carry you into the weeks and months following the launch itself.

The IPA and 80% of our respondents agree. In an IPA study of creatively awarded cases between 2008-2018, an over-focus on short-term effects was a major feature of underperformers.

That said, in the current climate, where shelf space is particularly competitive and some retailers are even implementing restrictions to only focus on 'essential goods', standing out is a must. While 60% of our survey respondents ranked 'creative visual style' as the most effective form of advertising when launching new products, it's not enough in itself.





Very few products are successful without having a core set of promoters onboard as early as possible. This might be influencers, endorsers or people within the business who can advocate the product– If they're shouting about it before the launch, even better.

This isn't just about PR, influencer marketing and creating a buzz. It's about readiness as a whole and having a strategy to get a product to market – amongst other things, it's about building a presence online and offline, having a list of leads or building anticipation by teasing the product.



Conclusion

The level of certainty in the market is very low right now, which makes it easy to assume that people don't want to part with their money. This may be why 42% of our survey respondents were delaying upcoming launches due to Covid-19, with only 12% saying that they'll be going ahead as normal.

This is part of a wider trend. In a survey of more than 2,200 marketers conducted by Econsultancy and Marketing Week, the majority believe that the outbreak has already heavily impacted marketing activities for the first half of 2020.

For many, delaying may be the right thing to do. For others, it may be a case of assessing the category need and repositioning your offering to go from a nice to have to a must have.

Either way, now is the time to get ready – to plan ahead and have a set of tactics and ready to go when the time is right.



With challenge comes opportunity – Uber, Pinterest, and Airbnb are all in some way products of the Global Financial Crisis, having grasped opportunities to take advantage of cheaper office space, reduced competition and a host of other variables.

Once we've seen the back of Covid-19, brands that continued to push ideas and products will come through better off than those who've remained quiet.



THANK YOU.

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