

# FIVE STAGES FOR A SUCCESSFUL PRODUCT LAUNCH

- **STAGE 1 - PRODUCT DESIGN and FINANCIAL PROJECTIONS**

Develop production specifications to review with potential factories, packaging designers and related suppliers.

Obtain patents and trademarks, if applicable, first. Provisional Patents are inexpensive, do not require expensive legal fees and gives you one year to properly test market your products.

Test market your proposed retail pricing with focus groups and potential retailers. You want to be sure that your product idea is marketable at your projected retail price. It is also important to determine how open...or crowded... your market niche is to properly project your sales goals.

Locate potential factory suppliers domestically or overseas. Find vendors that have expertise in manufacturing your type of product.

Obtain price quotations and negotiate terms. This is very important to properly calculate proper margins to wholesale and retail, then test those price points in the marketplace BEFORE investing your precious funds for inventory. You can negotiate on minimum quantities as they are often higher than you will need initially. Sometimes you can offer to pay a higher price for a lower than minimum quantity to get started with a supplier. Negotiate terms as well, which are usually prepaid in advance or at least 50% deposit with balance prior to shipment from the factory.

Develop a clear business plan for financing needs to cover your initial inventory, artwork prep, legal costs, marketing costs, website development and general business set up requirements for your first six months of operations.

Secure initial working capital from savings, friends and family, investors or crowd funding.

- **STAGE 2 – PRE PRODUCTION PHASE**

You will need to request pre-production digital proofs and eventually actual samples from your prospective supplier to review for art approvals and quality control. If you have a licensed property on your product, you will need to get their final art approvals as well in most cases.

Packaging design and specifications need to be developed and finalized prior to full production along with UPC codes, item numbers and label design.

Arrange for custom brokers on imported goods, freight forwarders, trucking company to transport goods to your warehouse.

Confirm that you have proper financing in place to take care of all cash requirements for production costs and follow up costs to start your business.

- **STAGE 3 – PRODUCTION PHASE**

During actual factory production time of 60 – 90 days, set up all details for your warehousing and logistics (will you rent your own space or use a third party logistics company to stock and ship your products?).

Set up your offices, research best accounting programs and procedures for billing, shipping, collections and all general operations.

Factory production – make sure there are proper Quality Control specifications clearly in place. You may consider hiring an independent agent to inspect the factory and quality control samples during a portion of the actual production time.

Marketing strategy – begin to clearly define your marketing targets, goals and methods to achieve your projections.

- **STAGE 4 – OPERATION SET UP PHASE**

Finalize setting up all areas of your new business operations including offices, warehousing or a third party logistics company.

Implement and fully learn all new software programs to manage your order processing, invoicing, collections, accounts receivable, commissions, royalties, payroll and general accounting details.

Set up offices, phone systems, computers, fax lines, bank accounts, credit card processing and related administrative details.

- **STAGE 5 – MARKETING PHASE - SELL, SELL, SELL!!!**

The best products in the world will simply sit on the warehouse shelves along with your all your initial capital investments without a strong, properly implemented and targeted marketing campaign.

Develop your marketing strategy clearly. Will you be selling primarily wholesale to retailers (online and brick/mortar) or selling mostly online directly to the consumer? These require very different strategies and investments.

If you are focused on selling wholesale, research and find independent sales agencies in your market niche that will represent you on a commission basis.

Reserve space at the related trade shows for your industry (usually a 3 – 6 month lead time) and budget for these costs including booth rental, travel, freight to ship your products to and from the show, booth display materials and equipment, staffing, and related details. Plan properly for a great launch at your key trade shows!

Develop and implement a strong website to properly show and sell your products to both wholesale and retail customers. Locate the appropriate web platform and budget accordingly to create your website. All of your promotional materials and ads should point back to your website that will describe in detail the features and benefits of your product line.

Depending on your marketing strategy and target groups, you may need to design and order printed catalogues, create a magazine ad campaign for your industry trade publications or consumer magazines, TV, and social marketing campaign. Sending press releases to all appropriate trade and consumer publications about your new products is also very important for free advertising. Create a BUZZ about your product!!

If you need an expert with over 40 years of experience and \$100 Million in total sales over the years to fully support you, please contact me to have a complimentary phone consultation to discuss your needs and my consulting options.

I wish you all the best in your exciting new business venture to successfully launch your 'Dream Product'!

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