

## **HOW TO SMART LAUNCH ISRAELI CONSUMER PRODUCTS IN THE US**

Most likely, the single most critical factor in a successful product introduction is support by at least a bit of time and energy spent getting to know target consumers, the end-users who will spend their cash to buy and use the product. What is the value proposition that satisfies and will motivate these target users? How well can this product become differentiated from all the other options that compete for the consumer's dollar?

Fortunately, you don't need the budget of Kraft Foods, PepsiCo, Kellogg's, or Apple to answer these questions, and to add some consumer intelligence to the many decisions you will make. Rather, "smart" planning will help you to:

- Select the ideal retail channels—whether grocery, club, or mass merchandise for packaged goods, or Big Box, online, or specialty for technology.
- Make smart choices about regional needs and preferences.
- Identify the ideal promotion, PR, and communications opportunities.

The most efficient and effective strategy to connect with US consumers is in two very different but small-scale marketing research solutions.

### **Step I. Analyze initial fact-finding "numbers."**

For this initial fact-finding step, it is important to start by taking a random sample of a large number of households. Ideally, these households are a random representation of households nationwide.

Obviously, this can be a very costly proposition. However, there is a highly cost-effective and reliable option: share costs with other marketers, big and small, who each simply submit a small number of survey questions incorporated in one larger telephone interview. Each client organization sharing this form of research receives (privately) only the answers to its own custom questions. For a new product, a small number of questions can identify the demographic characteristics of households that respond positively to a product description.

A key benefit of this "shared-cost" design is the extensive demographic information that is collected for all respondents. As a result, all answers to your questions can be segmented according to a wide variety of variables, including:

- Age and gender
- Household income; size of household
- Region of residence; geographic area of the country, and urban, suburban, rural characteristics
- Ethnicity; highest level of education.

The findings of Step I can help you select the ideal conditions and markets for introducing your brand, and can also be integrated in sales materials for meetings and negotiations with retailers, demonstrating how your market's characteristics match those of the proposed retail outlet.

The Step I research design is customizable, and cost can be as low as \$5,000.

**Step II. Explore, in depth, reactions to using the new product at home.** In this second step, the new product is shipped to the homes of a small number of qualified target consumers, for in-home trial. The most cost-effective method of identifying these consumers is to invite qualified Step 1 respondents to participate. Following in-home use, participants complete an online diary, and are called for a telephone interview, completed by experienced and skilled researchers. The researcher probes for beneath-the-surface responses, i.e., not "I liked/didn't like the taste (or other variable)" but how users feel about the taste/ease of use/flavorings, textures, convenience, and other measures. A typical interview lasts 30 – 60 minutes, and explores:

- Reactions to using the product
- Likely motivations for purchase
- Relevant usage attitudes, shopping behaviors, and usage occasions
- Actual members of the household who used and would use the product
- Usage occasion(s) and times of day or night
- Substitution product sets (i.e., not just direct competitors)
- Shopping channel expectations
- Perceptions of price, value, and satisfaction with use
- Likelihood of purchase.

These findings help the marketer to place/sell the new product in ideal retail settings, and develop shelf displays, promotions, and other forms of consumer communications. Like Step I, Step II is customizable, and cost can be as low as \$8,000, including cash incentives for the research participants.

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