

TIPS FOR A SUCCESSFUL PRODUCT LAUNCH AT RETAIL

KEY FINDINGS FROM A NATIONWIDE SMARTPHONE LAUNCH

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OVERVIEW

BDS conducted an independent study to provide insights to a wireless phone manufacturer in regards to the launch of their new smartphone at carrier retail stores nationwide. The study focused on in-store promotional activities, Retail Sales Associate product knowledge, and campaign messaging. BDS documented the obstacles and successes encountered with these activities during the launch, which resulted in the following strategic recommendations and key insights for any brand that is planning to launch a new product at retail.

KEY FINDINGS



In-Store Advertising & Promotion

A general absence of signage or promotional activity was noted across all stores, both leading up to and during the launch period.

- Just 33% of stores reportedly had branded signage present beyond the basic in-line display for the focus brand
- In addition to this, only 25% of stores visited ran some element of price based promotion in conjunction with the launch—discount, bundle or upgrade incentives



Product Availability

No issues were encountered when it came to product availability.

- Though poorly advertised, the focus smartphone was available for pre-order ten days prior to the launch date
- In the two weeks following the launch date, product outages were limited to 15% of stores visited



Competitor Interference

A competitor's new smartphone debuted at the wireless retailer on the same date as the focus product, and it was clearly prioritized by Retail Sales Associates.

- Based largely on their own personal preference, 61% of assisting Associates voluntarily recommended the competitor's smartphone
- 42% of assisting Associates were carrying the competitor's smartphone for their own personal use
- Even when asked about the focus Smartphone brand specifically, 33% said it was available, but they preferred the competitor's model



Associate Response

Associate promotion and enthusiasm rested largely with the competitor's smartphone that launched that same day.

- Though 92% of Associates were aware of the focus smartphone when asked, up to 25% showed a lack of knowledge around key consumer benefits, and only 12% voluntarily recommended it for purchase
- Even lower was the rate at which Associates used the available product demo to showcase features and benefits, even when asked specifically to see a demo by the customer

PRODUCT LAUNCH TIMELINE



Pre-Launch Phase (Ten Days Prior to Launch)

- Spotty signage for focus brand – limited to just one in eight locations visited
- Customers learned of opportunity for pre-order largely through self inquiry
- Associates were aware of upcoming launch when asked, but some mentioned they hadn't had any product training to support it
- Associates widely carried competitor smartphone brands (specific instances of competitive signage were not tracked for this study)



Launch Date

- Only 50% of stores visited during this period had any focus brand signage outside of the in-line display
- Competitor's smartphone also launched this day earned 80% of the recommendations compared to focus brand with just 20%
- Take-home product availability for focus brand was strong in 100% of locations visited
- Sales staff continued to carry the recently launched competitor Smartphone brand



Post-Launch Phase (Ten Days After Launch)

- Rate of focus brand signage began to fall off and actually reported lower than on launch day
- During this period, 36% of locations did display some type of focus brand promotion; bundling and price promotion seemed to be the most prevalent
- Product availability continued to be strong overall
- Recommendations still favored the competitor's Smartphone brand to the focus brand, 58% to 10%
- Competitor's smartphone brand continued to be the personal choice used by staffers

BEST PRACTICE RECOMMENDATIONS

- *Stagger launch dates where possible to limit competitor interference*
- *Promote proactively and aggressively through signage and placement*
- *Create customer anticipation via well advertised promotion on pre-orders*
- *Design a talk track around distinguishing product features and benefits*
- *Create anticipation through Associate training and sales incentives*
- *Ensure sales force familiarization through early access to product for personal use*
- *Optimize product distribution to stores*
- *Keep brand and product top of mind with Associate targeted drip campaign*

ABOUT BDS

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