

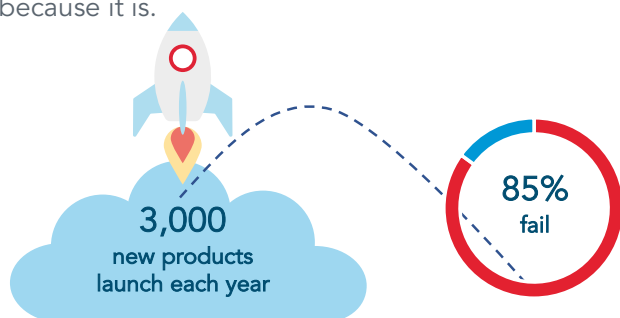


# What Top CPG Brands Have to Teach Us About Successful Product Launches

shopkick

## Introduction

It's a testament to the creativity and ingenuity of the world's CPG brands that 3,000 new products launch each year – but it's a point of stress for the product marketing managers marketing them that 85% of those products fail.<sup>1</sup> If that math seems harsh, it's because it is.



**Thousands of new products (representing billions of dollars<sup>2</sup>) compete for market share every year, and only a fraction of them succeed.**

Products that are not just trying to gain recognition on a busy shelf, but overcome the hurdle of getting loyal customers of competitors to switch over and try something new.

If your first instinct is that the best product always wins the day, think again: Jack Trout, a product marketing consultant, has found that on average American families buy the same 150 items (about 85% of their household needs)<sup>3</sup>.

Breaking that habit is a complex undertaking, which means it's more important than ever to design a product launch strategy that catches your target customer's attention right from the start.

If you're kicking off the planning process and ready to position your product for success, here's a behind-the-scenes look at five tried-and-true product launch strategies from big brands and seasoned marketers:

<sup>1</sup>"The 18 CPG Breakthrough Innovation Winners," Forbes, <https://www.forbes.com/sites/monicawang/2016/06/28/2016s-breakthrough-consumer-packaged-goods-and-how-they-have-succeeded-in-a-challenging-industry/#7e1f47f135ca>

<sup>2</sup>"Study: CPG Now Spends More on Digital Than Traditional Ads, but Shoppers Doubt They Work," AdAge, <http://adage.com/article/cmo-strategy/study-cpg-spends-digital-traditional-advertising-combined/308077>

<sup>3</sup>"Why Most Product Launches Fail," The Harvard Business Review, <https://hbr.org/2011/04/why-most-product-launches-fail>



## Case Study 1: Rethink traditional store positioning

Candy goes in the candy aisle, right? Not always, according to Nestle’s low-calorie candy brand Skinny Cow Candy. Realizing that it couldn’t reach its calorie- and weight-conscious customers in the candy aisle, the brand partnered with another Nestle product, Lean Cuisine, to strategically place its brand new candy product in the freezer aisle. And so a new best practice is born: instead of sticking with traditional store aisles, align your product with other products that deliver the same core benefit such as weight loss, healthy eating, and indulgence – even if the products are wildly different<sup>4</sup>.

### Behind the scenes

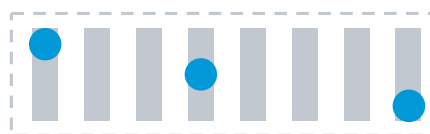
Wanting to make sure shoppers literally fell over the new product, the Skinny Cow product marketing team made a big investment in custom displays for the Skinny Cow chocolates.

This allowed them to more effectively reach their target consumers: women who want to live healthier lives without sacrificing taste or increasing inconvenience or cost. This customer-focused launch strategy proved very successful, allowing Skinny Cow Candy to maintain a promising two-year revenue of \$115 -125M.



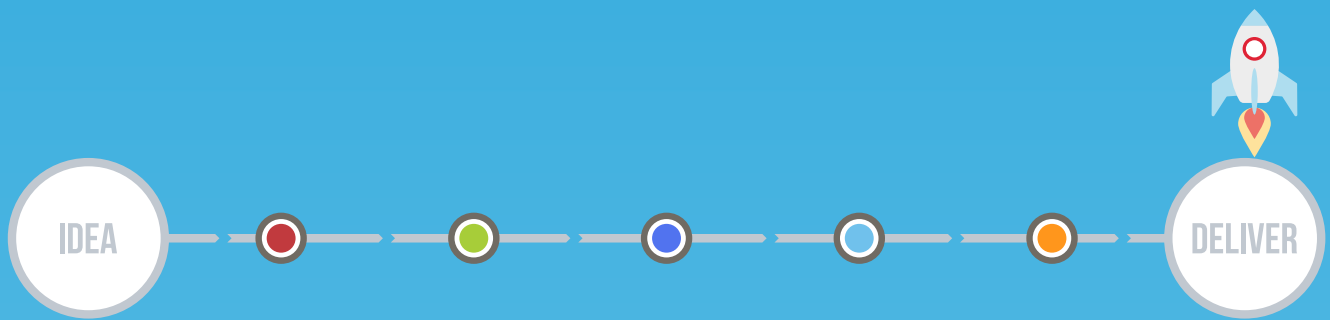
### Related roadblocks

Study store layouts. Before you decide on a placement location, review each store’s layout aisle-by-aisle so you can consider all of your options at once.



Keep the core benefits of your product in mind and identify other products and aisles that align with those benefits. Don’t rely solely on placement. Skinny Cow Candy deployed several other engagement strategies to drive traffic to the freezer aisle, such as mobilizing loyal fans with advanced information about the launch, coupons for free trial boxes, and coupons to share with friends.

<sup>4</sup>“Nielson Breakthrough Innovation Report,” Nielson, <http://www.nielson.com/content/dam/corporate/us/en/reports-downloads/2013%20Reports/2013-Nielson-Breakthrough-Innovation-Report.pdf>



## Case Study 2: Build plenty of extra time into your timeline

Jeff Magnuson, marketing consultant and former brand manager for Alouette Cheese USA, recommends that brands build extra time into their product launch timelines because, inevitably, something will go wrong. Whether there's a design error with the UPC or brand colors, a delay in shipment of hard proofs, or production errors, you're going to be much more confident about your ability to deliver a product on time if you build an extra 3-4 weeks into your timeline. Bottom line: you will always need more time than you think.

### Behind the scenes

In April of 2015, Magnuson was charged with launching an updated spreadable cheese product line, including a total overhaul of the recipe and packaging. Instead of aiming for the suggested January launch, Magnuson planned for a spring launch to account for the research and development required for the new recipes and packaging.



It was the right call – months of discussion of the shape of the plastic cup and lid, a complete do-over of the packaging, and an artwork delay from the design agency added months of delay, but the launch stayed ahead of schedule and launched a month early.

### Related roadblocks

Factor in more than manpower. Take into consideration all of the marketing materials, sales samples, product specifications, and customer meetings (including blackout periods like November and December) that go into the launch. Vendors are human and mistakes happen.

**Assume your vendors will have a delay (design, manufacturing, packaging, shipment) and use contingency plans to take the pressure off human error and allow you to deliver early if no issues arise.**

Keep retailer and certification timelines in mind, too. Retailers may have specific set-up procedures with short windows of time that new products can be set up in. If those are missed, there could be a delay with that specific retailer. Also factor in delays in obtaining certifications for Kosher, Gluten Free, and Organic foods.



## Case Study 3: Position your website as a resource

When Dole wanted to strengthen its brand position in the minds of busy moms, it worked with The AMP Agency to revamp its digital strategy and build a relevant, useful resource for harried mothers planning the night's dinner<sup>5</sup>. A complete website redesign allowed the brand to integrate all digital platforms into one cohesive experience with meal ideas, recipes, and food education. The brand provided a hub for information and news that would also drive awareness and consideration of the brand's established and new products alike.

### Behind the scenes

Dole's new brand platform solidified the brand's position and offered millions of new and returning customers several ways to stay connected. More importantly, it provided a direct benefit to its core customer, busy moms, by helping to alleviate the common, recurring challenge of deciding, "What's for dinner?"



Specific achievements include two million new recipe users in the first year, a 25% increase in regular social subscribers, and 107,000 samples distributed across 148 live events.

### Related roadblocks

How your customer will use your product should stay front of mind. In this case, Dole's tablet-friendly design made it easy to browse and read the site in the kitchen where busy moms would be preparing a meal. The mobile experience also allows for easy on-the-go recipe viewing so customers can make a list and find the right grocery store all from their phone.

**Your role as a resource doesn't end with your website. Support your site launch with campaigns that support the overall theme through social media, live events, and grassroots marketing.**

<sup>5</sup>"Brand Loyalty Grown Fresh," The AMP Agency, <https://www.ampagency.com/dole-food-cpg-case-study>



## Case Study 4: Connect with shoppers pre-purchase through mobile

As Kellogg's planned the 2017 launch of a new Nutri-Grain product, Nutri-Grain Bakery Delights Crumb Cakes, the brand knew it faced a high level of competition for building awareness and driving trial and consideration in an ever-expanding product category. Kellogg's partnered with shopping rewards app Shopkick to connect with a built-in audience of active shoppers and plan a launch initiative that would encourage shoppers to seek out the product in-store nationwide.

### Behind the scenes

By incentivizing views of the in-app branded content, in-store product engagement, and ultimately purchase, Kellogg's was able to reward shoppers for seeking out Nutri-Grain Bakery Delights Crumb Cakes and inspire incremental unplanned purchases.

This strategy, combining in-app educational content with incentives for shoppers to physically pick up the product at-shelf, delivered a 35% purchase conversion rate & indicated a 55% future purchase intent<sup>6</sup>.

### Related roadblocks

Carefully vet your mobile partner. Since P&G's 2017 ultimatum for digital advertising and the media supply chain, brands have been understandably skeptical about new opportunities to connect with target audiences<sup>7</sup>.

**When appraising a new partnership or advertising technology, do your due diligence to verify the company's claims and evaluate the quality of current clients and case studies.**



Look for more than an audience. Access to an audience is just the first step. Premium partners will also be able to incentivize your offer with a loyalty program or rewards system, community reviews, and more<sup>8</sup>.

<sup>6</sup>"Supporting the new product launch of Nutri-Grain Bakery Delights Crumb Cakes," Shopkick Blog, <https://www.shopkick.com/partners/success-stories/kelloggs>

<sup>7</sup>"P&G Tells Digital to Clean Up, Lays Down New Rules for Agencies and Ad Tech to Get Paid," Ad Age, <http://adage.com/article/media/p-g-s-pritchard-calls-digital-grow-up-new-rules/307742>

<sup>8</sup>"The 3 new CPG marketing trends that brands must know," Shopkick, <https://www.shopkick.com/partners/blog/the-3-new-cpg-marketing-trends-that-brands-must-know>

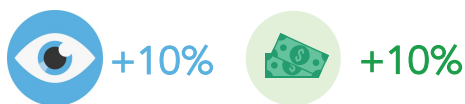


## Case Study 5: Consider the unlikely influencer

Not every brand can afford to book a Beyoncé-level celebrity as its spokesperson. But even for the brands that can, sometimes a lesser-known influencer will resonate better with your audience. When Gain laundry detergent, a Procter & Gamble brand, wanted to develop a new ad series, it made a connection with the popular-but-not-A-list Modern Family actor Ty Burrell. As it turns out, even unlikely ambassadors can have a powerful impact.

### Behind the scenes

The agency supporting the Gain brand contrived to skewer more serious cologne and perfume ads with a spoof campaign and a goofy actor, Ty Burrell.



The result was a smashing success: the campaign helped Gain increase its product awareness by 10% and dollar sales by 92% the previous year, winning the agency behind the ad, Leo Burnett Toronto, the Canadian CASSIES award<sup>9</sup>, and garnering more than 950,000 views for both videos in the campaign<sup>10 11</sup>.

### Related roadblocks

Get granular with research. With all the technology available today, you have everything you need to deeply research the best influencer for your brand. Consider a celebrity's endorsement history<sup>12</sup> and reputation, and identify their interests, analyze their audience demographics and engagement with influencer marketing platforms<sup>13</sup>.

Funny ads shouldn't have a victim. If you're considering promoting your product with a humorous angle, make sure the butt of your joke isn't a person or community. Zuma Juice's 2017 ad that portrayed a disabled person as fat and lazy fell flat and dredged up bad publicity among the disabled community<sup>14</sup>.

<sup>9</sup>"CASSIES Gold & Silver for Leo Toronto's Gain by Gain campaign," Leo Burnett Toronto

<sup>10</sup>"Getting Sentimental With Scent Ad - Feat. Ty Burrell," Youtube, [https://www.youtube.com/watch?time\\_continue=30&v=lpJgyPCHZNU](https://www.youtube.com/watch?time_continue=30&v=lpJgyPCHZNU)

<sup>11</sup>"Getting Sentimental With Scent Ad - Feat. Ty Burrell," YouTube, <https://www.youtube.com/watch?v=lpJgyPCHZNU&feature=youtu.be>

<sup>12</sup>"Celebrity Endorsers," Celebrity Endorsers, <https://celebrityendorsers.com>

<sup>13</sup>"25 Top Influencer Marketing Platforms to Boost Your Campaigns," Influencer Marketing Hub, <https://influencermarketinghub.com/top-influencer-marketing-platforms>

<sup>14</sup>"The Juice Commercial That Pissed Off the Entire Disabled Community," Pacific Standard Magazine, <https://psmag.com/social-justice/heres-the-worst-juice-commercial-ever>

# Engineering a dynamic product launch

In the past, CPG product launches have focused heavily on retail partnerships to gain market share and design successful product launches. But with the explosion of web and mobile-based purchase opportunities, product launches that want to succeed online and in-store must bring the focus back to the consumer. As you plan and prepare for your product launch, explore the new, engaging strategies available to you to perfect your end user experience and reach your audience at the right time in the right place on a more personal level.

## About Shopkick

[Shopkick](#) is the leading shopping rewards app, bringing moments of joy to everyday shopping - both on- and off-line. For brands and retailers, we provide high consumer engagement along the entire path to purchase. Our unique pay for performance model has been proven to deliver high ROI, driving incremental traffic, product visits, and sales. Some of our leading brand and retail partners include Best Buy, Clorox, Coty, eBay, GSK, Georgia Pacific, Hotels.com, Marshalls, Nestle, Purina, TJ Maxx and Unilever, among others.

To discuss how Shopkick can support your next new product launch, contact us at [partners@shopkick.com](mailto:partners@shopkick.com)

**shopkick**<sup>™</sup>

