



Considerations for a Successful B2B Product Launch
WHITE PAPER



EXECUTIVE SUMMARY

Product development entails all types of activity in B2B. In simple terms, organizations must, at a minimum, successfully navigate the following steps to release a new product or service to the market.

- Market research and business planning
- Specification development
- Research and development
- Specification compliance
- Testing
- Organizational readiness
- Launch to market

Perhaps one of the most depressing aspects of the B2B product development continuum is the tendency for the final step, launch to market, to come up short. Maybe it's a sense of relief or exhaustion. After all, anyone who has been at the center of the product development process knows how arduous and straining it can be. Launch failures also could be due to lack of follow-through. With the product developed and ready for market, many organizations simply throw it over the wall to sales, hoping for the best, while moving on to new priorities.

Whatever the reasons, failure is common for this final development step. A recent AcuPoll¹ study indicated that as many as 80 to 95 percent of B2B product launches fail, presumably evaluated against the acceptance of your new product or service by your markets and revenue generation..

With the bar so low, achieving superstar status for your next product launch should be a snap. This paper takes a look at reasons for product launch failures, attributes of a successful product launch and four simple recommendations for marketers that will create a better environment for the successful introduction of a new product or service to the market.

WHY PRODUCT LAUNCHES FAIL

So why so many failures? The previously cited research from AcuPoll listed the following factors as the most common contributors to launch failure:

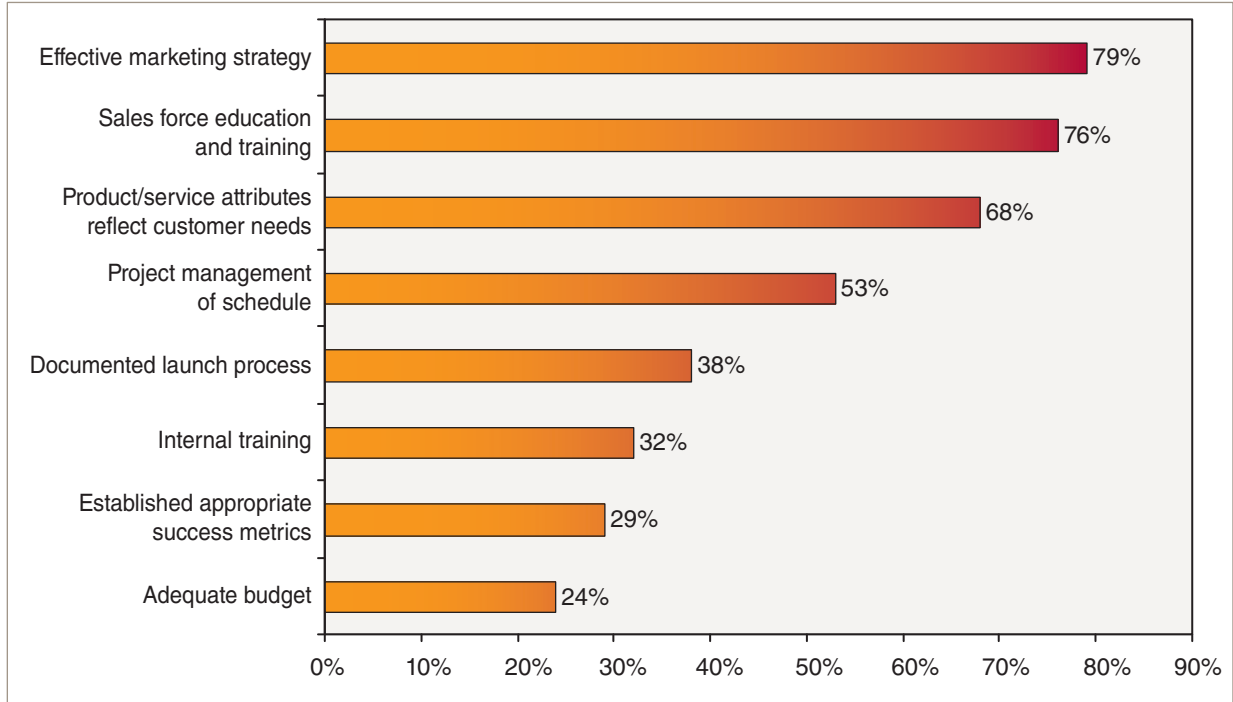
- Inadequate sales force training
- Poorly conceived sales compensation program
- Lack of commitment within the organization
- Poor timing
- Product attributes fail to address customer needs
- Inadequate training of internal functions
- Inadequate budget

So which of these factors do B2B marketers rank as the most important? Which ones do they have to nail in order to create the greatest opportunity for a successful launch? To answer that question, TriComB2B surveyed the region's leading B2B professionals from marketing, engineering, sales, executive and product management capacities.

KEY SUCCESS FACTORS

When asked to rank the top four factors that were most important to a successful product launch, B2B professionals provided the following responses:

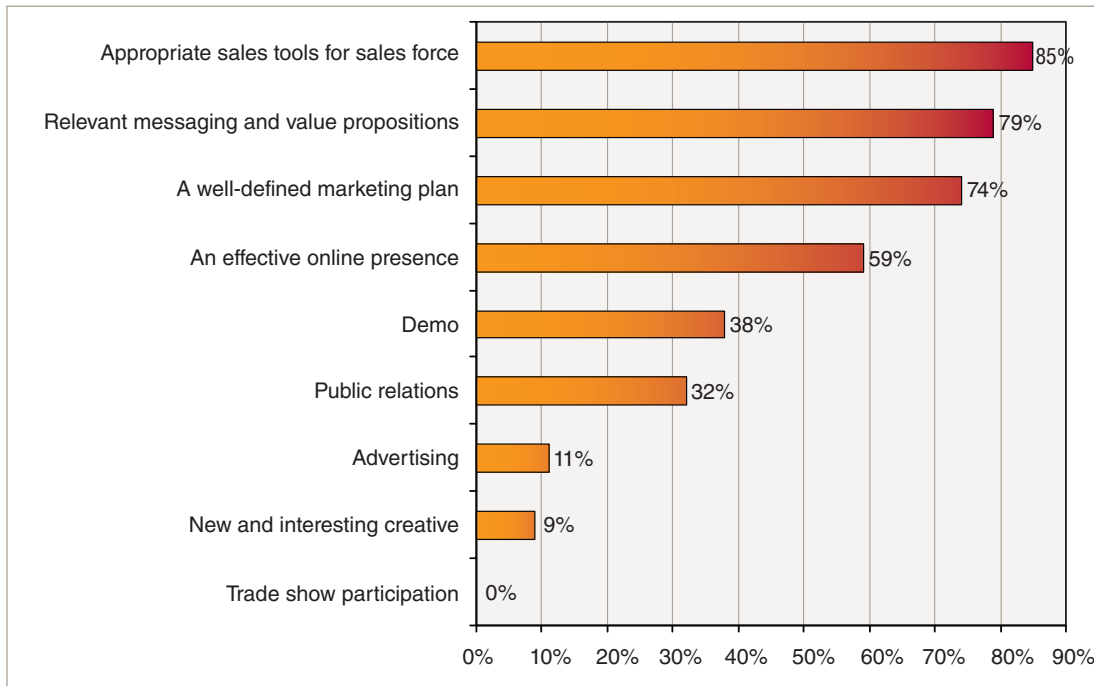
Figure 1 – Most Important Factors for Successful Product or Service Launch



Similar research performed by Schneider Associates² shows some alignment with TriComB2B results with Sales Force Training / Preparation and Launch Process / Management garnering top four rankings. Interestingly, Schneider respondents emphatically ranked size of budget as their key criteria for a successful launch – a significant departure from TriComB2B respondents.

To better understand the components of an effective marketing strategy, TriComB2B asked its survey respondents to rank the most important activities for an effective marketing communications strategy to support a B2B product or service launch. The results are shown on the following page.

Figure 2 – Most Important Marketing Communications Activities for Product or Service Launch³



So what do these results tell us? Certainly there is high recognition that sales must be appropriately equipped and prepared to do their job. Secondly, developing and executing a marketing plan to support the product launch is essential. Completing a brochure and running a few ads doesn't constitute a plan and respondents seem to recognize this. Also, respondents seem to be clear on the fact that the customer is king. Hitting the mark with product or service attributes and communicating an effective value proposition both rank highly in the survey results. And lastly, and not surprisingly, the first non-sales support marketing tactic that garners mention by respondents is "effective online presence" while little to no attention is given to traditional advertising and trade show activities.

So why do so many launches fail if we seem to know what the problems are? Is it lack of resources? Is it fatigue or lack of organizational commitment? Is the sales force too busy to be distracted by another product or service to sell? Whatever the reasons, marketers can do their part by getting involved early and staying engaged late. Consider these four basic recommendations when evaluating your next product launch.



A B2B Marketing Architecture Can Help

When looking for a way to make sense of the many marketing considerations for a product or service launch, consider starting with a simple B2B marketing architecture. Begin with the market and audience in mind to define positioning and key messages for your new offering. Make sure your foundation is solid using research that brings clarity to market nuances and the competitive landscape. Develop a plan – no matter how simple – and make sure you cover the fundamentals before jumping into lead generation and larger scale external communications.

FOUR RECOMMENDATIONS TO IMPROVE YOUR NEXT PRODUCT LAUNCH

1. Invest in Your Sales Force

The research and survey results clearly indicate the need to properly engage with sales. Any schism that separates sales from the product development continuum will be the death nail for a product launch. Consider sales' input as part of your intelligence gathering from the beginning. Include representatives from sales in market readiness reviews. Ask them what they need to sell the new solution and don't come up short on delivery. Don't deliver PowerPoint slides to someone who sells in a coal mine or, conversely, don't rely on wordy technical manuals for sales that take place in the boardroom. Lastly, budget for some plane tickets and train your sales force in person to the greatest extent possible.

2. Get Your Value Proposition Right From the Outset

Developing a value proposition for a product that is fundamentally not aligned with customer business pains is, at best, difficult. That's why marketing needs to be involved from the outset of product development, not when it's time to launch. Support or drive the upfront research by volunteering your resources to the product development team and *MAKE SURE YOU'RE TALKING TO CUSTOMERS* when developing the business plan. Too many organizations rely on internal industry experts to guide decisions ranging from desired solution attributes to pricing models. Consider customer focus groups as part of your product development process.

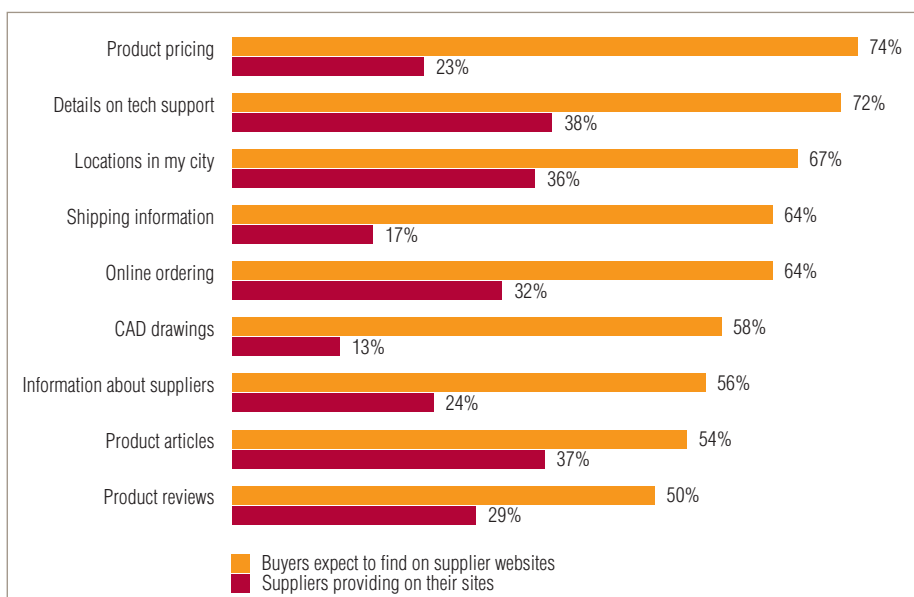
Finally, when preparing your marketing activities for launch, start with a messaging document that defines the core themes and value-based statements that will tie all of your activities together for maximum effectiveness. Consider a "tiered message" approach that includes the audiences that you are trying to reach. Is your primary audience the influencer or the decision maker in the purchase decision, or both? And what is compelling to them – cost savings, new features and functionality, improved performance or something else?

It also is beneficial to think of your messaging as a continuum – Introduce – Intrigue – Involve – Inform – Influence.⁴ MarketingProfs suggests this approach for supporting product or service launch messaging. The first goal is to *introduce* your new product and *intrigue* the audience. From there, the goals are to *involve* and *inform* your various audiences in the launch discussion, with the ultimate goal being to influence their purchase decision.

3. Make Sure Your Online Presence Rocks

Before engaging in lead generation, direct marketing, advertising or public relations activities, make sure the Web presence for your new solution addresses audience needs. Figure 3 provides examples of audience expectations that marketers may want to consider when establishing their online presence for a new product launch.

Figure 3 – Buyer / Seller Disconnect



Worried about your new product or service getting lost on the corporate Website? Consider a micro-site as a temporary means to higher visibility on the Web. Micro-sites are ideal hubs for calls-to-action from external communications campaigns, providing more flexibility for special functions that may not be possible on a corporate site (online demos, Webinar registrations, live chat support, etc.). In addition, a micro-site can provide many search engine optimization advantages.

Lastly, if online is an essential part of your product launch strategy, you may want to consider engaging, at least temporarily, in pay-per-click advertising. With properly designed ads and landing pages and an adequate budget, this can be an effective means of creating visibility while your search engine optimization efforts are taking hold. Also, responsible participation in blogs and other social media platforms where your target audience may reside is another possible means of generating interest. But consider the “unwritten” rules of social media and avoid blatant self-promotion.

4. Execute Persistently and Measure

A product launch is not a three-week project. While it may be tempting to mail the brochures and training guides, hold a couple conference calls, and run a few ads (see previous comments about launch fatigue), developing a long-term plan and sticking to it is essential. The best plans fit on one or two pages and provide instant visibility to activities, responsible champions, timing, budget and metrics. Not sure what to measure along the way? Consider these easy starting points.

- **Web Analytics:** Your Web presence should be the hub for all calls-to-action. Make sure Google Analytics or Yahoo! Web Analytics are installed on your site(s). Monitor traffic and conversions compared to desired site visitor behaviors and adjust tactics based on results.
- **URL Redirects:** Utilize this simple technique to measure the effectiveness of various external communications activities. Vary the URLs by tactic so you can compare effectiveness when analyzing your program. Integrate with Web Analytics to see which tactics yield the best conversion rates.
- **Email Analysis:** Ensure email marketing programs utilize a quality email marketing engine with a full suite of analytics. Utilize A/B testing and analyze open rates, click-thrus and conversions before engaging in larger scale communications. Note that some email marketing engines provide Web Analytics integration for email-to-Web behavior tracking.
- **CRM:** Marketing's dirty little word, yes. But when engaging in lead generation, establishing a campaign within your own CRM or with an off-the-shelf, on-demand solution can be an effective means of tracking the status of prospects and automatically delivering qualified leads to your sales force.
- **PURLs:** The personalized URL is a simple means of combining a common product launch tactic, direct mail, and the Internet to account for prospect preferences while also enhancing measurement capability. Prospects benefit from customized landing pages with relevant content while marketers benefit from granular response tracking and lead qualification data.

CONCLUSION

Get involved early and stay late. B2B marketers can play a dramatic role in improving the success of product launches by providing strategic insights, leading a thorough marketing planning process, focusing on sales' success, and championing persistent execution of a marketing communications plan that emphasizes a strong Web presence and measurable results.

RESOURCES

1. Jack Gordon, AcuPoll Research, 2007.
2. “Business to Business Launch Survey,” Schneider Associates, 2007.
Conducted in conjunction with the Center for Business Innovation at Babson College.
3. TriCom B2B Product Launch Survey, December 2009.
4. “Launching your Product: Seven Marketing Musts,” Gwyneth Dwyer, MarketingProfs, December 2006.



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