

One-Two Marketing Punch Best for New Products

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kbrannon@tulane.edu

Innovators take note: If you're about to launch a revolutionary new product, plan a two-phased marketing strategy that first emphasizes its benefits and features and later focuses on the practical aspects of using the innovation.



New research by Manish Kacker, (from left) Mita Sujan and Harish Sujan identifies what marketing strategies work best for new products. They are faculty members with the A. B. Freeman School of Business at Tulane. (Photo by Paula Burch-Celentano)

That's the most effective means of getting consumers to change their behavior and buy a new product, according to "Managing Consumer Uncertainty in the Adoption of New Products: Temporal Distance and Mental Simulations," a recent article co-authored by Tulane University marketing professors Mita and Harish Sujan; Manish Kacker, assistant professor of marketing at Tulane; and Raquel Castano, marketing professor at Instituto Tecnológico y de Estudios Superiores de Monterrey.

The article appeared in the June issue of the *Journal of Marketing Research*.

"Consumers have different concerns when they first hear about a new product compared to the time when they consider buying it," says Mita Sujan. "The key to a

successful marketing plan is to shift the message to target these separate concerns.”

In the first set of studies, researchers found that two types of uncertainties dominate consumer thinking. If the buying decision is in the distant future, consumers are primarily concerned with benefit-related concerns, such as how the product performs, and symbolic benefits, such as what others will think of the product.

As the buying decision draws closer, consumers shift attention to cost-related uncertainties, such as how long will it take to learn how to use it or how much will it cost to maintain and own.

Separate studies evaluated strategies to target consumers. Communication strategies for new products launched in the relatively distant future elaborated on the “whys” of adoption (e.g., new and better technology).

In contrast, communication strategies for product launches in the relatively near future encouraged consumers to elaborate on the “how-to's” of adoption, such as understanding how to operate the product. The results showed that synchronizing communication strategies along these lines increased product purchase rates and satisfaction with the product after purchase.

An additional study showed that the benefits of such time-sensitive communication strategy are greatest for very innovative products such as the iPhone.

The studies have public policy implications as well. The research can help policymakers generate popular acceptance of new initiatives that substantially depart from the status quo. Based on the researchers' findings, initial communications about such policy changes should revolve around encouraging outcome or 'why' simulation.

Closer to the policy implementation, communications must shift to the process or 'how to' simulation. The research suggests that carefully tailored communication strategies for the launch of a new product or policy initiative can have a beneficial impact on both organizational performance and consumer welfare.