

International Product Introduction: Strategies Introducing a New Product

Abstract

Introducing a new product to any market is difficult. Strategies utilized depend upon the kind of market, targeted consumers, as well as other factors, including the size of the company launching the product. Results from recent research indicate that how big a company is and in what part of the world or in what country it is based can greatly affect what strategies will work best in presenting a new product to a potential clientèle.

The purpose of this study was to determine which strategies were most effective in introducing a new product in the food industry. Factors considered included which strategies were utilized most often by companies and why these companies selected those strategies. Additionally, the purpose of the study was to determine if selected strategies differed among companies located in different parts of the world or different countries. Additional factors included the influence of what strategies were chosen based on the size of the companies. Companies located in two different parts of the world were selected, those in the European Union and those located on the continent of Africa (Atkinson, 2007). Then United Kingdom represented the European Union while Nigeria represented Africa.

Twenty companies from each geographic location were selected for the study. Criteria for selection included success in the food industry as indicated in stock market ratings. Results of the study indicate that strategies utilized by the different companies varied, with no particular strategy standing out as the dominant approach, regardless of in what country the company was based. However, the size of the company did influence marketing strategies. Smaller companies favored advertising whereas larger companies utilized several strategies, including product

differentiation and local company recognition, such as advertising in different languages, dependent on where the product was being sold. Local company recognition is also referred to as localization, which has to do with making certain adaptations appealing to countries to which the product is being marketed. Companies like the large soft drink industries use local sports events in which to advertise, for example. Small companies use marketing strategies such as coupon discounts or free samples.

Despite the popularization of localization, it is not considered as effective as other strategies, like straight advertising. Localization marketing is only effective if the company has multiple products to sell, for example, big name corporations like the soft drink industry. Strategies are often combined for effectiveness, as well. An example would be advertising coupled with product differentiation (Delaney, 2004). These two strategies stress the product name in the minds of the local consumers.

The most effective form of advertisement, though, is supermarket stands, which brings the product to the foreground by allowing consumers to sample it. This strategy includes free samples to taste right there in the supermarket or a free sample to take home. In conclusion, there is no one, sure-fire strategy that works for all companies (Komninos, 2002). What strategy works best is dependent on a number of factors, including the size of the company, how many products the company is promoting, a company's ability to adapt to the location's culture and interests, and recognition of the product or the company name.

References

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