

How to launch new products

Ogilvy & Mather has helped to launch 73 new products. Forty-five are now established brands—double the usual rate of success. This experience has taught us certain principles. If you observe these principles when you introduce a new product, you will increase your chance of success.

Many of the rules that follow will seem glaringly obvious. Yet new product after new product is launched with sublime disregard of these basic truths. They almost always fail. "Those who do not remember the past are condemned to relive it."

I. The Product

Beware of launching a new product unless it has a real point of difference which can be perceived by the consumer.

If a particular market category is growing by leaps and bounds, or has very few brands in it, it is possible to introduce a "me-too" product successfully. But the risks are great.

"Second" brands in a market typically get only half the share of the pioneer—unless the second brand spends outrageously more. It is usually better to wait until you have a product with a real difference.

The difference may be in terms of better performance or better quality. Dove Beauty Bar was easily recognized as a better quality product. Better looking, better lathering, better for the skin.

The difference may be better value. It may be in providing a new use or a new service. It may consist of solving a problem which other brands do not solve.

For example, the Shell No-Pest Strip eliminates flying insects, without cumbersome spray bottles. Max-Pax Ground Coffee Filter Rings filter out messy grounds and sediment, and give a less bitter tasting cup of coffee.

Too many new products have only minor

Soap dries your skin, but
DOVE creams your skin
while you wash



1957: Dove is launched.

technical differences which can only be perceived in a laboratory.

Use research to make sure that consumers can see what's different about your product when they use it, and that this difference means something to them.

II. The Package

Your package should help position your product and express its promise and personality.

1. Make sure your package is working with the personality you are trying to build for your product—not against it. For example, Pepperidge Farm Old-Fashioned Cookies come in an old-fashioned paper sack, not a fancy box.

2. Make your package reflect the taste of the

customers you are trying to attract. Hershey's new Special Dark Chocolate Bar is intended for grown-ups, not children. So the Special Dark package is sophisticated and contemporary looking.

3. Put your advertising promise right on the package, in the same words your advertising uses.

The Shake 'n Bake package says "For crispy chicken without frying"; so does the advertising. Dove Dishwashing Liquid says "Leaves hands feeling soft and smooth"; so does the advertising.

4. It helps to make the product visible through the package—like Contac Capsules.

NEW! PRIME TAKES THE PLACE OF CANNED DOG FOOD

Tender, beefy chunks in cellophane packets. Just tear and pour—nothing to mix, nothing to add. And no refrigeration ever.



1964: Gaines Prime is launched.

5. Don't skimp on package design, graphics, or quality. It will cost you more in the end.

Start worrying if your package is indistinguishable from your competitor's. It will get lost on the shelf. A "me-too" product in a "me-too" package is an invitation to disaster.

III. The Name

The name should help position your product and spell out its promise.

A good name can reinforce your advertising. It can give your brand meaning on the shelf. Your product is less likely to get into trouble if you follow these guidelines:

1. Choose a name that will help position your brand. Like Swanson's new Hungry Man Dinners.

2. Put your product promise in the name. Like Shell No-Pest Strip. Roast 'n Boast. Sears Powermate Vacuum Cleaner. And Sears Dial-Easy Sewing Machine.

3. Make your brand name memorable. Like Tijuana Smalls.

4. Don't pick a name that's so vague that it could apply to almost anything. Names like NoDoz, Electra-Perk, Spray 'n Vac all identify the product category quickly.

5. Make your brand name easy to pronounce. Especially if it's a product the customer must ask for, out loud.

To be sure the name you are considering avoids the pitfalls listed, test it. Product formulas can often be changed. Packages can be redesigned. But once your product is launched under a certain

name, that is its name, forever. So test.

Test alternatives to see which name makes your product sound most effective. And most convenient. And safest. And most appetizing. (Names affect taste.) Test to see which name makes your product sound newest.

Direct Response: A Secret Weapon

Ogilvy & Mather has learned how to employ direct response as a "secret weapon" in new product introductions. Direct response techniques can often be used to pretest the consumer appeal of a new product at only a fraction of market test costs. Direct response can also "seed" new products among key consumer segments of the market. As market test costs escalate, this could be one route to greater efficiency in new product introductions.

Test for negatives, too. Your name could mean something embarrassing in another language. Or it might be so dull that nobody will be able to remember it. When it comes to names—look before you leap.

IV. The Price

1. The price of a new product should be consistent with the image you are trying to build. An elegant perfume almost has to be expensive. A special food for lap dogs can be expensive. But a food for large dogs had better be reasonably priced.

2. If your new brand is a "me-too" product—never price it above competition. But if your new brand has a real difference, people will usually be willing to pay more for it. Another reason for waiting until you have a product with a difference.

V. The Advertising

In his book "Confessions of an Advertising Man," David Ogilvy listed principles for creating advertising that sells.

The following principles are vital when it comes to advertising new products:

1. The results of your advertising will depend less on how it is written than how it is positioned. The positioning must be decided before the advertising is created.

2. Unless your advertising is built around a BIG IDEA, it will flop. It takes a BIG IDEA to make the consumer notice your advertising, remember it, and act on it in the marketplace.

3. Your product will only be new once. Say it is new—loud and clear. And be sure you say what's new about it.

4. If possible, put the price in your advertising. It answers the first question every consumer is sure to ask.

5. Tell your customer how to use the product. Tell her how it will fit into her life. Show the product in use.

6. Be sure to hammer home the name of your new product. Don't be shy about repeating it in your advertising—many times.

7. Don't be afraid to state the obvious. The benefits of your new product may be obvious to you. You have been

thinking about them for years. They may not be so obvious to the consumer.

8. Don't overclaim. Today's consumer is an intelligent and skeptical woman. If you make exaggerated claims, she will turn you off.

If you have done your homework, and have a well-researched strategy and good executions of

Introducing a \$13,500 sedan that promises the most remarkable driving experience of your life: the new Mercedes-Benz 450SE



that strategy, you should be able to live with your advertising for years.

"Pete the Butcher" has been selling Shake 'n Bake on television for four years. The Shake 'n Bake promise hasn't changed at all in seven years.

Our Dove "Face Test" commercials ran for eight years.

And Titus Moody has been the spokesman in Pepperidge Farm commercials for fifteen years.

Sometimes advertising is allowed to change with the arrival of each new copywriter or each new brand manager. The manufacturer who dedicates his advertising to building a sharply defined personality for his new brand right from the start, and who sticks with it, will get the largest share of market.

Amazing Mathematical Model predicts new product potential

Ogilvy & Mather is now working with a fascinating new products marketing model.

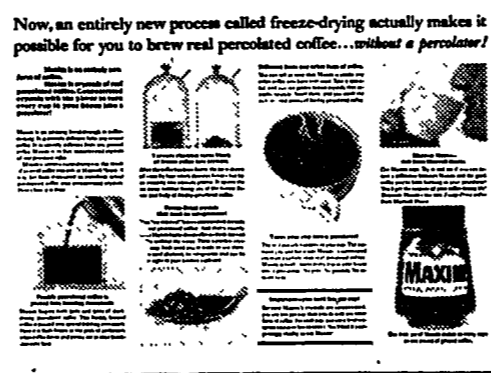
This model can help you determine: which product fields are most vulnerable to a new entry, what share of market can be anticipated for a new product, what level of first-year advertising is needed to get that share of market, how to allocate introductory advertising funds for the most profitable share, and what sustaining level of advertising will result in maximum profit.

If you would like an invitation to a special presentation describing this marketing model in detail, please write to Stanley Canter at our New York office.

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Maxwell House Announces Maxim Freeze-Dried Coffee



1968: Maxim is launched.