



# GROWTH PROCESS TOOLKIT

## New Product Launch

*Accelerating Growth through Rigorous Planning,  
Principled Execution, and Continuous Monitoring*

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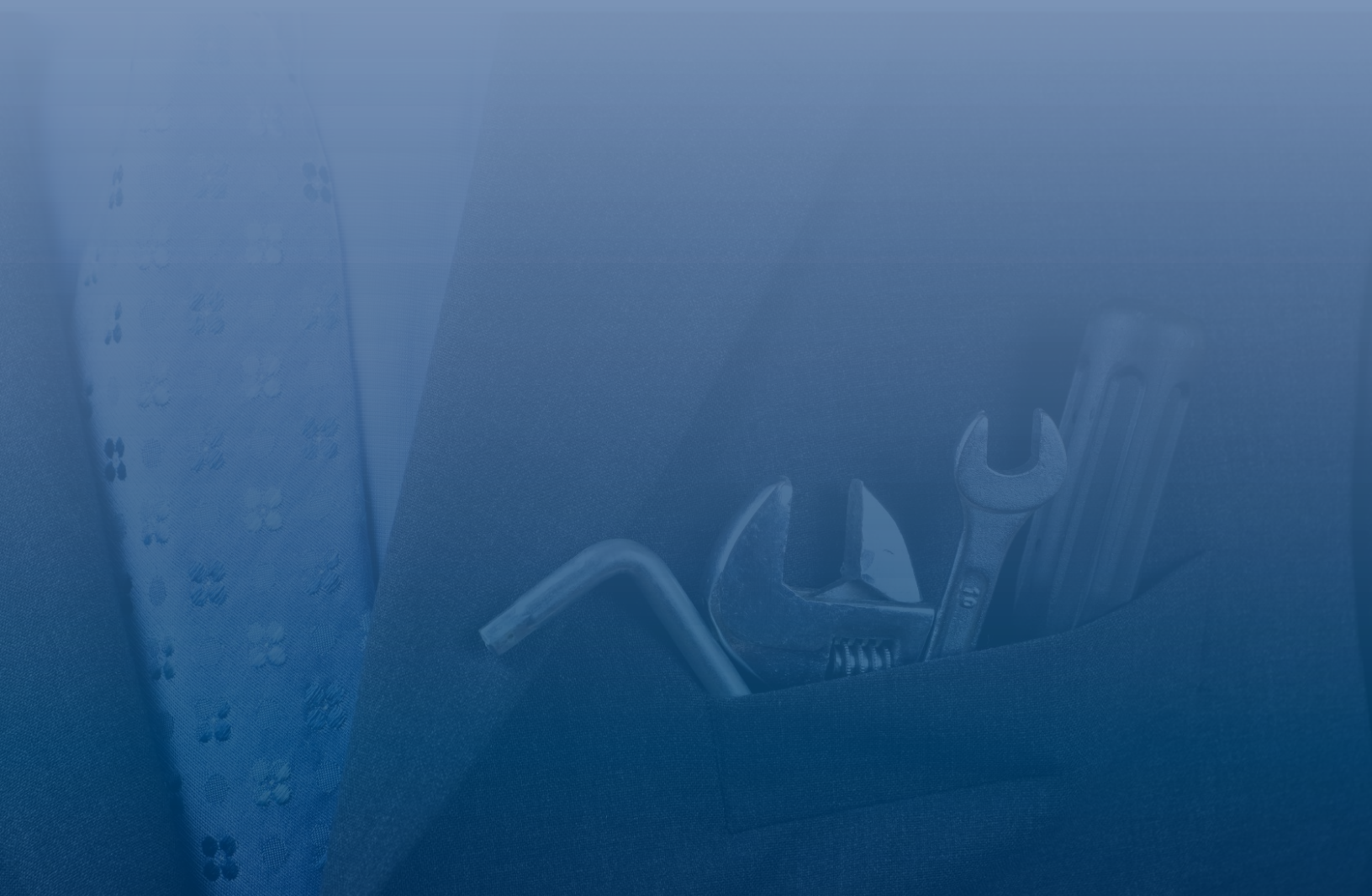
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# INTRODUCTION

## Growth Process Toolkit *New Product Launch*



## INTRODUCTION

### Growth through New Product Launch

More than 70 percent of executives in a recent survey cited innovation as one of the top three drivers of growth for their companies over the next 3 to 5 years. A majority of respondents in this same survey also said they see innovation as the most direct route to “accelerating the pace of change in today’s business environment.”<sup>1</sup> In sum, these executives believe that breakthrough innovations reignite industries, reengage customers, and lead to long-term increases in sales.

These same executives might argue that without an effective process for producing commercial products, breakthrough innovation is meaningless. In that sense, innovation alone cannot drive a company’s growth – but innovation, hand-in-glove with a rigorous development process, certainly can. (Click [here](#) to access a companion Growth Process Toolkit on New Product Development.)

As a further complication, it is unusual for a new product on its own – regardless of how innovative or breakthrough it may be – to deliver revenue for the company if the launch fails to (1) communicate the product’s promise, and (2) convert buzz into revenue. In that sense, a product’s launch is perhaps most sensitive – step in achieving growth through innovation and new product development. Customer behavior must be altered; sales reps must be trained; the new product must make a good first impression. If these objectives can be achieved, growth will likely follow.

### The Risks of New Product Launch

At the core of new product launch lies a fundamental point of tension between how businesses and markets behave. Although companies rely on new products to increase share of customer wallet, erode competitors’ market share, and boost revenue, markets are more likely than not to reject new offerings – or at the very least, accept them reluctantly.<sup>2</sup> Indeed, studies show that on average between 40 and 90 percent of all new products fail, and those statistics have held constant over the past 25 years. To make matters worse, even the most innovative products – those that revolutionize or create new product categories – are also unsuccessful. According to one study, 47 percent of first movers have failed, meaning that approximately half the companies that pioneer new product categories later pull out of those businesses.<sup>3</sup>

While the rewards may be great (consider the success of Toyota’s Prius, Apple’s iPhone, or W.L. Gore & Associates’ Gore Tex), the risks are also sizeable. A new product may be breakthrough; it may be better than its alternatives; it may function beautifully. Customers may still reject it, and companies may still incur a loss. We no longer operate in a world in which an innovative product and effective advertising can easily lure in customers. The paradigm is no longer, “If you build it, they will come”, but is rather, “When we build it, *will* they come?”<sup>4</sup> The path to getting customers to answer “yes” to that question is fraught with numerous pitfalls, as outlined below.

### Where New Product Launch Goes Wrong

#### *Pitfall #1: Customers are Averse to Change*

A recent study suggested that people demand two to four times more “compensation” (i.e., benefits) to give up a product in their possession than they were willing to pay to obtain the item in the first place. Furthermore, people irrationally overvalue goods in their possession over those not in their possession by a factor of three.<sup>5</sup> It is perhaps for this reason that Intel’s Andy Grove once declared that to transform an industry rapidly, an innovation must offer benefits that are 10 times better than what existing alternatives can provide. Given the difficulty – or the rarity – of meeting such a bar, influencing customer behavior becomes all the more difficult, and all the more essential.<sup>6</sup>

#### *Pitfall #2: Expecting Too Much Too Soon*

While customers may be resistant to change, companies suffer from the opposite bias: they believe too readily that customers will willingly embrace an improved alternative. Having dedicated significant resources to the development of a product, they are unable to see how it could fail.<sup>7</sup> This bias leads them to expect too much from their products and customers too soon. Left unchecked, this bias also makes it nearly impossible for executives to anticipate customers’ buying power or patterns, and by extension, to predict new product sales with any degree of accuracy. A realistic timetable, with appropriate sales and marketing support at each stage of the launch process, is critical for success. An inability to take it slowly dooms many products before they’ve had a chance to succeed.

*(Continued on the following page)*

**INTRODUCTION (CONTINUED)****Where New Product Launch Goes Wrong (Continued)**

The following case example demonstrates how Segway developed a breakthrough product but failed to achieve commercial success on the scale it had originally anticipated:<sup>8</sup>

**Case-in-Point: Why Is There a Segway in the Smithsonian, But Not Your Garage?***Breakthrough Product Launch Gone Wrong*

**Situation:** In December 2001, inventor Dean Kamen unveils the first Segway, a “super-scooter,” which he believes will revolutionize the transportation industry. Not only does the Segway offer a faster way than walking to get from Point A to Point B, but it also offers a solution to urban congestion, air pollution, and dependency on fossil fuel. Given the breakthrough nature of the innovation and its multiple environmental and economic benefits, Kamen confidently announces that by the end of 2002, his enterprise will produce 10,000 machines weekly. He even boasts to a reporter from *Time* that the Segway “will be to the car what the car was to the horse and buggy.”

**Action:** Kamen begins by targeting the Segway to transportation-focused businesses, such as FedEx and the US Postal Service. In spite of early interest, no large corporate accounts materialize during the first few months of 2002. In response, Kamen changes course, targeting consumers rather than business. However, at 80 pounds and with a \$4,950 price point, the Segway is too heavy and pricey to gain a foothold with most consumers. Moreover, to adopt the Segway, businesses and consumers alike must engage in a behavioral trade-off: where once they drove or walked, they are now expected to scoot. This adjustment, combined with a weak battery, is too steep a trade-off for customers to accept.

**Result:** Ultimately, company executives and transportation industry analysts were far more optimistic about the Segway than they should have been. Although Kamen had projected that between 50,000 and 100,000 Segways would be produced in 2002, the company sold only 6,000 in the 18 months following launch. To date, the product survived as a niche offering, but has failed to live up to early expectations, in spite of its multiple benefits. In hindsight, Kamen remarked, “I wouldn’t have predicted the mountain would be so big, and that there would be so many hills to cross to get to the top.”

**Key Takeaway:** Kamen and his team expected customers to see the same value in the Segway that they saw. Instead of anticipating difficult sells, they were shocked when sales didn’t materialize. Don’t let belief in a new product’s virtues cloud your judgment. Never forget that customers assess innovations (even those that are breakthrough or revolutionary) in terms of what they gain and lose relative to their existing alternatives. Failure to consider and account for this bias when launching a product may doom you from the start.

**Pitfall #3: Going To Market Before You’re Ready**

Once a company has a good – perhaps even breakthrough – idea, the impulse can be to commercialize the idea as quickly as possible. However, if the product’s functionality, distribution, or marketing have not been finalized, then rushing the launch may jeopardize the product’s success. Ultimately, by moving to launch too quickly, it becomes nearly impossible to gain alignment or execute effectively.<sup>9</sup>

The case example on the following page demonstrates how Apple rushed the launch of the Newton in the 1990s, with mixed results:<sup>10</sup>

*(Continued on the following page)*

**INTRODUCTION (CONTINUED)****Where New Product Launch Goes Wrong (Continued)***Pitfall #3: Going To Market Before You're Ready (Continued)***Case-in-Point: Whatever Happened to the Newton?**  
*Launch in Haste, Repent at Leisure*

**Situation:** After igniting the personal computer revolution in the 1970s and 1980s, Apple seeks to continue its growth trajectory in the 1990s by launching a new product, termed the Newton. Prototype Newton devices include phones, video walkie-talkies, a tablet-like slate, and a mini-PDA device similar to the future Palm Pilot. Ultimately, the Newton project is intended to deliver a new tablet-based computer that will leap-frog over the existing Mac user interface, fundamentally altering the dynamics of the computer market.

**Action:** Then-Apple CEO John Sculley is so enthusiastic about the Newton that he introduces it at a consumer electronics show while the product is still in development. Resulting demand and interest pressure Apple to rush Newton into the market ahead of schedule. Between 1992 and 1998, Apple releases multiple iterations on the Newton, each one improving on the one before it, but none deliver on the company's high sales expectations. While many factors can explain why the Newton failed to take hold, one reason is that its price point, marketing, and target customer group never fully aligned – a disconnect that could have been addressed through more rigorous development and launch planning.

**Result:** Although Apple's innovation essentially created the PDA market, the Newton never dominated it as intended. Other competitors, such as the Palm Pilot, entered the market with improved functionality and a more consumer-friendly price point, rendering the more expensive and complex Newton irrelevant. As Apple struggled with these new entrants (and a variety of unrelated organizational challenges), the company decides to spin Newton off as a subsidiary, and later dismantles it altogether.

**Key Takeaway:** A rush to launch may offer short-term advantages but jeopardize a product's long-term potential. Had Apple not pre-announced the Newton before it was ready, and had it not rushed Newton into the market, it may have arrived at a price, design, and positioning that would have resonated better with customers and set the product up for market dominance. As it is, Newton's premature launch revolutionized a product category, but with minimal benefit to Apple.

**The Solution**

As the missteps by Segway and Apple demonstrate, successful product launch is dependent upon timing, planning, and realistic expectations. This delicate balancing act requires precision in marketing, sales, and distribution. Smart companies know how to strike this balance repeatedly – that is, they can replicate a precisely executed launch each time they introduce a new product. They follow a specific process for positioning products, training the sales force, working with channel partners, and communicating with customers. Each step is executed with long-term growth – i.e., the desired end result – in mind. Importantly, these companies also know how to brace for slow adoption. They can predict without bias what the speed of adoption will be and manage their resources over that projected timeframe accordingly.

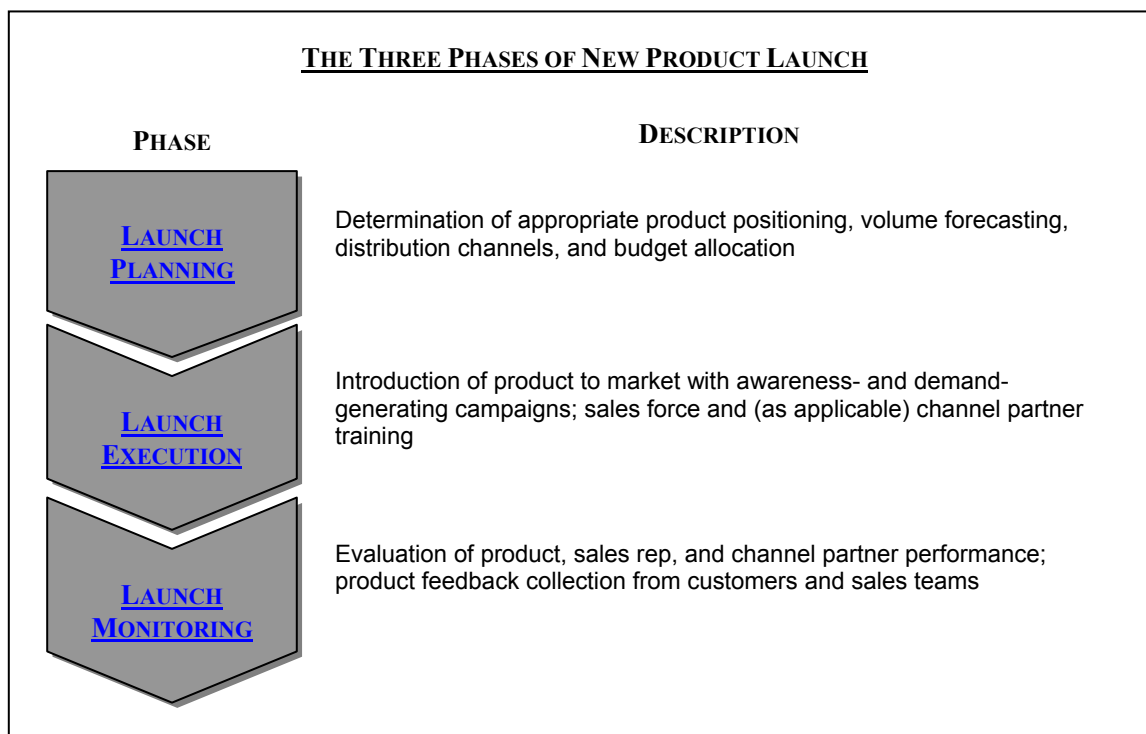
As a counterpoint to the Newton example, Apple's iPod launch is one of the most successful product introductions of the 2000s and highlights an effective launch process in action. Not only did Apple wait to launch until it had a fully developed and positioned product, it also focused intensely on creating the appropriate distribution network and sales support structure that could maintain the product's momentum post-launch (lessons learned from its failed launch of the Newton). Added to this was a highly targeted communications campaign and continuous product improvement efforts. The results speak for themselves: after launching in 2002, iPod comprised 40 percent of Apple's total revenues for 2006. By 2007, Apple had sold more than 100 million iPods., and its stock price had increased more than seven-fold since 2001.<sup>11</sup>

While such breakthrough innovations and blockbuster launches are rare, the core of Apple's success is transferable and scalable. The more closely you follow a process for planning, executing, and monitoring a product's introduction to the market, the greater your odds of success.

*(Continued on the following page)*

**INTRODUCTION (CONTINUED)****How Should You Approach New Product Launch?**

Frost & Sullivan structures the new product launch process around the phases listed below.



As noted previously, this toolkit focuses exclusively on achieving growth through successful commercialization of a product. A companion [Growth Process Toolkit for New Product Development](#) provides resources on pre-launch activity, such as building an innovation culture at your company and screening for the most promising product concepts.

One of the most critical aspects of new product launch is the capability and range of distribution partners: their reach will determine which customers have an opportunity to purchase your product. For this reason, we provide a wealth of resources on selecting and developing successful channel partner relationships in the separate Growth Process Toolkit for Distribution Channel Optimization.



# HOW TO USE THIS TOOLKIT

Growth Process Toolkit  
*New Product Launch*



## HOW TO USE THIS TOOLKIT

### *The Growth Process Toolkit for New Product Launch*

**What it is:** This toolkit will help you structure your new product launch strategy around specific activities for planning, executing, and monitoring the product's introduction. It will show you to set a product up for commercial success by supporting all elements of a launch, from product positioning to channel partner engagement.

On a more technical level, this Growth Process Toolkit presents Frost & Sullivan's best thinking and work on new product launch in a step-by-step implementation format. This resource gives Growth Team Membership (GTM) members proven processes, tools, and templates to help them successfully manage the risks and pitfalls encountered in this key growth process.

**How it will help you:** This toolkit will help you and your team cost-effectively execute new product launch. As noted previously, we recognize that growth through new products is predicated on a robust development process – a topic explored in a companion growth process toolkit. This toolkit continues the thread by teaching how a fully vetted, market-ready idea can be introduced with efficiency and a high success rate.

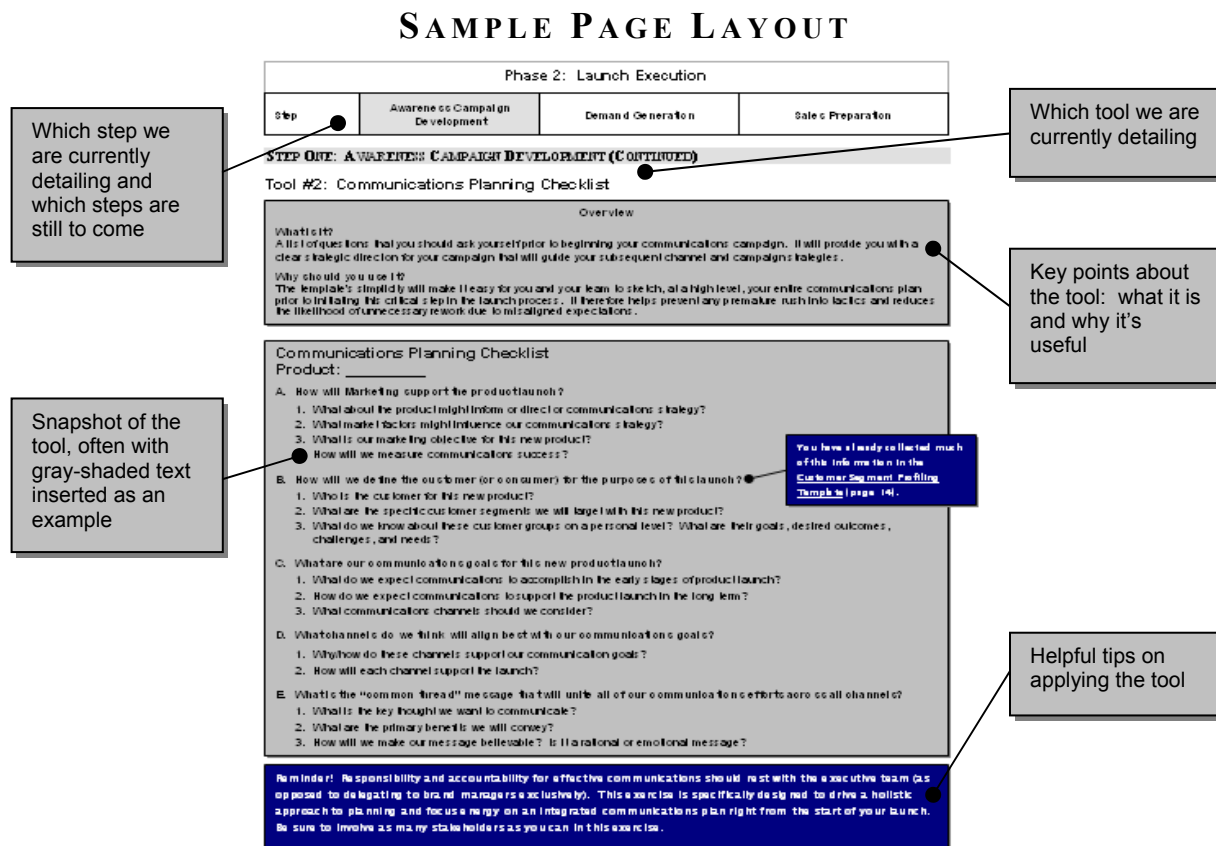
**How to use it:** This book is divided into three sections: Launch Planning, Launch Execution, and Launch Monitoring. Within each section, we have outlined a variety of steps that you should complete. For each of those steps, you are provided with the tools, templates, scorecards, or checklists that you need to complete that activity to a Frost & Sullivan standard. You can read this toolkit cover-to-cover, or you can reference the clickable table of contents to access specific sections.

Be on the look-out for helpful reminders throughout this toolkit. We will alert you at key stages when you should involve certain stakeholders, or when it might be a good idea to use additional GTM (or other) resources to aid your implementation.

We encourage you to bookmark this toolkit, save particularly helpful tools to your desktop, and share it with your colleagues. We also encourage you to contact your Account Executive if at any point in your research you require assistance.

### *The Growth Process Toolkit's Organization and Layout*

For ease of navigation, the majority of activities and tools featured in this toolkit adhere to the following template:



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# PREFACE: SECURING ORGANIZATIONAL ALIGNMENT

Growth Process Toolkit  
*New Product Launch*





**PREFACE: SECURING ORGANIZATIONAL ALIGNMENT****Tool #1: Goal Statement Template****Overview****What is it?**

A discussion guide to help the executive team articulate its company's goals for pursuing growth through new product launch.

**Why should you use it?**

This tool will help you ensure the following:

- *Agreement among the executive team* – While you may believe your executive team to be on the same page about strategy and vision, this perception may in reality be off-base. Consensus on goals and expectations at the outset of any activity is a good idea – but even more so when navigating waters as risky and costly as new product launch.
- *Focus on launch activities that align with the stated purpose* – Shared commitment to the Goal Statement will enable the executive team to be clear about goals and the boundaries for achieving those objectives. Agreement on how to handle all strategic factors will ensure the team plans and executes the launch with a shared clarity of purpose.

*Use this as a living document – something that you can revisit over the duration of new product development efforts to refocus team members on shared objectives, while making adjustments as necessary.*

**GOAL STATEMENT: TEMPLATE****COMPANY NAME****Vision: What are we trying to do?**

- What is the goal we are trying to achieve by launching this new product?*
- Which groups in the organization are responsible for delivering on this objective?*
- What are the decisions we as an executive team need to make in support of this objective?*
- Given these specific decisions, what must this effort produce as output?*

**Product Readiness: Are we confident the product is ready to go to market?**

- Have we taken the time to verify the technical aspects of the product (i.e., product has been comprehensively tested; regulatory approvals or certifications have been obtained; all designs have been approved; time spent with early adopters)?*
- Have we hired any necessary product support individuals? Are we prepared to train them prior to launch?*
- Have we produced all necessary troubleshooting or installation guides?*

**Organizational Readiness: Are we prepared to launch the product?**

- Have we confirmed that Operations is ready to support the production and distribution of the product (i.e., all process documentation is complete; production processes have been tested; all suppliers have been selected and qualified; adequate capacity and personnel are on hand to support planned production)?*
- What external barriers (e.g., government or legal restrictions, economic uncertainty, competitor response) might prevent us from achieving a successful product launch?*
- What internal barriers (e.g., unsupportive culture, limited budget, manufacturing delays, and quality issues) might prevent us from achieving a successful product launch? Which of these barriers can we control and resolve?*
- Which vital skills sets, if any, are we currently lacking among our staff (e.g., solutions selling skills, competitive response, value-based pricing)?*
- Can our existing processes and cost structures support the successful launch of a new product?*
- What will we ask the following functions to contribute to the product launch effort: Marketing (including merchandising and marketing communications), Finance, Customer Service, Sales, Research & Development, Distribution/Operations)?*

**PREFACE: SECURING ORGANIZATIONAL ALIGNMENT (CONTINUED)****Tool #1: Goal Statement Template (Continued)****GOAL STATEMENT: TEMPLATE**

COMPANY NAME

**Market Entry: How will we take the product to market?**

- (a) Which customer groups should we actively try to engage/target?*
- (b) How will we enlist suppliers or channel partners in the introduction of this product?*
- (c) How can we maintain standards for quality and service if we sell primarily through third-party distributors?*
- (d) What sorts of lead generation activities do we want to initiate prior to launch?*

**Investment: What financial return do we expect from this product launch?**

- (a) What are our minimum and maximum investment thresholds for marketing, sales support, etc.?*
- (b) Where would we place our investment on the risk/reward spectrum?*
- (c) How long do we expect it will take to achieve a positive return post-launch?*

**Measurement: How will we determine success?**

- (a) Short-Term: How will we demonstrate the success of the launch to shareholders (i.e., what should be our key targets)? What metrics can we realistically influence during this time?*
- (b) Long-Term: What signs of success would we expect from this product's introduction in the long-term? How should we quantify these expectations?*
- (c) Which metrics will matter the most for our internal sales force?*
- (d) How will we evaluate the performance of our channel partners, if applicable?*

**Buy-In: Who has contributed to and/or approved this statement? Who still needs to sign off?**

- (a) What plans exist for ensuring executive team consensus or acceptance?*
- (b) How will we modify our goal statement if we receive push-back from key stakeholders? On which points are we willing to budge, and on which must we hold firm?*

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# PHASE 1: LAUNCH PLANNING

Growth Process Toolkit  
*New Product Launch*



**PHASE 1: LAUNCH PLANNING**

The table below lists the key steps and objectives featured in Phase 1. The pages that follow explore each step – and its associated tools – in greater depth. This page is also clickable, enabling you to jump to any section directly.

**LAUNCH PLANNING: KEY STEPS AND TOOLS**

STEP	PURPOSE	SAMPLE TOOLS
<a href="#"><u>Product Positioning Analysis</u></a>	Carve out and articulate your new product's niche within the larger category	<a href="#"><u>Product Placement Worksheet</u></a> <a href="#"><u>Customer Segment Profiling Template</u></a>
<a href="#"><u>Volume Projection Analysis</u></a>	Forecast and plan for production requirements immediately following launch	<a href="#"><u>Demand Forecasting Interview Template</u></a> <a href="#"><u>Volume Projection Guidelines</u></a>
<a href="#"><u>Distribution Analysis</u></a>	Identify optimal distribution channels for taking your new product to market	<a href="#"><u>Distribution Planning Checklist</u></a> <a href="#"><u>Channel Partner Evaluation Scorecard</u></a>
<a href="#"><u>Budget Analysis</u></a>	Allocate resources to support the new product's launch; set deadlines for taking the product to market	<a href="#"><u>Marketing Budget Planning Template</u></a>



## Phase 1: Launch Planning

Step	Product Positioning Analysis	Volume Projection Analysis	Distribution Analysis	Budget Analysis
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## STEP ONE: PRODUCT POSITIONING ANALYSIS

Tool #1: Product Placement Worksheet

## Overview

**What is it?**

A template covering six key aspects of any new product's positioning strategy. It will force you to define your product's positioning across several critical attributes, further focusing marketing and communications planning for your launch.

**Why should you use it?**

It delivers a comprehensive and concise description of new product positioning to all stakeholders involved in the launch of a new product. It can also help you avoid any deviations from agreed-upon positioning in the lead-up to launch. You may find that this template translates well as a presentation tool as well.

**Product Placement Worksheet**  
**Product:**

These categories will be less relevant to B2B companies.

Target Customer	Customer Behavior
<ul style="list-style-type: none"> <li>- Demographics</li> <li>- Life stage and income</li> <li>- Psychographics</li> </ul>	<ul style="list-style-type: none"> <li>- How will [Product]'s functionality appeal to customers or entice them to buy?</li> <li>- How might [Product] engage customers from an emotional perspective?</li> </ul>
Context Within Brand	[Product's] Role in Portfolio
<ul style="list-style-type: none"> <li>- How does [Product] support our core brand values?</li> <li>- How do our core brand values support [Product]?</li> </ul>	<ul style="list-style-type: none"> <li>- What does [Product] offer that is currently absent from our product portfolio?</li> <li>- How does [Product] support our long-term brand strategy?</li> </ul>
Pricing	Competitor Outlook
<ul style="list-style-type: none"> <li>- What is the client's willingness to pay?</li> <li>- What are the highest and lowest price points we should consider?</li> <li>- What do we want to achieve in volume and profitability?</li> </ul>	<ul style="list-style-type: none"> <li>- Who will be the primary competitors with [Product]?</li> <li>- Which of our competitors' products will compete directly with [Product]? How should we address our go-to-market strategy?</li> </ul>

Reminder! This is a critical vision-setting activity for the executive team. Involve as many stakeholders as you can: Marketing, Sales, Research & Development, and Corporate Communications should all be represented.

## Phase 1: Launch Planning

Step	Product Positioning Analysis	Volume Projection Analysis	Distribution Analysis	Budget Analysis
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## STEP ONE: PRODUCT POSITIONING ANALYSIS

[Tool #2: Customer Segment Profiling Template](#)

## Overview

**What is it?**

A series of questions to guide profiling of each customer segment you are targeting with your product launch.

**Why should you use it?**

It will help you position your product in a way that will resonate with your target segment (whether one or many). Furthermore, it will help you personalize the behavior of that segment. By putting a face and a name to high-value customer groups, you make your targeting strategy more accessible to those responsible for communicating with them.

## Customer Segment Profiling Template

Product: *Cell Phone A*

John: Affluent Professional	Jane: Chief Information Officer for large enterprise
<b>Vision:</b> Establish trendsetting reputation <b>Desired Outcomes:</b> Have phone project image <b>Challenges:</b> To have the best of form and function <b>Wishes:</b> To be the first to possess new technologies <b>Needs:</b> Sleek design and continuous mobile access with 3G network	<b>Vision:</b> To provide all employees with high-quality but low-cost wireless access <b>Desired Outcomes:</b> A virtual employee network that minimizes the need for travel <b>Challenges:</b> Meeting technology needs within budget limits <b>Wishes:</b> Manage all wireless communications needs through a single solutions provider <b>Needs:</b> Provide 1,000+ employees with hand-held devices with global functionality
Fred: Small Business Owner	Lucy: Active Outdoorswoman
<b>Vision:</b> Become a supplier of choice <b>Desired Outcomes:</b> Improve customer satisfaction <b>Challenges:</b> Make budget go further <b>Wishes:</b> Upgrade all communications equipment <b>Needs:</b> Provide staff with continuous mobile access to information	<b>Vision:</b> To follow a "green" lifestyle <b>Desired Outcomes:</b> Spend more time outdoors without sacrificing accessibility <b>Challenges:</b> Battery dies while outdoors with no way to recharge <b>Wishes:</b> An unbreakable phone <b>Needs:</b> Durable device with "go-anywhere" reception

Reminder! These segment profiles are for demonstration purposes only and may not align with your business model. Whether you are B2B- or B2C-focused, the core lesson would still apply: that by personalizing your segments and considering your product positioning for each one, you can clarify decisions around marketing, pricing, and the customer experience.

## Phase 1: Launch Planning

Step	Product Positioning Analysis	Volume Projection Analysis	Distribution Analysis	Budget Analysis
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## STEP ONE: PRODUCT POSITIONING ANALYSIS

Tool #3: Product Price/Quality Matrix

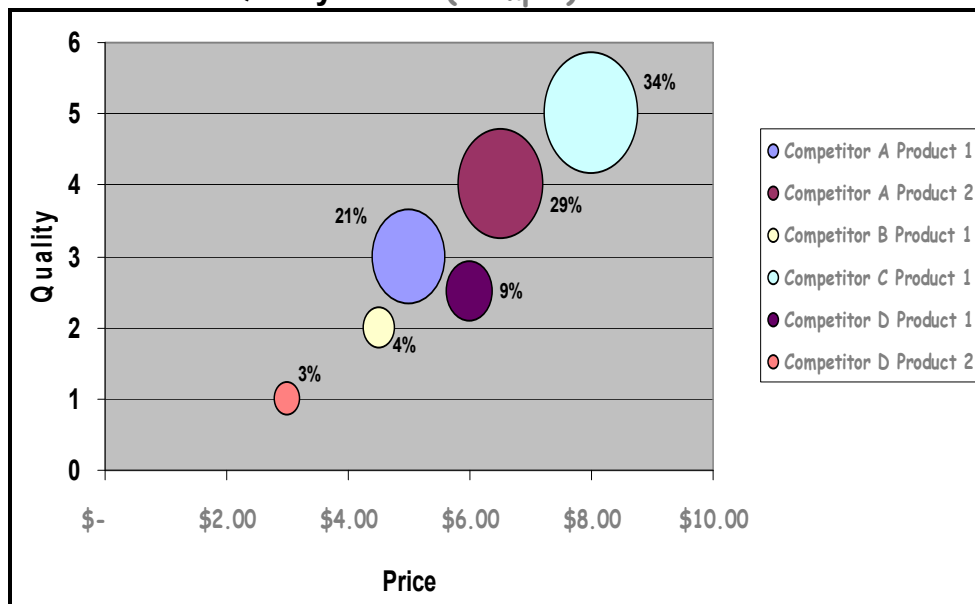
## Overview

**What is it?**

A visual guide to help you differentiate your product in the marketplace based on its quality and price relative to competitors' products.

**Why should you use it?**

You need to consider any new product through the lens of competitor activity. By completing this exercise for competitors' products as well as for your own, you can separate your product from any market clusters – a critical step in differentiating your product in the eyes of customers.

**Product Price/Quality Matrix (Sample)**

**Scoring Guide – X Axis:**  
Label the price of each competitor's product in the market

**Scoring Guide – Y Axis:**  
Score capability levels for [product]:\*

- 5 Two-way; high accuracy
- 4 Two-way; low accuracy
- 3 Two-way; phrase-based
- 2 One-way; fixed phrase; high accuracy
- 1 One-way; fixed phrase; low accuracy

\* **Note:** The capabilities listed above represent quality levels for language translation products and are for demonstration purposes only.

**User Guide**

1. Identify top competitors within the product category for your new product launch.
2. Collect data for each competitor: market share, current market positioning, product or service pricing, and product or service quality.
3. Input that data into the template and the bubbles will automatically populate. The resulting image will help you identify market clusters (e.g., a concentration of high-quality products with premium pricing) that you might want to avoid with your product launch.

**Reminder!** Be sure to insert your company's data into the chart– otherwise you won't have a frame of reference for evaluating your competitors.

## Phase 1: Launch Planning

Step	Product Positioning Analysis	Volume Projection Analysis	Distribution Analysis	Budget Analysis
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## STEP TWO: VOLUME PROJECTION ANALYSIS

Tool #1: Demand Forecasting Interview Template

## Overview

**What is it?**

A customer survey to help you evaluate the purchase intent of each segment you are planning to target with your product launch.

**Why should you use it?**

It will help you realistically estimate volume based off the behavior and preferences of your target segments. By predicting replacement expectations or product interest at the outset of a launch, you will avoid basing launch decisions around untested hypotheses concerning customer behavior.

## Demand Forecasting Interview Template

**Product:** \_\_\_\_\_

**Customer Group:** \_\_\_\_\_

1. What task, activity, or job are you trying to *complete*?
2. What is the ideal output or outcome that you want to achieve?
3. How would you know when the outcome has been successfully achieved?
4. How would you measure success?
5. What are you currently doing to achieve your desired outcome?
6. Do you consider it efficient? Why/why not?
7. How would you alter the way you currently achieve your desired outcome, if at all?
8. How *willing* would you be to alter the way you currently achieve your desired outcome?
9. To adopt [new product], you might have to give up the one you currently use. How do you feel about this trade-off?
  - a. If you feel resistant to the trade-off: would this resistance prevent you from adopting a new product, even if it were more effective than the one you currently use?
  - b. If you do not feel resistant to the trade-off: what incentive would you need to make a voluntary switch to the new product (i.e., is improved functionality sufficient, or would you make the decision entirely based off price)?
9. When you consider [new product's] functionality relative to the one you currently use, do you think:
  - a. It would fully replace your current product
  - b. It would partly replace your current product
  - c. It would be used in addition to your current product
  - d. It would not replace your current product
10. Could you please provide any examples to clarify the outcomes or preferences you have mentioned?

Questions 1–7 can also help you identify opportunities to create new value for customers during your product concept evaluation stage (see [Customer Needs Identification Guidelines](#); Growth Process Toolkit for New Product Development).



## Phase 1: Launch Planning

Step	Product Positioning Analysis	Volume Projection Analysis	Distribution Analysis	Budget Analysis
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## STEP TWO: VOLUME PROJECTION ANALYSIS

## Tool #2: Volume Projection Guidelines

## Overview

**What is it?**

A framework for quantifying target segments' likely consumption of your new product following launch.

**Why should you use it?**

It will help you remove bias from your forecasting decisions and identify which segments will be most receptive to your new product. This information will in turn help direct your marketing efforts.

## Volume Projection Guidelines (Sample)

Product: *Consumer Products A*

Customer Group: *Health-Conscious Mothers*

*Plug target segments' survey responses into the volume calculation formula shown below.*

FORMULASAMPLE

Total current monthly [product] consumption volume

290 ML/month (per customer)

X

X

New product] purchase interest (weighted):

If definitely would buy, weight factor = .75

If probably would buy, weight factor = .25

All others, weight factor = 0

New product] purchase interest (weighted):

.75

X

X

Replacement expectations (weighted):

If new product completely or mostly replaces existing alternative, adjustment = .8

If new product partly replaces existing alternative, adjustment = .3

If new product will be used in addition to existing alternative, adjustment = .1

If would not use, adjustment = 0

Replacement expectations (weighted):

.3

X

X

Additional possible adjustments include:

Imperfect distribution, for a further adjustment of .25 or .5, depending on the model

For a highly concentrated initial launch, consider a further .25 to .5 adjustment

Highly concentrated initial launch:

.5

= PROJECTED MONTHLY VOLUME

= 36.625 ML/month (per customer)

Note: Although this sample represents a CPG company, this model can also apply to B2B or other B2C business models.

## Phase 1: Launch Planning

Step	Product Positioning Analysis	Volume Projection Analysis	Distribution Analysis	Budget Analysis
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## STEP THREE: DISTRIBUTION ANALYSIS

**Tool #1: Distribution Channel Planning Checklist**

## Overview

**What is it?**

A list of questions to help you assess the efficiency of your current distribution network and identify opportunities to improve efficiency and customer reach.

**Why should you use it?**

Ultimately, the success or failure of your product launch will depend up on whether your product is reaching its target customers. The distribution network is therefore a critical component of your go-to-market strategy, and any effective launch plan will identify opportunities to strengthen this component prior to launch.

**Distribution Channel Planning Checklist**

**Product:** \_\_\_\_\_

1. What is our margin with our current distributors?
2. Can our current channel partners support our desired geographic reach?
3. How many different channels will it take our product to reach our target customer?
  - a. What are our projected margins based off this arrangement?
  - b. Are there ways to streamline the distribution for greater profit?
4. How can we ensure maximum cost-savings from our relationships with channel partners?
5. What about the current market environment will determine success in that market?
  - a. What role do channel partners play in that environment?
6. What sorts of communication platforms do we have in place to ensure an open line with all our channel partners?
  - a. How effective are these communication platforms?
  - b. Would further investment result in a more successful product launch?
7. What kind of alignment do we see between our new product, our growth objectives, and our distribution strategy? Where are there areas of misalignment that we should address, and which channel options therefore make the most sense?
8. How can we identify new channel partners that could help us more effectively execute our go-to-market strategy?
9. How can we better engage and monitor channel partners throughout the new product launch? How do we maintain our desired quality standards?
10. What is the average deal size we attain with our distributors and what are the standard contract terms that define our distributor relationships? Will these expectations apply for our new product launch, or should we prepare for changes?
11. How do our competitors currently go to market? Is there advantage or disadvantage to mirroring their distribution strategies?

***The following questions will apply if you are entering a new geography:***

12. Do we know what the current market players and models are within any new geography we may be entering?
13. Are we aware of any regulatory conditions that could affect our distribution strategy within this new geography?
14. What is the geopolitical situation within this new geography? What are the implications for our distribution strategy?
15. Do we have the most effective channel presence in the new geographies we are entering?
16. Should we have multiple channels serving a geography or market segment?

## Phase 1: Launch Planning

Step	Product Positioning Analysis	Volume Projection Analysis	Distribution Analysis	Budget Analysis
------	------------------------------	----------------------------	-----------------------	-----------------

## STEP THREE: DISTRIBUTION ANALYSIS

Tool #2: Channel Partner Evaluation Scorecard

## Overview

**What is it?**

A weighted scorecard that will help you: (1) articulate and prioritize compatibility requirements for any channel partner you are considering involving in your product launch, and (2) evaluate each channel partner according to those criteria.

**Why should you use it?**

It will help you determine (1) which channel partner criteria are most critical to your product launch efforts and (2) which channel partners meet the standards you have set. Highest-scoring partners can then receive top priority in your product launch efforts, and you will be able to avoid over-relying on low-scoring partners.

Note: These scores and weightings are for demonstration purposes only.

**Channel Partner Evaluation Scorecard (Sample)****Channel Partner:****New Product:**

Key Criteria	Weight	Yes	No	Unknown	Score
Has offices in each of the major cities in which we plan to launch [New Product]	10	X			10
Covers at least 65% of the top 3 regions within [Country]	10	X			10
Has a reputation for customer service excellence	10			X	0
Currently services at least 30% of addressable market	5	X			5
Does not expect partnership exclusivity	10			X	0
Pricing structure will generate required profit margin	8		X		0
Employs inside and outside sales reps dedicated to [New Product]	6	X			6
Willing to submit to training and certification on [New Product]	6	X			6
Willing to promote [New Product] at tradeshow and other industry events	4			X	0
Committed to generating and sharing leads for [New Product]	6			X	0
We are a "flagship" partner for [Channel Partner]	3		X		0
Sells a range of complimentary products that dovetail with [New Product]	7	X			7
Will honor corporate warranty claims for [New Product]	5			X	0
Will offer repair, service, or aftermarket technical support for [New Product]	10		X		0
<b>Total</b>	<b>100</b>	<b># YES RESPONSES: 6</b> <b>#NO RESPONSES: 3</b> <b># UNKNOWN RESPONSES: 5</b> <b>CHANNEL PARTNER COMPATIBILITY SCORE: 44</b> <b>(44 out of 100 possible points)</b>			

(Directions listed on the following page)

**Phase 1: Launch Planning**

Step	Product Positioning Analysis	Volume Projection Analysis	Distribution Analysis	Budget Analysis
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**STEP THREE: DISTRIBUTION ANALYSIS****Tool #2: Channel Partner Evaluation Scorecard (Continued)****Directions**

1. List all criteria that would characterize a best-fit channel partner to support your new product launch. This should be an interactive exercise and help enforce consensus on intentions articulated in the Goal Statement.
2. Weight these criteria on a scale of 1 to 10, assigning point values that total 100. The higher the score, the greater the weighting.
3. Check “yes”, “no”, or “unknown” for each attribute.
4. In the scoring column, assign the number of weighted points for a “yes” response and 0 points for a “no” or “unknown” response (e.g., if a criterion is worth 5 points and the partner meets the criterion, you would check the “yes” box and then place a 5 in the “score” column).
5. Final score equals the total value of “yes” responses.
6. Anything you score as “unknown” should be revisited – by the time you are finished filling out this scorecard for each channel partner under consideration, you should have no “unknowns” left.
7. You will need to determine a minimum percentage of accountability for a channel partner to still meet your criteria (e.g., anything scoring less than 75% - 75 out of 100 total possible points – does not qualify for further exploration). For any score that comes in under this amount, you should either remove that channel partner from consideration or conduct additional due diligence to complete an unknown area (since an “unknown” can become a “yes”, thereby improving a total score).
8. Compare facets and scores of channel partners under consideration.

**Reminder!** This scorecard serves dual purposes. In addition to assessing channel partners’ potential, it can also serve as a due diligence checklist, highlighting any unknown variables for further research. As a result, you may want to revisit this tool as you build and refine your distribution channel strategy (both for new product launch and in more general terms).



## Phase 1: Launch Planning

Step	Product Positioning Analysis	Volume Projection Analysis	Distribution Analysis	Budget Analysis
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## STEP FOUR: BUDGET ANALYSIS

[Tool #1: Marketing Budget Planning Template](#)

## Overview

**What is it?**

A spreadsheet listing all primary marketing expenses that you will incur over the course of your product launch.

**Why should you use it?**

It will help you manage your resources and avoid unforeseen expenses. By projecting any marketing spend for your product launch over a one-year period, you can also help gain advance approval among the executive team for all spend decisions.

## Marketing Budget Planning Template (Sample)

## Product:

Area	Detail	Target Spend (Q1-Q4)				Total
Public Relations	Press Releases	10,000	4,000	3,000	2,000	82,000
	Wire Feeds	5,000	2,000	3,000	3,000	
	Press communications	20,000	10,000	10,000	10,000	
Digital Marketing	Online ad space purchases	140,000	75,000	80,000	60,000	1.295M
	Search engine optimization	200,000	90,000	95,000	100,000	
	Social networking	150,000	95,000	95,000	75,000	
	Web updates	10,000	10,000	10,000	10,000	
Advertising/ Marketing Communications	Agency Fees (not using internal agency)	350,000	350,000	350,000	350,000	4.2M
	Media buys (e.g., print, television)	700,000	700,000	700,000	700,000	
Collateral Development	Brochures (and direct mailers)	15,000	10,000	5,000	3,000	119,000
	Spec sheets	2,000	1,000	1,000	1,000	
	Sales support materials	30,000	10,000	10,000	5,000	
	Training materials	5,000	8,000	8,000	5,000	
Events	Venue rental	3,000	1,500	1,500	10,000	291,000
	Participation Fees	4,000	2,000	1,000	3,000	
	Travel, accommodations	75,000	20,000	20,000	150,000	
Channel Partner Engagement and Support	Sales incentives	100,000	150,000	200,000	200,000	1.255M
	Co-marketing collateral	90,000	110,000	95,000	95,000	
	Training programs	30,000	30,000	20,000	15,000	
	Promotions	20,000	30,000	50,000	20,000	
TOTAL:						7.242M

# PHASE 2: LAUNCH EXECUTION

Growth Process Toolkit  
*New Product Launch*



**PHASE 2: LAUNCH EXECUTION****Where Are We Now?**

Completion of the exercises featured in Phase 1 has enabled you to:

- Establish a shared vision among the executive team for your new product launch efforts
- Determine optimal market positioning for your new product based off customer needs, price, quality, and competitors' market share
- Estimate sales volume immediately following launch
- Anticipate required changes to your distribution strategy and identify channel partners best-equipped to support the product launch
- Set a budget for marketing expenditures pertaining to launch

At this point, you should have a well-articulated vision and a strong sense for how you will roll out the first stage of your product launch.

**What Do I Do Next?**

After you have designed a product launch plan that will ensure your product gets to market efficiently and on budget, and with support of the executive team, your next step is to put that plan into action. Phase 2 will aid your efforts to build anticipation for your new product, generate demand for it, and equip your sales team to sell it.

Outlined below are the activities and steps you need to complete in Phase 2. The pages that follow will feature the resources you need to complete each one of these steps.

**LAUNCH EXECUTION: KEY STEPS AND TOOLS**

STEP	PURPOSE	SAMPLE TOOLS
<a href="#"><u>Awareness Campaign Development</u></a>	Generate interest for your new product through targeted media outreach	<a href="#"><u>Press Release Template</u></a> <a href="#"><u>Agency Evaluation Scorecard</u></a>
<a href="#"><u>Demand Generation</u></a>	Build demand for your new product through marketing communications and promotions	<a href="#"><u>Media Mix Evaluation Template</u></a> <a href="#"><u>Channel Reach/Clutter Matrix</u></a>
<a href="#"><u>Sales Preparation</u></a>	Familiarize your sales teams and channel partners with your new product	<a href="#"><u>Channel Partner Engagement Guidelines</u></a> <a href="#"><u>Competitor Comparison Chart</u></a>

## Phase 2: Launch Execution

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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## STEP ONE: AWARENESS CAMPAIGN DEVELOPMENT

Tool #1: Press Release Template

## Overview

**What is it?**

A template to help you write a press release announcing your company's new product launch.

**Why should you use it?**

Following a template for press releases will (1) make it easy for you to issue the announcement and (2) standardize announcements across all new product launches, creating message consistency for your company and your brand.

## Press Release Template (Sample)

**Beta Company Introduces New Phone: Longer Battery, Faster Processing**

Headline stating company name and news

**CITY - DATE** - Beta Company today introduced a new phone that combines all the features of its previous version but with faster processing. It also features built-in GPS and music download capabilities. It will be available in more than 50 countries later this year, beginning with availability in the following countries: United States, Canada, Mexico, Australia, Spain, and Italy.

The specific news you are announcing today

"We are thrilled to share this new-and-improved device with our customers," said John Smith, Beta's CEO. "This phone requires minimal set-up, has a great battery life, and will be available globally by the end of the year."

Cost of product, availability, benefits to customers

The new phone gives users Internet and email. It also makes it easier to use multiple voice and data communications - fitting into the multitasking lifestyle of the majority of Beta's customers. Its advanced mobile platform is comprised of a variety of applications and an innovative user interface that makes this latest phone both user-friendly and groundbreaking. Users can expect a minimum of 10 hours of talk time from the new phone.

Beta's new phone will be available in the US on January 1 for a suggested retail price of \$250 (US). For further information about the device's pricing and availability, visit [beta.phone.com](http://beta.phone.com).

Beta maintains a longstanding reputation for excellence in high technology. It is primarily known for its range of phones, handheld devices, and computer software. For more information, visit [beta.com](http://beta.com).

Insertion of standard "about our company" here

**Please Contact**

Jane Doe  
Director, Beta Company  
Jane.Doe@Beta.com  
222-555-1234

Insertion of contact information for main point of contact

## Phase 2: Launch Execution

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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## STEP ONE: AWARENESS CAMPAIGN DEVELOPMENT (CONTINUED)

Tool #2: Communications Planning Checklist

## Overview

**What is it?**

A list of questions that you should ask yourself prior to beginning your communications campaign. It will provide you with a clear strategic direction for your campaign that will guide your subsequent channel and campaign strategies.

**Why should you use it?**

The template's simplicity will make it easy for you and your team to sketch, at a high level, your entire communications plan prior to initiating this critical step in the launch process. It therefore helps prevent any premature rush into tactics and reduces the likelihood of unnecessary rework due to misaligned expectations.

**Communications Planning Checklist**

**Product:** \_\_\_\_\_

**A. How will Marketing/Corporate Communications support the product launch?**

1. What unique aspect of the product might inform or direct our communications strategy?
2. What market factors might influence our communications strategy?
3. What is our marketing objective for this new product?
4. How will we measure communications success?

**B. How will we define the customer (or consumer) for the purposes of this launch?**

1. What are the specific customer segments we will target with this new product?
2. What do we know about these customer groups at an in-depth or personal level? What are their goals, desired outcomes, challenges, and needs?

You have already collected much of this information in the [Customer Segment Profiling Template](#).

**C. What are our communications goals for this new product launch?**

1. What do we expect communications to accomplish in the early stages of product launch?
2. How do we expect communications to support the product launch in the long-term?
3. What communications channels should we consider?

**D. What channels do we think will align best with our communications goals?**

1. Why/how do these channels support our communication goals?
2. How will each channel support the launch?

**E. What is the "common thread" message that will unite all of our communications efforts across all channels?**

1. What is the key thought we want to communicate?
2. What are the primary benefits we will convey?
3. How will we make our message believable? Is it a rational or emotional message?

**Reminder!** Responsibility and accountability for effective communications should rest with the executive team (as opposed to delegating to brand managers or corporate communications exclusively). This exercise is specifically designed to drive a holistic approach to planning and focus energy on an integrated communications plan right from the start of your launch.



## Phase 2: Launch Execution

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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## STEP ONE: AWARENESS CAMPAIGN DEVELOPMENT (CONTINUED)

Tool #3: Product Announcement To-Do List

## Overview

**What is it?**

A list of all the elements you need to assemble for a broad announcement of your new product. It will help you manage progress toward the discrete steps comprising the start of your communications campaign.

**Why should you use it?**

Any awareness campaign will begin by informing the media of your news. This checklist will direct those early efforts and ensure that you kick off your campaign with a comprehensive, well-timed announcement. Finally, this tool also functions as a high-level dashboard for you to evaluate progress across all activities.

This activity list is for demonstration purposes; you may need to tailor it more specifically to your needs.

**Product Announcement To-Do List  
For Product:**

Activity	Status	Start Date	Due Date	Owner
Press Release	Done	May 25	June 1	Jake
Twitter Announcement	Done	May 25	June 1	Jake
Company Background Sheet	In progress	June 1	June 15	Dan
Product Data Sheet	In progress	May 15	June 5	Katherine
Product Brochure	In progress	May 20	July 1	Keith
Product Photos	Done	May 1	June 1	Cynthia
Compilation of Reviews and/or Testimonials	Behind schedule	May 20	May 31	Brian
Web Demo Video	Behind schedule	May 30	June 5	Bill
Product Talking Points	Done	April 30	May 15	Keith
Preparation of Product FAQ's	Done	April 30	May 15	Katherine
Nomination of Point of Contact for [New Product]	Done	April 15	May 1	Dan
Production of Product Samples	Not yet started	June 30	September 15	Bill
Communication with [Product Category] Bloggers	In progress	June 1	August 1	Katherine
All Materials Linked to Press Section of Web Site	Not yet started	June 20	August 15	Dan

## Phase 2: Launch Execution

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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## STEP ONE: AWARENESS CAMPAIGN DEVELOPMENT (CONTINUED)

Tool #4: Agency Evaluation Scorecard

## Overview

**What is it?**

A weighted scorecard that helps you: (1) articulate and prioritize compatibility requirements for any agency partnership, and (2) evaluate each agency option according to those parameters.

**Why should you use it?**

You need to evaluate the qualitative elements of any potential agency and consider how those elements might affect your ability to launch your new product successfully. The upfront effort will enable you to focus on best-fit options early – and minimize the cost and difficulty of firing and rehiring another agency down the road.

Note: These criteria and scores are for demonstration purposes; you'll want to tailor for your own needs.

**Agency Evaluation Scorecard (Sample)****Agency:****Product:**

Key Criteria	Weight	Yes	No	Unknown	Score
Account team has experience in specific product category	10			X	0
Account team has worked with us on successful launches in the past	10	X			10
Deep industry expertise	10	X			10
Willingness/ability to partner with other agencies (e.g., boutique digital firm)	8		X		0
Familiarity with target customer segments	8			X	0
Willingness to collaborate with client on creative development	8	X			8
Affordability	10			X	0
Recognized leader in the field	4	X			4
Track record of strong customer service	6		X		0
Understanding of our brand values	10		X		0
Has managed award-winning campaigns	2			X	0
Demonstrated expertise in specific geographies	10	X			10
Low account team turnover	4			X	0
<b>Total</b>	<b>100</b>	# YES RESPONSES: 5 #NO RESPONSES: 3 # UNKNOWN RESPONSES: 5 <b>COMPETITOR COMPATIBILITY SCORE: 42%</b> (42 out of 100 possible points)			

(Directions listed on next page)

**Phase 2: Launch Execution**

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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**STEP ONE: AWARENESS CAMPAIGN DEVELOPMENT (CONTINUED)****Tool #4: Agency Evaluation Scorecard (Continued)****Directions**

1. List out all agency criteria that your organization deems as crucial to the success of a successful product launch execution.
2. Weight these criteria on a scale of 1 to 10, assigning points values that total 100. The higher the score, the greater the weighting.
3. Check “yes”, “no”, or “unknown” for each attribute.
4. In the scoring column, assign the number of weighted points for a “yes” response and 0 points for a “no” or “unknown” response (e.g., if a criterion is worth 5 points and the agency meets the criterion, you would check the “yes” box and then place a 5 in the “score” column).
5. Final score equals the total value of “yes” responses.
6. Anything you score as “unknown” should be revisited – by the time you are finished filling out this scorecard for each agency under consideration, you should have no “unknowns” left.
7. You will need to determine a minimum percentage of compatibility for an agency to still meet your criteria (e.g., anything scoring less than 75% - 75 out of 100 total possible points – does not qualify for further exploration). For any score that comes in under this amount, you will need to either remove that vendor from consideration or conduct additional due diligence to fill in unknown area (since an “unknown” can become a “yes”, thereby improving a total score).

## Phase 2: Launch Execution

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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## STEP ONE: AWARENESS CAMPAIGN DEVELOPMENT (CONTINUED)

Tool #5: Word-of-Mouth Communication Guidelines<sup>12</sup>

## Overview

**What is it?**

A set of guidelines that can help you open communication with early adopters or key influencers and hopefully convert them into active proponents of your product.

**Why should you use it?**

Word-of-mouth testimonials can help you build awareness of your product in a way that no conventional advertising can match. By tapping into this network and using it to your advantage, you can establish your product with a high level of resonance at relatively little cost.

**Guideline #1: Identify highly-networked early adopters loyal to your brand**

*The survey questions listed below will help you uncover more about how your early adopters feel about your company and how willing they would be to spread awareness about your new product. (Note: In addition to surveying customers, you also need to provide simple and systematic ways for them to regularly volunteer feedback – e.g., user group hosted on your company's Web site).*

- ☐ Would you currently recommend our brand or any of our products to individuals within your network (e.g., friends, family, colleagues, customers)?
  - Yes
  - No
  - Don't know
- ☐ If "yes":
  - What do you specifically appreciate about our brand or our products?
  - What do you specifically say when you make a recommendation?
  - Can you quantify the value you receive from our company's products?
  - How often, and in what forums, do you recommend our brand or our products?
  - Based on your previous experiences with us, would you be willing to tell your network about our newest product?
- ☐ If "no" or "don't know":
  - What could we do to improve or change to earn a recommendation from you?
  - If we could alter your opinion about us, would you consider recommending us to individuals within your network?

You may be able to capture testimonials for future use.

This input can help you craft more tailored marketing communications.

This input may provide you with an opportunity to repair fractured relationships.

(Continued on the following page)

**Phase 2: Launch Execution**

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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**STEP ONE: AWARENESS CAMPAIGN DEVELOPMENT (CONTINUED)****Tool #5: Word-of-Mouth Communication Guidelines (Continued)****Guideline #2: Maintain continuous communication with your early adopters**

Listed below are several steps you can take to help your customers understand and spread the word both about your core offerings and your new product.

- ☐ Populate your Web site with articles, product reviews, links to related resources, and upcoming events that relate to your specialty or industry area.
- ☐ Establish a user community: online bulletin boards, email discussion groups, blogs, or in-person events can all serve as effective forums for engaging your most loyal customers.
- ☐ Treat your most loyal customers differently: a separate community for these individuals will help make them feel as though they are a part of an exclusive group who receive special benefits; be sure to give these few all the materials they need to spread the word about your new product.
- ☐ Invite customers to help you develop a community program; watch for the individuals who are eager to help.

**Guideline #3: Leverage networks to break through the clutter**

The following checklist can structure your efforts to build buzz about your new product through word-of-mouth channels:

- ☐ Assess current buzz regarding your new product by searching social networking sites, blogs, and reviews.
- ☐ Identify network hubs for your industry and assess the strength of your relationships with individuals running those hubs.
- ☐ Feed information about your new product to your key influencers and solicit their feedback in turn.
- ☐ Build a narrative around your product that will resonate with your influencers.
- ☐ Design an innovative customer experience that will generate buzz in the user community (e.g., invite early adopters to the plant or headquarters).

**Guideline #4: Tie your new product launch to a cause embraced by your early adopters\***

The activities listed below can help you identify an issue of emotional significance to your customers that could be linked to your new product launch efforts:

- ☐ Research societal issues that affect significant numbers of your core customer segment.
- ☐ Determine if your company can support a charitable cause that addresses any of those issues.
- ☐ Identify points of overlap between a given issue, its related charitable causes, and the identity of your brand and your new product.
- ☐ Consider marketing communications focused on contextualizing your new product within your company's larger efforts to champion causes that resonate with your most-valued customers.

**\*Note:** While corporate social responsibility and marketing for new product launch may have points of overlap, we recognize that they coexist most effectively when the cause and the brand have a long-standing relationship (e.g., Ben & Jerry's and the environment). Customers can sense disingenuousness, so we caution against championing a cause based solely off word-of-mouth appeal.



## Phase 2: Launch Execution

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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## STEP TWO: DEMAND GENERATION

Tool #1: Media Mix Evaluation Template

## Overview

**What is it?**

A framework for considering the viability of various marketing channels for your new product launch.

**Why should you use it?**

It will help you generate demand for your new product by spreading awareness through channels most regularly visited by your target customers. It will also help you evaluate the channel effectiveness based on alignment with your communication goals, focusing your media spend and marketing activity right from the start.

**Media Mix Evaluation Template (Sample)**

**Product:** Financial Services Product A

**Target Customer Segment:** Young Professionals

The objective is to determine how well each channel supports the goal.

	Channel Effectiveness*								
Communication Goal	Print	Radio	Outdoor	Sponsorship	Direct Mail	TV (network)	TV (cable)	Web Search	Social Networking
Communicate core product characteristics	High	Medium	Medium	Low	High	Medium	Medium	High	Medium
Generate interest in/demand for the new product	Medium	Medium	Medium	Medium	Medium	High	High	Medium	High
Differentiate product from the competition	Medium	Medium	Medium	Medium	Medium	Medium	Medium	High	High
Encourage customers to forward product information to others	Low	Low	Low	Low	Low	Low	Low	Medium	High
<b>*Channel Effectiveness Evaluation Key</b> <b>High:</b> Fully supports communication goal <b>Medium:</b> Somewhat supports communication goal <b>Low:</b> Insufficiently supports communication goal									

Reminder! This exercise may prove particularly helpful if you are coordinating a product launch as part of a geographic expansion effort, since media effectiveness will vary significantly by location, language, or culture.

## Phase 2: Launch Execution

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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## STEP TWO: DEMAND GENERATION (CONTINUED)

Tool #2: Promotions Evaluation Template<sup>13,14</sup>

## Overview

**What is it?**

Similar in format to the [Media Mix Evaluation Template](#), this is a framework for evaluating the effectiveness of sales promotions that could support your product launch.

**Why should you use it?**

Part of your demand-generating activity will be to create a short-term incentive to try your product. This exercise can help you focus on those promotions efforts best-aligned with your product, customer, and campaign goals.

**Promotions Evaluation Template (Sample)**

**Product:** Home Appliance A

**Target Customer Segment:** Tier-1 Channel Partners

The objective is to determine how well each channel supports the goal.

	Promotions Effectiveness*							
Promotions Goal	Coupons	Rebates	SPIFFS	Trade Allowances	Dealer Loader	Trade Contest	Loyalty Reward Program	Trade Discounts
Drive consumer traffic to channel partner location	High	Medium	Low	Low	Low	Low	Medium	Low
Improve channel partner profit margins	Low	Low	Low	High	High	Low	Low	High
Set channel partner sales rep incentives	Low	Low	High	Low	Low	Medium	Low	Low
<b>*Channel Effectiveness Evaluation Key</b> <b>High:</b> Fully supports launch goal <b>Medium:</b> Somewhat supports launch goal <b>Low:</b> Insufficiently supports launch goal								

Reminder! Promotions goals and options listed above are for demonstration purposes and may require some tailoring to your organization's specific needs. While this example is written for a B2B company, a B2C organization may want to evaluate the effectiveness of other promotions methods such as point-of-purchase displays, in-store signage, sampling, promotional pricing, or demonstrations.

## Phase 2: Launch Execution

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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## STEP TWO: DEMAND GENERATION (CONTINUED)

Tool #3: Channel Reach/Clutter Matrix

## Overview

**What is it?**

A framework for determining whether your new product launch is well served by a given channel's **reach** and **clutter**.

**Why should you use it?**

You need to assess the match between your plans for product launch and the resources required to communicate effectively through a given channel. Such a perspective will help you understand the strengths and weaknesses of each channel you evaluate and enable you to make more informed media mix decisions.

## CHANNEL REACH/CLUTTER MATRIX

REACH*	High	<b>Golden Opportunity</b> Potential to reach a high number of customers with a high level of communications resonance (Example: Twitter)	<b>Crowded Space</b> Potential to reach a high number of customers but with variable message recall (Example: TV)
	Low	<b>Possible Winner</b> Potential target a specific customer group with a high degree of resonance through an emerging channel (Example: Wolfram Alpha Search)	<b>Loser</b> Potential to connect with customers on a memorable level is low; consider removing these channels from your media mix (Example: Direct Mail)
		Low	High
		CLUTTER*	

**\*A Note on Reach and Clutter**

Frost & Sullivan defines "reach" as the ability of a channel to communicate with customers and "clutter" as the measure of noise within that channel.

*(Directions listed on the following page)*

**Phase 2: Launch Execution**

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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**STEP TWO: DEMAND GENERATION (CONTINUED)****Tool #3: Channel Reach/Clutter Matrix (Continued)****Directions**

1. Plot each potential channel you are considering according to responses to the questions listed below.
2. Rank each response those questions based on a High, Medium, Low scale. Take the average for each category and plot on the grid accordingly.

**Questions****A. Channel Reach**

1. To what extent can you expect to provide customers with information about your new product through this channel?
2. How attractive is this channel within the context of your company's communication strategy?
3. How would you rank the power of this channel relative to alternatives?

**B. Channel Clutter**

1. To what extent can you expect customers to recall a message conveyed through this channel?
2. To what degree would your messages directly conflict with others conveyed through this channel?
3. How would you rank your company's ability to rise above competing noise in this channel?

## Phase 2: Launch Execution

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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## STEP THREE: SALES PREPARATION

**Tool #1: Sales Support Readiness Checklist**<sup>15</sup>

## Overview

**What is it?**

A list of tools or resources that you should prepare prior to introducing your new product to the sales force and your channel partners.

**Why should you use it?**

The more you can prepare your sales team or channel partners to win over customers to your new product, the more successful your launch will be. It is therefore critical that your sales teams feel confident that they can achieve their sales targets with the new product. This checklist will help ensure that you provide comprehensive support resources that will minimize their concerns and ease their transition into selling the new product.

This checklist is for demonstration purposes; you may need to tailor it to the needs of your sales team.

**Sales Support Readiness Checklist (Sample)**  
**For Product:**

Support Tool or Resource ●	Status	Start Date	Due Date	Owner
Pricing Tools	Done	June 5	June 30	James
Training Certification	In Progress	June 1	July 31	Dan
<a href="#">Product Cheat Sheet Template</a>	Done	May 5	May 31	Dan
FAQ's	In Progress	May 15	August 15	Katherine
Objection-Handling Script	Behind Schedule	June 5	June 5	Jake
Solutions Brief	Behind Schedule	June 15	June 2	Katherine
Data Sheet	Done	May 1	May 15	James
New Product Brochure	Done	June 5	June 30	Jake
Demo Script	In Progress	May 20	June 15	Katherine
Channel Partner Email Template	Done	May 11	May 23	Dan
<a href="#">Competitor Comparison Chart</a>	In Progress	June 2	June 5	James
<a href="#">Product Placement Worksheet</a>	In Progress	June 3	July 14	Jake
Customer Testimonials	In Progress	May 1	September 1	Dan
Product Video	Done	May 14	June 1	James
Win/Loss Feedback-Sharing Mechanism	In Progress	June 1	September 1	Katherine



**Phase 2: Launch Execution**

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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**STEP THREE: SALES PREPARATION (CONTINUED)****Tool #2: Channel Partner Engagement Guidelines**<sup>16</sup>**Overview****What is it?**

A list of considerations that should inform your rules of engagement with channel partners.

**Why should you use it?**

It will help bring clarity and consistency to your dealings with channel partners throughout your product launch and ensure that a fair and comprehensive set of rules will govern your relationships. It will also help you avoid confusion in expectations between your direct sales force and your channel partners.

**Channel Partner Engagement Guidelines**

*Consider the following when writing your rules of engagement:*

- ☐ Minimum channel partner performance expectations
  - ☐ Rewards for meeting expectations
  - ☐ Consequences for underperformance
- ☐ Standards for new product training and certifications
- ☐ Requirements for minimum inventory levels and service coverage
- ☐ Agreement for warranties and guarantees for the channel partner and the customer
- ☐ Roles and responsibilities for initial implementation and ongoing support
- ☐ Pricing policy
- ☐ Discounting policy (based on volume over time, customer satisfaction ranking, certification levels, installed base, or other measurable attributes)
- ☐ Exclusivity: based on geography, named account, industry, vertical market, or other relevant factor
- ☐ Account ownership: rules for service delivery, upgrades, and expansions
- ☐ Positioning relative to competitors
- ☐ Expectations for communication: openness, shared platforms, or other relevant needs
- ☐ Expectations for promotion material including point of sales, brochures, etc.
- ☐ Events and rewards programs
- ☐ Articulation of specific purpose/roles of channel partners versus direct sales staff
- ☐ Lead generation and lead sharing practices

You may have rules of engagement for your channel partners already in place, in which case we would advise you to verify that the rules would apply to your new product launch.

## Phase 2: Launch Execution

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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## STEP THREE: SALES PREPARATION (CONTINUED)

[Tool #3: Product Cheat Sheet Template](#)<sup>17</sup>

## Overview

**What is it?**

A one-page template that you can tailor to your new product to serve as a quick reference guide for your sales force. Its essential information includes pricing, target customers, top competitors, and core features and benefits.

**Why should you use it?**

It will help ensure that your sales force is prepared to discuss the new product accurately from the very beginning. By providing your sales team with an easy-to-reference list of the product's primary talking points, you can shorten the learning curve and improve sales reps' comfort level discussing the product with customers.

## Product Cheat Sheet Template

### Product:

*Step One: Provide detail on each of the categories listed below.*

**Product Description:****Tag Line:****Market Maturity:**

- ☐ Growth rate
- ☐ Existing solutions
- ☐ Trends
- ☐ Technological changes
- ☐ Consolidation
- ☐ New entrants
- ☐ Total available market

**Target Customer:**

- ☐ Demographics
- ☐ Pain points
- ☐ Needs
- ☐ Decision making patterns
- ☐ Sales cycle

**Top Competitors:**

- ☐ Product
- ☐ Market position
- ☐ Ability to compete
- ☐ Pricing

**Pricing:**

- ☐ How the price was set (i.e., value-based, minimum margin necessary, competitive environment)
- ☐ MSRP & street prices for each country worldwide
- ☐ Channel discounts

**Features & Benefits:****Unique Value Proposition:**

*Step Two: Use the following template to build an "elevator pitch" for your new product:*

For [target customers] who need to [primary need], [product name] is a [brief product description] that provides [benefit 1], [benefit 2] and [benefit 3].

Unlike [main competitor], [product name] delivers [main advantage 1] and [main advantage 2].

## Phase 2: Launch Execution

Step	Awareness Campaign Development	Demand Generation	Sales Preparation
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## STEP THREE: SALES PREPARATION (CONTINUED)

Tool #4: Competitor Comparison Chart

## Overview

**What is it?**

An easy-to-use template illustrating the differences between your company's new product and those offered by competitors.

**Why should you use it?**

It will help your sales team manage customer conversations regarding competitor alternatives and present your new product in the most favorable light possible. It can also help you standardize communications regarding your product's core features and benefits across the sales force, and it will work equally well for internal sales reps and channel partners.

**Competitor Comparison Chart (Sample)****Product: Financial Services Product A**

These features are for demonstration purposes only.

Feature ●	Competitor 1	Your Company	Competitor 2
Unlimited service	√	√	
Choice of payment options		√	√
Choice of investment accounts	√	√	
Tax deferral options	√	√	
Minimum rate of return guarantee		√	√

Reminder! This chart will work most effectively with a comprehensive list of product features. The more you can make the case for your product's strengths and competitors' weaknesses, the easier you make it for the sales force to consistently and easily answer questions regarding your product's core strengths.

# PHASE 3: LAUNCH MONITORING

Growth Process Toolkit  
*New Product Launch*



**PHASE 3: LAUNCH MONITORING****Where Are We Now?**

Completion of the exercises featured in Phase 3 has enabled you to:

- Build buzz for your new product launch
- Design a communications strategy aimed at early adopters and key influencers
- Generate demand for your new product through targeted promotion and media mix decisions
- Prepare and support your direct sales team and channel partners with tools, incentive plans, and comprehensive rules of engagement

By this stage, your product is reaching customers and you are beginning to receive feedback from them and from your sales force.

**What Do I Do Next?**

Your next step is to collect and act on this input. As one senior executive explained his company's product launch experience, "You come out, and you think you have a market-ready product. Then you discover that you really don't. You're 90% of the way there, but there's another 10% you have to iterate on with customers."<sup>18</sup> Phase 3 will aid your efforts to iterate on that critical 10 percent by helping you collect customer feedback, evaluate sales performance, and refine your product, communications, and sales strategies accordingly.

If handled properly, this iterative feedback collection process will enable your company to accelerate sales with your new product.

Outlined below are the activities and steps you will complete in Phase 3. The pages that follow will feature the resources you need to complete each one of these steps.

**LAUNCH MONITORING: KEY STEPS AND TOOLS**

STEP	PURPOSE	SAMPLE TOOLS
<a href="#"><u>Internal Evaluation</u></a>	Assess sales and marketing performance and collect product feedback from the sales team	<a href="#"><u>Sales and Marketing Performance Dashboard</u></a> <a href="#"><u>Sales Feedback Collection Template</u></a>
<a href="#"><u>External Evaluation</u></a>	Assess market response to new product and collect feedback from early customers	<a href="#"><u>Market Response Assessment Worksheet</u></a> <a href="#"><u>Customer Feedback Collection Template</u></a>



## Phase 3: Launch Monitoring

Step	Internal Evaluation	External Evaluation
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## STEP ONE: INTERNAL EVALUATION

Tool #1: Sales and Marketing Performance Dashboard

## Overview

**What is it?**

A performance dashboard template to help you measure your organization's sales and marketing performance following product launch.

**Why should you use it?**

It will help you track your product's traction in the marketplace and communicate results to the executive team. You may want to use this template in conjunction with the [Performance Dashboard Template](#) featured in the Growth Process Toolkit for New Product Development.

**A. Sales Performance: Key Metrics (Sample)**

Metric	Target	Performance	Trend	Action Items
Revenue growth/total sales year-over-year	18% growth in first year	20% growth in first year	Increasing	Isolate drivers of high performance
[New product] sales as percentage of total sales	5% of total sales	3% of total sales	Tracking to hit goal	Continue with plan
Average margin	7%	8%	Above expectations	Continue incentive program
Market share	15%	12%	Trending upwards	Continue with plan
Shortage/excess of product inventory	Zero variance	\$150K USD inventory excess	Over-forecasting: need to adjust	Invest in new forecasting software
# sales reps dedicated to selling [new product]	8	8	On target	Continue with plan
# sales reps certified to sell [new product]	8	6	Tracking to target	Continue with plan
Average length of sales cycle	3 months	4 months	Sales taking too long	Isolate/analyze deal barriers
Average deal size	\$40K USD	\$45K USD	Above expectations	Continue incentive program
Win rate	20%	12%	Below expectations	Conduct win-loss analysis

**B. Marketing Performance: Key Metrics (Sample)**

Metric	Target	Performance	Trend	Action Items
Number of customer complaints	0	7	Above acceptable rate	Isolate causes of dissatisfaction
Customer attrition	0	10%	Above acceptable rate	Design retention incentive program
Number of repeat buyers (i.e., retention rate)	100%	20%	Below target	Track number over next quarter
Number of product inquiries fielded	1000	1500	Above target	Continue with awareness campaign
Number of qualified leads	80	70	Tracking to target	Continue with plan
Aided/unaided [new product] awareness	100% customers surveyed recall product	50% of customers surveyed recall product	Below expectations	Reprioritize Market Research pipeline
Budget allocated versus Budget spent	\$1M USD to launch	\$1.2M USD to launch	Above target	Tighten budget for next quarter

## Phase 3: Launch Monitoring

Step	Internal Evaluation	External Evaluation
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## STEP ONE: INTERNAL EVALUATION (CONTINUED)

[Tool #2: Sales Feedback Collection Template](#)

## Overview

**What is it?**

A form you can use to survey your sales team on your new product and its performance in the marketplace. It will work equally well with your direct sales force and channel partners.

**Why should you use it?**

It will help you identify areas of concern that need to be addressed in future product iterations. Importantly, this survey will also help you maintain open communication with your sales force and gauge their commitment or resistance to selling your new product. It's important to frequently share this feedback with the sales force in a format useful to them.

## Sales Feedback Collection Template

Product: \_\_\_\_\_

1) Please rate the customer's response to the following aspects of [New Product]:

	Very Positive	Positive	Neutral	Negative	Very Negative
Overall Reaction					
Reaction to Price					

2) What is the probability of closing this sale?

0%	25%	50%	75%	100%
----	-----	-----	-----	------

3) Please rate the customer's response to the following attributes of [New Product]:

Rating Scale: **5** = Very Positive; **4** = Positive; **3** = Neutral; **2** = Negative; **1** = Very Negative

1. [Attribute] _____	5. [Attribute] _____
2. [Attribute] _____	6. [Attribute] _____
3. [Attribute] _____	7. [Attribute] _____
4. [Attribute] _____	8. [Attribute] _____

4) How did this customer learn about [New Product]?

- a) TV or print advertising
- b) Communication from you
- c) Recommendation from friend or colleague
- d) Other:
- e) Don't know

5) What objections or questions did you encounter that you were unprepared for?

6) Which sales support materials did you find most helpful?

**Phase 3: Launch Monitoring**

Step	Internal Evaluation	External Evaluation
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**STEP TWO: EXTERNAL EVALUATION****Tool #1: Channel Partner Performance Metrics****Overview****What is it?**

A list of metrics you may want to include in the [Sales and Marketing Performance Dashboard](#) if channel partner performance is integral to the success of your new product launch.

**Why should you use it?**

It will help ensure that you are evaluating your direct sales force and channel partners with equal rigor throughout your product launch. It will also help you identify areas of underperformance among your channel partners and inform your refinement of your incentive and support strategies.

**Channel Partner Performance Metrics**  
**Product:**

*Evaluate channel partner performance according to the following metrics:*

- ☐ [New product] total sales YTD
- ☐ New product as percentage of total channel partner revenue
- ☐ Number of accounts sold on [new product]
- ☐ Average size of account
- ☐ Average margin on each sale (and average discount to clients)
- ☐ Number of channel partners certified to sell [new product]
- ☐ Level of channel partner participation in promotional programs
- ☐ Number of leads generated by channel partner for [new product]
- ☐ Conversion rate on qualified leads

## Phase 3: Launch Monitoring

Step	Internal Evaluation	External Evaluation
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## STEP TWO: EXTERNAL EVALUATION (CONTINUED)

Tool #2: Market Response Assessment Worksheet

## Overview

**What is it?**

A list of considerations to guide your evaluation of your market or industry's response, post-launch.

**Why should you use it?**

You need to gain a comprehensive understanding for how the marketplace has reacted to your new product's introduction: whether the response has been favorable, whether competitors have rushed to replicate your product, etc. These insights will help you determine where you need to make adjustments in your go-to-market strategy and which improvements would most differentiate your product in the eyes of your customers.

**Market Response Assessment Worksheet****Product:**

- 1) How long has [new product] been in the market?
- 2) Is the product experiencing the growth that we predicted it would at this stage of its life cycle?
  - a. If not, is its underperformance due to controllable or uncontrollable factors?
  - b. What steps should we take to influence controllable factors?
- 3) Have any of our competitors managed to replicate or create a substitute for our product at a lower price point?
- 4) How many new companies have entered the category since [new product]'s launch?
- 5) How many companies have exited the category since [new product]'s launch?
- 6) Overall, how would we assess the health/strength of the market today as compared to when we first went to market?
- 7) How might we adjust marketing and sales support materials to better set this product up for success?
- 8) How engaged are our channel partners? What can we do to instill greater product or brand preference in them?
- 9) Based on sales and customer feedback, what changes do we need to make to our product's positioning, price point, or communications?
- 10) How have customers assessed post-sales follow-up? Do we need to make adjustments to our service function if we are to retain customers or gain repeat buyers?
- 11) What can we do to make our supply chain run more efficiently?
- 12) Is our product reaching customers consistently across geographies? Where do we see bottlenecks?
  - a. What can we do to resolve them?
- 13) Based off observed demand, do we need to make any adjustments to our long-term expectations for [new product]'s performance and contribution to our corporate growth objectives?
- 14) How can we better monitor and influence information shared on [new product] through customer networks, user groups, influential blogs, publications (such as *Consumer Reports* or *Wired*), or product review web sites (such as CNET)?

Ongoing accumulation and assessment of "expert" reviews is particularly integral to your post-launch product monitoring efforts.

**Phase 3: Launch Monitoring**

Step	Internal Evaluation	External Evaluation
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**STEP TWO: EXTERNAL EVALUATION (CONTINUED)****Tool #3: Customer Feedback Collection Template****Overview****What is it?**

A form that you can use to survey your customers' response to your new product. It can be adapted to B2B or B2C contexts.

**Why should you use it?**

It will help you assess the effectiveness of multiple elements of your launch, including pricing strategy and marketing communications resonance, and calculate your net promoter score. These insights can help you pinpoint specific improvement opportunities and ensure that you incorporate voice of the customer into your next product iteration.

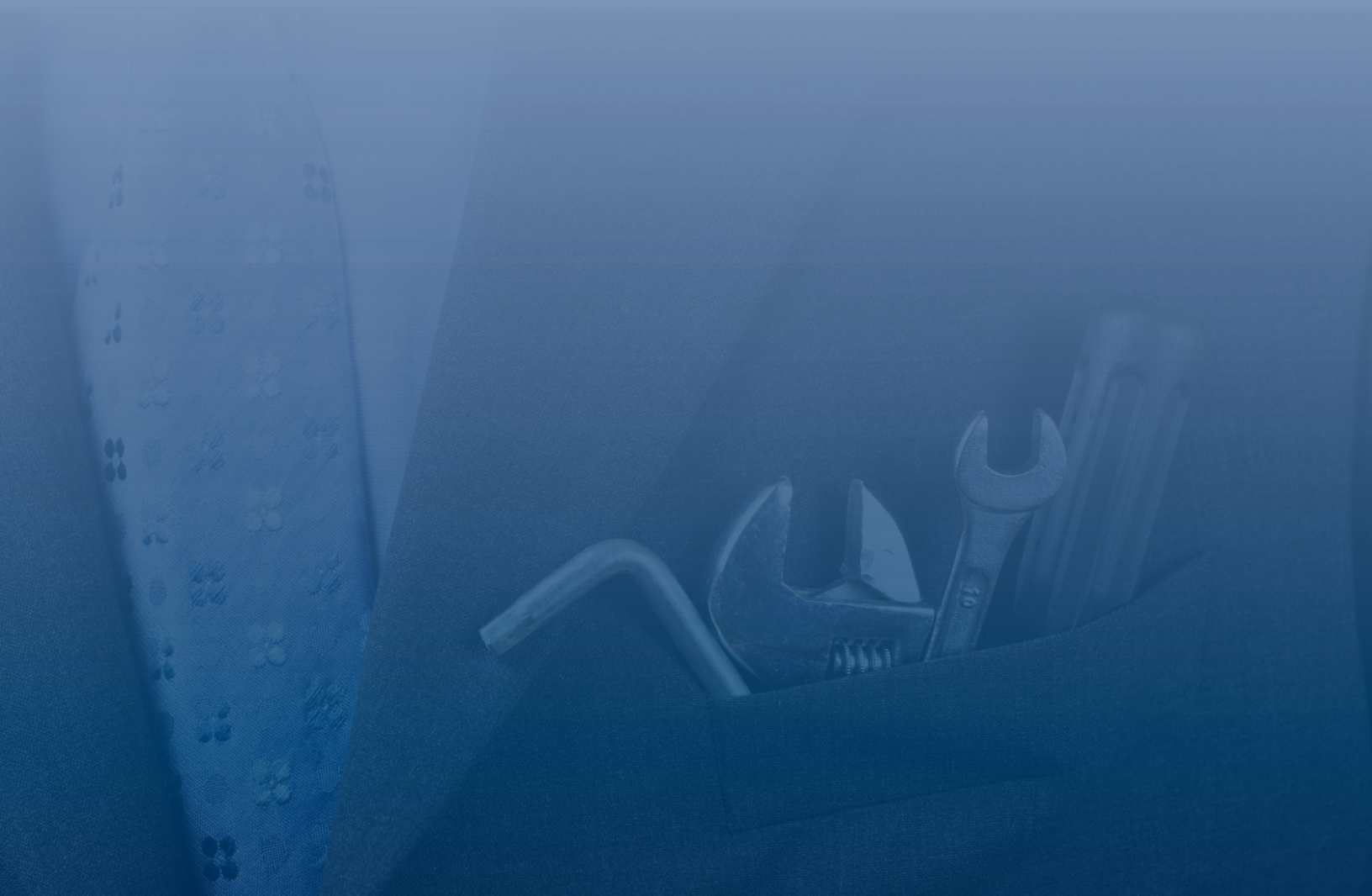
**Customer Feedback Collection Template****Product:**

- 1) How does [product]'s performance compare with your original expectations?
  - a. Exceeds expectations
  - b. Meets expectations
  - c. Falls short of expectations
- 2) Does this product help you achieve your desired outcome more efficiently?
- 3) Does the behavioral change required to adopt this product outweigh its benefits?
- 4) What changes would you make to this product?
- 5) Do you feel this [new product] is reasonably priced?
- 6) What would encourage you to buy this product over one of our competitors?
  - a. Price
  - b. Customer service
  - c. Brand loyalty
  - d. Product warranty
  - e. Other \_\_\_\_\_
- 7) How did you hear about [new product]?
  - a. Advertising
  - b. Direct communication from a sales representative
  - c. Recommendation from friend or colleague
  - d. Other \_\_\_\_\_
- 8) Would you purchase this product again?
- 9) How likely would you be to recommend [new product] to a friend or colleague on a scale of 1 to 10 (highly likely)?

**Reminder!** Your customer survey will be most effective if it is short and easy to complete. Gauge your survey length by the approximate time it takes to complete the survey rather than by the number of questions. Aim for 2 to 3 minutes; 5 minutes should be the upper limit. When possible, design survey questions with rating scales, multiple choice options, or pull-down menus to speed completion time.

# END NOTES

## Growth Process Toolkit *New Product Launch*





## END NOTES

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