

### **About us**

PACE Australia is a specialist in sales performance improvement. We work with our clients to secure their planned sales results. We do this by developing and implementing improvements in essential processes and skills needed at all levels of the sales and service environment.

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*This is one of a series of White Papers from PACE Australia.*

*These are brief tutorials prompted by some of the practical problems, concerns and issues encountered by our clients. Their contents are drawn from the collective knowledge of the Consultants at PACE, each of whom has lengthy practical experience in selling and marketing. Each PACE White Paper is designed for easy reading in a quiet 20-minute respite from the pressures of the job. They can be read in any order, any time, anywhere. We hope the reader will benefit from our professional expertise.*

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## **Lift-off or let-down? How to make your product launches *work*?**

### **The product launch: a sign of corporate vitality**

Innovation and invention lie at the heart of your organisation's success. Be it a new product, a new package, a new promotional campaign or a whole new market, your life revolves around 'the new'.

A constant stream of newness speaks loudly about your firm to the world. It says you're a vigorous, progressive, up to the moment, smart and competitive outfit.

Conversely, if your innovations are rare and announcements few, your image might be of a follower and not a market leader.

Most new things need to be launched. They need lift-off. They need a serious rocket booster to get them to high altitude. If the effort preceding their introduction is to pay off, the world needs to be told of them. And what payoff do we usually seek?

### **Increased sales. Increased market share. Competitive advantage**

Every product launch, every concept launch, every reinvented package is an investment requiring *increased sales*. But often the increase turns out to be illusory.

Launch time should be a re-focussing time. It should energise a new round of sales and profits. It should be a time for honing the competitive edge. It should generate excitement, renewed enthusiasm and great expectations. If it doesn't, it will fail.

This White Paper assists managers ensure their launches *succeed*. It helps them strategise the actual launch process. It guides them in avoiding the obstacles that often consign exciting new products or services to a premature product grave.

For simplicity, we'll talk about *product* launches but the same principles often apply to a new 'service launch' or announcement of 'the new'.

## The fumbled launch: rule or exception?

There is a massive investment in every product launch. Rightly or wrongly, most businesses expect a return on that investment as fast as possible.

Think what's involved – analysing and researching the market need; conceiving solutions; developing the product concept; prototyping, testing, refining and building it; creating a marketing framework; and then taking it to a successful launch.

*"This latest round of products we are launching cost in the millions to bring to market"*

*Managing Director*

There are probably as many failed new products as successful ones – perhaps even more. Many of these failures will have been caused by product deficiencies or poor market research or an illusory value proposition.

But we believe many others are simply the result of inadequate product launches. This is the problem addressed in this White Paper.

## So what happened *there*? Causes of fumbles

Obviously, there are many reasons for product launches failing to fire. Here are some of them. We won't dwell on them because they're credible and easy to understand.

- Value propositions theoretical and not field-tested for reality
- Thoughtless and unguided selection of strong early prospects
- Going off half-cocked so the sizzle fizzles
- Marketing and presentation materials designed without sales input
- Insufficient concern with an all-round preparedness
- Failure to have sales support and marketing materials ready on time
- Inadequate time for thorough training – not just features-and-benefits cards
- Lack of coordination in the marketing-to-sales handoff
- Inconsistent messages conveyed to different prospects
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- Inability to convey complex new messages at all stages of the process
- Lack of sales confidence in ability to sell the product
- Lack of preparation with the objections we anticipated
- Weak value propositions, product deficiencies, delayed deliveries
- Neglect of normal sales processes, monitoring and feedback
- Competitive products suddenly appearing – often prematurely announced

Most of these problems are also disturbingly predictable. Potentially they lie in wait for your next product launch.

It is management's job to give consideration to *all* of them and put in place some answers and some avoidance strategies. The five brief pointers which follow will guide you in doing this. They require thought, care and planning. Remember the maxim ... *Hope is not a viable sales strategy.*

## Hope is not a viable sales strategy. Five pointers to doing it right next time

### Pointer 1 - *The value proposition*: most critical element of the whole thing

Unlike say the world of retail fashion (where customers' buying decisions are often based on emotion instead of logic) business-to-business decisions are ruthlessly based on the inescapable commercial constraints of cost, benefit and ultimately profit.

Therefore, your *value proposition* must be a bullet-proof, unassailable statement of the measurable benefits the prospect will achieve by acquiring your new product. If those benefits can't be measured and related to your charges, your sales proposition is highly likely to be rejected.

From your own corporate standpoint you should – before any new product is launched – demand answers to these types of questions:

- **Who** is taking the responsibility for the *value proposition* – and who is accountable for it?
- **In which area** of your business was the *value proposition* put together? Research? Product development? Marketing? Or Sales? If not by

sales there must now be intense sceptical scrutiny of the *value proposition* assumptions before going into the market. Why? Because the sales people are closer to the buyers than anyone else on your staff. A *value proposition* developed in isolation from the field probably will be faulty.

- **Did** we recently investigate the really powerful *needs* of the market – or did we simply assume we understood those needs from our past experience? And have we ensured the *value proposition* addresses them? Things change. What was a need yesterday might be a non-issue today.
- **Have** we gone through the process of distilling everything about the product into 3 or 4 core 'advantages' to the customer. If it's a wholesale or retail situation, how about the core advantages to their customer – the end user?

*PACE NOTE: this sounds simple. However, every single time we have workshopped this task with sales teams in a launch, a substantial portion of the groups always come up with differences. This demonstrates that what seems simple at the surface, might not be so unless the appropriate degree of exploration and discussion takes place.*

- **Have** we developed powerful "need arguments" i.e. powerful arguments that absolutely hit on the key needs in an unassailable fashion?
- **What** about building powerful "proof arguments"? After all, no sales person ever walked into a prospects office and said, "Hi. Here we have a truly bad product for you!" They all say "it's brilliant, Mr Customer!" So how's the prospect going to believe the story unless we have built in secure "proof arguments"?
- **Can** we prototype the *value proposition* on a few of our real prospects/customers *before* the launch? Often existing good customers will be our harshest, most sceptical audience – especially if we're launching Version 3 of a product and Versions 1 and 2 were less than marvellous. If we can't sell it to people with whom we already do business, what chance will we have of selling it to strangers?

## **Pointer 2 - The message and the media: getting the story straight.**

The message about the new product should derive from the *value proposition*. It should be pungent and easy to understand. And establishing a *consistent*

message about the new product across your entire team is essential in launching the new product. Politicians call this 'staying on message.'

After all, if the *value proposition* is good, why dilute its value by failing to have everybody on your team singing from the same song-sheet?

*PACE NOTE: We often ask Sales Directors the question: "after a product launch, if you went on ten calls with ten different sales people, what would you hear?" The most common answer? "Ten different stories"*

There are many current examples of product launches where the message was not clearly expressed to the sales force. As a result each member of the sales team developed a unique variation of the message – and in some cases missed the point entirely.

Typically, your marketing team is entrusted with the job of conveying the message to the eyes, ears and minds of the sales force, prospects, customers, tour own non-sales/marketing staff and perhaps the press and the public.

It's a big responsibility. Make sure it's done well and 'on message.'

How? Perhaps conduct an audit before launch time using a small team of marketplace-aware senior managers. Let them explore these issues, for instance:

- **Has** the marketing team got the message straight? Has the message been 'netted out' and simplified for ease of understanding? Is it threaded through everything – and is everything 'on message?'
- **Have** we defined the parameters of 'what we need to know from the prospects' and 'how much the prospects need to know from us to sign an order?'
- **Are** those elemental points of *needs and advantages and proofs* reflected in all of the launch material? Don't be misled. These are absolutely essential.
- **Are** all the physical tools (such as brochures, presentation sets, proposal and bid material, point of sale material, reference letters, handouts, sales kits, letters) a cohesive integrated part of the product and launch strategy?
- **Are** they properly thought through? Are they accurate? Are they ready? Or do they seem to have been cranked out at the last moment?

- **What do you know about the competitive considerations?** Where can you expect competition? What are the competitive plusses – and where do we expect the new product to be attacked? On price? Features? Delivery? And is there a brief on handling these expected objections in a standard fashion and turning them to our advantage?
- **Do the sales team agree with the story?** Or are you going to hear "Who on earth wrote all that? The people who are going to deliver the message need to be involved in its creation.

Do the audit – and if you don't find the right answers, think hard about whether you should even proceed with the launch at this time.

### **Pointer 3 - The field strategy: getting your story to the prospects**

Now is the time to address the sales process – that is, the critical matter of how the new product's story will be taken to the world at launch time.

Of course, the world will not be holding its collective breath. Indeed, it will have much more on its mind than your breathtaking new product launch!

You only are allowed one chance at this. Once your story has been delivered to a prospect, but rejected, it will be a near impossibility to revisit the subject. The moment will have passed.

It is of paramount importance that your sales people recognise this. You jointly must ensure your single chance is not squandered. If when you've launched the product it is not being accepted by the market, there's not much point in blaming the sales force if the management didn't monitor the planning.

Here are some of the aspects of the sales process that you might want to become deeply familiar with.

- **Carefully select targeted prospects.** Should you start with the hottest – or not? Perhaps it's better for the sales people to gain live selling practice with the new product by training their sights on the least likely prospects. That way, there'll be no disappointments and much will be learnt.
- **Align sales activities with the marketing and PD objectives.** Remember, somewhere in your organisation, someone approved a business case for this new product. Does the launch plan reflect the business case? If the launch succeeds, will the expectations of the business case have been met? If there's any doubt, now is the time to do something about it.

- **Customise and monitor special post-launch activity plans.** Be sure your sales managers become deeply involved in planning prospect activity on a site by site basis. Instead of their regular reviews, they should be planning to appraise – perhaps *daily* – the progress of each salesperson's activity in selling the new product. Not only does this provide gentle pressure to perform and to stay focussed on the new product, it also encourages feedback from the field as to how it is being received. Prospect resistance, objections, good news and bad – all should be relayed upwards from these meetings.
- **Provide support to the sales force in the critical early days.** Often, the least well informed – and the least confident with your new product – are the sales people. Their education is discussed below but there should be plans to provide special, high priority help to them during these early days. Don't leave them hanging out to dry. They will need quick responses from your support staff – especially in marketing and product development – when they encounter a problem they can't handle alone.
- **Re-tune the current incentive plans.** Are there plans to provide competitions, awards, prizes and recognition for early sales of the new product? With all the razzamatazz, now is a good time to capitalise on the momentum. But remember, these things can be counter productive. There's not much point in having a successful launch at the expense of your existing, essential product lines.
- **Target key decision makers in your VSC's.** In every business, there are usually some Very Special Customers – often with unusually high-level management rapport with your own management. Don't leave these entirely to the sales force. Use your own management influence to treat the VSC's to a special presentation, a lunch with others, or some other especially memorable event. But make certain senior management are going to sing off the same song sheet as your team and say the same things.....of course, the alternative wouldn't happen in your organisation, we know!



#### **Pointer 4 - Training, training, training**

Probably, your great new product will by now be 'old hat' to the developers and the people in marketing.

But it's still foreign to the sales force so don't assume everyone in the field will be familiar and confident with it overnight. This is especially true where the product itself is an element of a whole new architectural concept or 'paradigm shift' – such as IBM's revolutionary System /360 way back in the 1960s, or Microsoft's Windows a few decades later.

The training for the field force should be as carefully planned as the product itself. Good education will be essential if you are to build confidence in the new product *and* the sales force. Don't do it by halves.

It must be handled by the best educators you can find. Plenty of time should be allowed for the education process. Materials should be authoritative, reliable – and *ready*. Practice calls, objections sessions and presentations should be intensively conducted and evaluated. Rarely do sales teams do enough practice and rehearsal to get confidence before they go into action.

*NOTE: Multi-million dollar launch. Conversation with Sales Director: "We just have them in for the day to save on overnight accommodation". Yeah, right, great strategy for success!*

And as with all education, the end of the course is just the beginning of the learning process. Be sure that you arrange follow-up sessions and that everyone's progress is monitored and recorded.

#### **Pointer 5 - Plans, monitoring, reviews: of course**

Overlaying all of the above are these simple, fundamental management requirements. Plan. Monitor. And review. Obviously, now is not the time to be taking the corporate management eye off the ball.

There's not much to be said here about that. Every organisation's needs and procedures are unique. But you should be sure that they are tweaked to accommodate the new products – and tuned to the immediate needs of the altered market environment that you have created by introducing the new product.

#### **Your other products**

So, whilst the sales team is excitedly focused and energised on the new product or service, where's the effort on the rest of your product mix? Make no mistake – sales effort produces results.

If the effort is reduced on other core products, then you can expect a fall in sales. So, what's your plan? Should you assign additional sales people for the new product launch? What will you do?

#### **And finally, a quick plug for *Launchpad!***

*Launchpad!* is PACE's exclusive methodology for helping its clients through a successful launch process. It facilitates all of these issues that we've visited above. It takes away complexity and delivers a straightforward means of ensuring your next product launch is a winner. We've developed it from many years' experience in the field. We suggest it will be worth some of your time to talk to us about it.

#### **About us**

PACE Australia is a specialist in sales performance improvement. We're dedicated to helping organisations across many different industries increase their sales revenue through their people and processes.

Following many years experience and expertise, we can help companies:

- Find and win new customers
- Improve their customer relationships and retention
- Create customer growth

We develop and deliver the knowledge, the skills and the confidence to enable you to become more effective in your sales processes.

#### **Our aim is always to help our clients develop:**

- Improved sales performance
- A stronger competitive advantage
- Growth opportunities
- Increased revenues

Based in Sydney, New South Wales, our experience is extensive. And our commitment to helping our clients deliver is total.

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