Why Product Launches Fail



And how to be successful.

Why 95% of new products fail.

In the USA, nearly 30,000 new products are launched every year, yet, according to Harvard Professor Clayton Christensen, 95% fail.

A product launch misstep might be a drop in the ocean for a multi-million-dollar brand like Amazon, but it could be lethal for a start-up or a first venture into a new market or category. In Aotearoa New Zealand, we have additional challenges to face, such as our small population and the logistical hurdles of export.

So, how can we overcome these unique challenges and be part of the successful few? We spoke to tech leaders who share equal scars and badges from the product launch battlefield. Here are the key insights.

- Start with customers at the heart of your launch.
- Lead with strong product and brand marketing.
- Make it easy for customers and help them to consolidate.
- Learn from the community, including failures.

It's important to remember that failure shouldn't be stigmatised. It's an opportunity to learn, improve, and refine your approach. What did you take away from the experience? How can you do better next time? And who can you count on for support in your next product launch?

All great questions. In this article, Lovina McMurchy, COO and CPO of Kry10 and Venture Capitalist, and Nick Whitehead, Tech Marketer of the Year and CMO of Serko, talk about strategies that have worked – and what hasn't – for them on the global stage.

Introducing the experts.



Lovina McMurchy

From South Auckland to a 20-year career in senior leadership roles at global companies, including Starbucks, Microsoft, Skype and Amazon, Lovina has had an impressive tech career.

Now tasked with business growth planning functions as COO (Chief Operating Officer) of Kry10, Lovina applies her wealth of knowledge in product management, sales, and marketing to business strategy. A seasoned venture capitalist, Lovina has been working as a General Partner in Aotearoa New Zealand's largest venture capital fund, Movac.



Nick Whitehead

Nick Whitehead is the CMO at Serko, a technology company that simplifies the complex world of corporate travel management. Operating from Auckland, Serko is used by millions of travellers around the world to book and manage their work trips, and by thousands of companies to manage their corporate travel programs.

Not only that, but Nick received the 2023 Tech Marketer of the Year, which he humbly attributes to being the tip of the spear, and a representation of all achievements of his team and company.

Start with customers at the heart of your launch.

Even with limitless resources, products can still fail if you don't listen to customer needs.

In a rare glimpse into Amazon's inner workings, Lovina shares that while working on a new product, Alexa Shopping, the Amazon team fell into the trap of ignoring customer needs, resulting in low market adoption.

Amazon has what many don't - essentially limitless resources and an already-established loyal customer base. So what went wrong? Lovina reflected it was a lack of customer focus that took the Product team in the wrong direction.

> *"We didn't meet our goal of making voice-based shopping prevalent. When I look back...it's because we didn't follow our own leadership value of customer obsession. People don't want to shop with their voice. They can shop with their computer, they can shop with their phone. They already have tons of ways they can shop easily."*

> *"That's one of the risks of being somebody in technology that loves the idea of technology. You fall in love with these ideas that you haven't actually validated with customers. It was a great lesson."*

Lovina McMurchy, CPO and COO, Kry10



Lead with strong product and brand marketing.

Strong positioning and a clear and consistent value proposition can put you in a good position for launch.



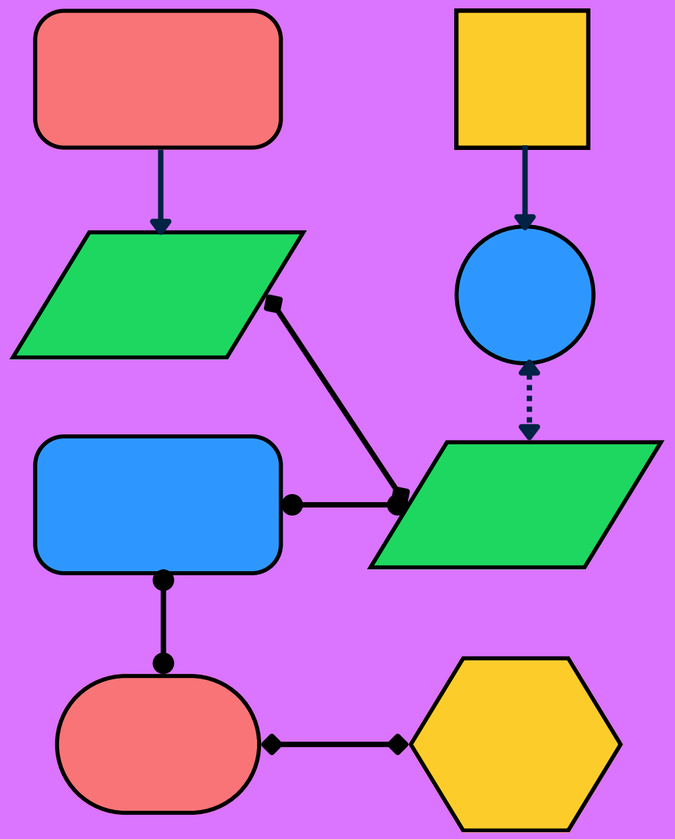
A product launch is a team effort, and so is the marketing that surrounds it.

Nick says that the Product Marketers on the Serko Team go through the internal brand development program, and that this internal alignment is crucial to the success of Serko across different products.

Another way that Nick encourages this alignment is for teams to work together more often. This can help different departments to stay aligned, which is a common practice in SaaS teams.

He says that when there is a business challenge, the marketing team are embedded with front-end developers and UX designers, breaking down functional silos and encouraging knowledge transfer and creativity.

> *"We know that performance marketing is more effective when we have really strong positioning and a clear brand identity, and we are differentiated from our competitors. The brand proposition that customers experience has to be consistent all the way through. Our product marketers have been involved in our brand development program, so they are involved in both developing and implementing it."*
>
> **Nick Whitehead, CMO, Serko**



Make it easy for customers.

Your biggest competitor in B2B SaaS might be inaction.

As a Venture Capitalist, Lovina has a view of the broader trends shaping the adoption of new B2B software. For Lovina, one thing is clear; products that make it easier for customers at all stages of the customer journey are thriving.

In B2B, for example, many teams are facing software subscription overwhelm, which is a legitimate barrier to new software adoption. That's why Lovina recommends any new products entering the market should be focussed on ways to help teams to consolidate products, and not add more software to their tech stack.

> *"At first, companies were excited about SaaS. But customers are now realising that they have many monthly charges and are looking to consolidate. As a SaaS vendor, I would be asking; how can I consolidate?"*

Lovina McMurchy, CPO and COO, Kry10

Lean on partnerships and community.

Lovina encourages any company looking to expand into new offshore markets to gain credibility by leveraging state relationships, for example with NZTE. Lovina says that Kry10 has benefited greatly from being part of the wider community, and recognises that the pace of SaaS is not kind to companies that make mistakes, so it's best to learn as much as you can from others.

> *"With the pace of SaaS, you can't afford to make too many mistakes. Arm yourself with knowledge... learn from other people's experiences."*
>
> **Lovina McMurchy, CPO and COO, Kry10**

When comparing market differences between the USA and Aotearoa New Zealand, one of the main observations from Nick Whitehead, CMO of Serko, is that we can work together more as a community.

He says that we have a wealth of businesses going through the product-market fit phase, so we have much to learn from each other.

> *"The opportunity is there for us to actually come together much more. We are all facing similar challenges within different phases of growth. How can we work together on this? And I think bringing visibility to that and building that connection would be phenomenal."*
>
> **Nick Whitehead, CMO, Serko**



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