

Background

Launching a product

The history of product launch disasters

Is your company launching a new product on the market? Maybe it's time for your old products to have a re-launch? But be careful! Some product launches can go very wrong. We look back at the history of product launch disasters in the last fifty years and consider the reasons why.

1957

It was September 4th and Ford was the most famous car brand in the world. Everyone was excited because the company had a new car. Nearly three million people waited outside car showrooms to see the new product. But the Ford Edsel was a big mistake. First of all, the name was very unpopular. Nobody liked it. But there was a worse problem. The car was not stylish – in fact it was very ugly and no one wanted to drive it. Thirdly, it was also badly designed and parts fell off it! In the first year, Ford only sold 63,000. By 1960 – less than three years after the launch – the Edsel disappeared.

1975

Before downloads and before DVDs do you remember video tape? Sony was the first manufacturer to launch this kind of product. They called it Betamax but a few months later JVC launched VHS video. VHS won because it was more functional and user-friendly and so more shops supplied the product. Sony produced the last Betamax in 2002.

1983

Think of Apple and you normally think of iPods, iPhones, cool laptops, and very effective product launches. But not every Apple product was a success. In 1983 Apple launched 'Lisa'. The Apple Lisa was a computer for business customers in particular. However, Apple soon discovered that business people also wanted cheaper products. Lisa was overpriced and sometimes slow. Apple soon stopped production of Lisa and moved on. Their success now means they obviously learned from this mistake.

1985

April 23rd, 1985 is an important date in the history of product re-launches. Coca-cola changed the formula of its 100-year-old drink and called the product 'New Coke'. The original idea to change the product was because Pepsi-Cola – their main competitor – had a large market share so Coca-cola needed a new strategy. The market research was positive for the new product. People tasted it in focus groups and they liked the new taste. It was sweeter. But by May, Coca-cola had a disaster and Pepsi Cola was number one. The public wanted their traditional coke – not the new drink. On July 10th the company brought back the old Coca-cola but they called it Coca-cola classic. Soon after, their product was number one in the market once more.

1996

By the end of the twentieth century they were everywhere. Macdonald's restaurants and burgers were on every high street in most countries. But even Macdonalds had a failure. In 1996, the main customers at Macdonalds were children with mum and dad. But Macdonalds also wanted more adults – single adults with their friends and with their extra cash. It planned to have the same product – hamburgers – but this hamburger was called the 'Arch Deluxe' for a more sophisticated customer. Macdonalds spent about 300 million dollars on research, production, and marketing, but the product failed. However, Macdonalds learned something from the experience: adult customers prefer more healthy products like salads and fish. So nowadays you can't buy an Arch Deluxe at their restaurants but you can buy a green salad.

The 21st century

So what product launches will fail in this century? Wait and see, but make sure it isn't yours!

Reading file 4

Exercises

1 Discuss as a class.

- 1 Which year was very important for you or your company?
- 2 Why do you remember it in particular?

2 Read the text quickly and match the year to the company and the product.

1957	Macdonalds	Betamax
1975	Coca-cola	Lisa
1983	Sony	New Coke
1985	Ford	Arch Deluxe
1996	Apple	Edsel

3 Read the text again and underline the words that answer these questions.

- 1 What were the three problems with the Ford Edsel?
- 2 Why was VHS more successful than Betamax?
- 3 What were the two main problems with Apple's Lisa computer?
- 4 Why did Coca-cola launch New Coke?
- 5 What were the results of the market research?
- 6 Who did Macdonalds want to attract?
- 7 What did these customers want instead of the Arch Deluxe?

4 Match these synonyms to adjectives from each paragraph in the text.

- 1957: 1 not many people like it: unpopular
- 2 unfashionable: _____
- 3 not beautiful: _____
- 4 not well planned: _____
- 1975: 5 useful: _____
- 6 easy to use: _____
- 1983 7 fashionable, attractive, stylish: _____
- 8 expensive and more than its worth: _____
- 1985: 9 old or never changing: _____
- 1996: 10 great knowledge and understanding of fashion, culture, good food, etc.: _____
- 11 good for your body: _____

5 Work with a partner. Make sentences about the following topics using the adjectives in 4. For example: *Motorola makes really cool technology such as satellite phones.*

Technology
Buildings
Services
Celebrities / TV personalities
Festivals
Food

6 Compare your sentences with another pair.

7 Look back at the text and choose three words that you could use in your day-to-day work.

8 Discuss as a class.

- 1 Each company in the article made a mistake but they are still successful companies. Why do you think they survived after their mistake?
- 2 Do you know any mistakes your company made? Did the company learn from it?