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GAME PLANS FUMBLER FOR 2002 NEW PRODUCT LAUNCHES
ONE-THIRD OF CONSUMERS POLLED DID NOT NAME NEW PRODUCTS

BOSTON – January 23, 2003 – As marketers kick-off their 2003 advertising year with high-ticket Super Bowl spots this weekend, many should reconsider their advertising spending, based on findings of the Harris Interactive®/Schneider 2002 Most Memorable New Product Launch Survey. This survey, about the most memorable new products launched in 2002, polled 4,214 adults nationwide. One-third (33%) of survey respondents did not name one product launched in 2002, and less than half (46%) said advertising was one of three factors that motivated them to purchase any of the products featured in the survey.

When consumers were given a list of 25 new products launched in 2002 and asked which ones they had heard of, three products clearly stood out: Vanilla Coke®, Cool Mint Listerine PocketPaks™ and Pepsi® Blue™. Other new products ranked in the top ten included Heinz Tomato Ketchup Easy Squeeze!™, Campbell's "Soup At Hand™," Saran™ Disposable Cutting Sheets, Simply White™, Dockers Go™ Khaki with Stain Defender™, the MINI Cooper and Hanes® Tagless T-shirt. When asked which one new product was most memorable, Vanilla Coke (19%) shared top honors with the MINI Cooper (18%), with Listerine PocketPaks a close third (13%). None of the other 25 products were mentioned by more than 7% of respondents.

When consumers were asked which products they remembered being launched in 2002 without a list to prompt them, only 7% named Vanilla Coke and 5% Pepsi Blue.

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“This is a surprisingly small number considering the impressive advertising budgets we can assume both Coke and Pepsi put behind these products,” said Joan Schneider, president of Schneider & Associates, a Boston marketing communications firm specializing in product launches.

The Harris Interactive/Schneider 2002 Most Memorable New Product Launch Survey looked at key factors influencing the purchase of new products. On average, across all products included in the survey, less than half of the consumers polled (46%) said advertising was one of the three factors that led to their purchase of a product. One third, or 33% of respondents, were intrigued by the product which led them to purchase. Other factors that influenced purchasing decisions were recommendation from family or friends (22%) and consumer need for the item (22%).

According to Universal McCann, \$233 billion dollars was spent on new product introductions in 2002. It's important for marketers to know what increases consumer awareness and drives product purchase since research from Information Resources reports that 52% of new products fail before their second year. Marketing Intelligence Service Ltd. reported that new product launches doubled from 1991 – 2001, growing from 15,401 to 32,025. Last year, 31,785 new products were introduced into the marketplace.

“The enormous number of new products introduced each year has escalated to a point where it's significantly more difficult to win a share of the consumers' mind. We found many of the new product launches we researched were memorable because they used a diverse mix of integrated marketing tactics in addition to advertising, including public relations, events, sampling, coupons, partnerships, promotions and endorsements. Ironically, marketers are still spending \$2.2 million dollars for a 30 second spot during Super Bowl XXXVII. It doesn't matter if people laugh at your spots during the game, you've scored the winning touchdown only if they get out of bed on Super Bowl Monday, remember the name of your product and go buy it,” said Schneider.

Many of the most successful new product launches featured in the study employed non-traditional marketing techniques as well as advertising to generate awareness and sales. For example, Hanes Tagless T-Shirts held retirement parties across the US with celebrities asking consumers to retire their old tagged t-shirts. MINI mounted their tiny MINI Cooper cars atop giant SUV's to drive home the size issue or lack thereof. Cool Mint Listerine PocketPaks aggressively sampled their new, innovative, convenient product to generate strong word-of-mouth buzz. __

“This indicates that marketers are employing a diverse mix of launch tactics – some are touchdowns and others are fumbles. Like successful Super Bowl coaches, marketers need to devise an effective game plan using a balanced attack of conventional tactics and trick plays,” according to Schneider.

Many of the findings from the Harris Interactive/Schneider 2002 Most Memorable New Product Launch Survey validate conclusions uncovered in the Schneider/Boston University Launch Report conducted two years ago. This report chronicled factors impacting launch success asking over 100 marketing executives from top consumer product companies. The report found product “newness” has a high correlation with product success and consumer-focused spending on tactics like guerilla marketing and sampling lead to higher sales.

About the Harris Interactive®/Schneider 2002 Most Memorable New Product Launch Survey

Products were selected based on several factors including national distribution, uniqueness in their category, use of integrated marketing during their launch, marketing communications spending, media coverage and product need. Many of the products used were featured in *Businessweek*, *USA Today* and *Time* in their “Products of the Year” features.

The 25 products included in the study were: Vanilla Coke, Cool Mint Listerine PocketPaks, Pepsi Blue, Heinz Tomato Ketchup Easy Squeeze!, Campbell’s “Soup at Hand,” Saran Disposable Cutting Sheets, Simply White, Dockers Go Khaki with Stain Defender, MINI Cooper, Hanes Tagless T-Shirt, Uncle Ben’s® Breakfast Bowl™, Schick® Extreme III™, Sony Ericsson Photo Phone T300/T68i, Altoid Sours, Trivial Pursuit® 20th Anniversary Edition, Chicken Dance Elmo, Ironkids Crustless Bread, Dove™ Body

Refreshers, Ohm by Oil of Olay, Old Spice Cool Contact, T-Mobile Sidekick, Hunt's™ Squeez'n Go Portable Pudding, Razor Scream Machine, Roomba™ and Odyssey™ White Hot 2-Ball.

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Harris Interactive® Methodology

Harris Interactive®, via its QuickQuerySM online omnibus service, fielded a five-question survey from January 2-6, 2003, interviewing a nationwide sample of 4,214 U.S. adults (aged 18+). The data were weighted to be representative of the total U.S. adult population on the basis of region, age, gender, education, household income and race/ethnicity. Theoretically, the margin of error is approximately (+/-2.3) percentage points with a 95% level of confidence.

About Harris Interactive®

Harris Interactive (www.harrisinteractive.com) is a worldwide market research and consulting firm best known for *The Harris Poll*®, and for pioneering the Internet method to conduct scientifically accurate market research. Headquartered in Rochester, New York, U.S.A., Harris Interactive combines proprietary methodologies and technology with expertise in predictive, custom and strategic research. The Company conducts international research through wholly owned subsidiaries—London-based **HI Europe** (www.hieurope.com) and Tokyo-based Harris Interactive Japan—as well as through the Harris Interactive Global Network of local market-and opinion-research firms, and various U.S. offices.

About Schneider & Associates

Schneider & Associates is a Boston public relations firm that specializes in launching new and re-launching icon products and services for regional and national companies. Founded in 1980, the agency has worked with clients such as SUBWAY®, NECCO Sweethearts®, Mosquito Magnet®, Staples, Unilever/Bestfoods, and CVS/pharmacy to help put their new products and services on the map. For more information about this study, please call 617-536-3300 or visit www.schneiderpr.com.

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