

**A 21st-Century Approach to Product Launches**  
by Steve Silver and Jong Chow

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# A 21st-Century Approach to Product Launches

Forget the old rules for bringing products to market. Procter & Gamble is helping to write a new playbook.

by Steve Silver and Jong Chow

In today's increasingly crowded consumer markets, it's difficult to secure shelf space for established products, and it's next to impossible to find retailers to carry new, unproven products. Items that do find their way onto shelves often get there because marketers have taken an innovative approach to launching them: Before they even approach retailers, marketers build significant consumer bases for their products using non-traditional marketing channels such as the Internet, infomercials, or targeted viral e-mail campaigns. By thus cultivating a loyal following, marketers are able to prove to retailers that consumers will be prepared to purchase their products at launch.

Building successful brands requires marketers to employ an entirely new set of competencies than the ones they used 10 years ago. Media consumption habits are changing, making popular advertising vehicles such as 30-second television spots and print ads far less effective. As a result, marketers have been forced to overhaul the traditional launch model, which relied on mass-market ad vehicles and broad product distribution to raise consumer awareness of their goods.

Now companies in nearly every industry — from consumer packaged goods (CPG) to automotive manufacturers — spend as much time focusing on how they bring products to market as they do developing their lat-

est innovations. Procter & Gamble, which became one of the world's biggest CPG companies thanks in large part to its legendary, almost formulaic approach to marketing, has proven surprisingly good at adopting non-traditional launch strategies. A case in point: its introduction of Crest Whitestrips in late 2000.

When Procter & Gamble set out to launch its revolutionary tooth-whitening product — a thin, clingy plastic sheet coated with a whitening formula — one of the first questions it confronted was how best to showcase its innovation. Should it introduce Whitestrips as a stand-alone brand? Under one of its existing health brands? Or under one of its beauty lines, such as Cover Girl? In previous years, P&G would have launched Whitestrips as its own new brand to spotlight the new technology and insulate existing brands. But in the 1990s, because media costs soared and retail consolidation made shelf space more difficult to secure, CPG companies like P&G began launching new products under the banner of existing brands. For Whitestrips, P&G concluded that its Crest brand would help ensure shelf space with retailers, while conveying the right messages about effectiveness, safety, and health benefits to consumers.

The rule of thumb is simple: To find the best brand in the portfolio for new innovations, determine which brand's positioning the new product can complement.

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In today's hyper-competitive consumer environment, developing a new brand is recommended only when no complementary brand exists, or if an established brand is too weak to get a boost from a new innovation.

With the branding question resolved, P&G needed a creative way to introduce Whitestrips to the mass market. The company realized it faced significant consumer adoption barriers because the product was unfamiliar; there was nothing like Whitestrips on the market. Unwilling to invest hundreds of millions of dollars up front on a marketing campaign, P&G turned to its network of 45,000 dentists — whom it had supplied for many years with dental care products — to recommend its Whitestrips to patients.

Next, P&G marketers embraced a technique that has since become a common best practice across many industries — the “soft” launch. Whereas traditional launches called for companies to run weeks of focus groups and controlled market tests *before* launching products, the idea behind a soft launch is to use the launch itself to get honest feedback from consumers. With limited distribution and promotion, the exercise aims to gather consumers' opinions and use the information to influence product development and marketing decisions before a larger launch.

Eight months prior to retail launch, P&G began selling its Whitestrips and soliciting consumer feedback at a promotional Web site. Testimonials from early users were posted on the site. P&G also paid close attention to the type of visitors the site attracted, quickly realizing that Whitestrips resonated especially well with young and middle-aged women and the gay community. By the time P&G's marketing team embarked on a broader promotional campaign, which included showcasing the product

on the QVC Network, they had refined the marketing message and had a solid understanding of which groups would respond best to different types of advertising.

Managing a series of iterative product launches that incorporates feedback from consumers along the way requires a tightly focused, interdisciplinary launch team. The team must have significant authority, including wide jurisdiction over processes such as pricing and channel selection, not just media and communication. More important, the team's responsibility should begin well before the product launches — in some cases when it is still in early development — and last until well after the product is selling in market.

Since P&G was attempting to launch a brand-new consumer category when it introduced Whitestrips, it was essential that all three launches — via dentists, via the Web, and finally nationwide — be tightly and seamlessly integrated and build momentum to maximize consumer sales. P&G's team managed the process well: One year after launch, sales of Whitestrips had reached more than \$200 million, and within five years, P&G had not only established a new product category, but enjoyed 70 percent market share in the burgeoning home tooth-whitening market. The Whitestrips launch demonstrates the value — the necessity even, in today's market — of pushing internal units to work together to refine the product, branding, and marketing message. +

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## Resources

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