Factors influencing product launch strategies
- a case study of the mining industry

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Research Question: What are important factors influencing product pre-launch, launch and post-launch strategies in a multinational enterprise within the mining industry.

Purpose of Research: The purpose of this thesis is to investigate factors which influence product launch strategies.

Method: This study uses a mix method approach, combining qualitative and quantitative methods. Semi-structured face-to-face interviews and a survey containing both quantitative and qualitative questions have been conducted.

Conclusion: Product, market research, beta testing, gate controls, coordination, employee training, feedback and follow up, place, promotion, have been brought together as important factors influencing product launch strategies in a multinational enterprise.
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Abbreviations

MNE  Multinational Enterprise
SED  Surface Drilling and Exploration Division
R&D  Research & Development
BLM  Business Line Manager
HQ   Headquarter
SD   Subsidiary
STP  Segmentation, Targeting, Positioning
ROI  Return on Investment
M&C  Mining and Construction
Webex Communication tool
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1. Introduction

This section introduces the reader the background of the research and explains the importance of the product launch. This is followed by a description of the research that has been done on the topic before. After that, the purpose of the study is introduced, together with the research question. This part ends with delimitation.

1.1 Background

The Mining industry in Sweden is a driving force in local, regional and national development. Sweden is Europe’s leader in the mining of iron ore and the north part of Sweden still has a big underexploited area rich in minerals. (Government offices in Sweden, 2013). Several multinational companies, manufacturing mining equipment’s and technologies are rooted in the mining industry in Sweden, where many of them are global market leaders today (Geological Survey of Sweden, 2015). These particular mining equipment industries in Sweden are considered leaders since they are in constant product innovation and development. They are also in cooperation with mining companies around the world who are developing new techniques for the mining industry and improving processes and strategies of products launch. (Geological Survey of Sweden, 2015).

According to Forsgren (2013), multinational enterprises have over the years been gaining more and more importance in the global economy. They are seen as “agents of change” with the influence over the markets and especially small firms (ibid). The marketing environment, especially in multinational companies are changing continuously and companies need to adapt its strategies to changes in the market, products, and customers in order to stay competitive (Kotler, 2009). Managers these days’ face pressure to introduce the market to superior products in a short time. This pressure is triggered by different factors: technological and mass communication development, fierce competition, globalization, fragmentation of the marketplace, growing costs of R&D and shorter life cycles of products (Ali, Krapfel, and LaBahn, 1995).

The long-term success of firms is tightly related to new products, which is why new product development (NPD) plays a crucial role in business world (Kotler, 2009). Industrial companies thus continuously strive to produce and improve innovation in order to survive (Cooper and Kleinschmidt, 1991; Pullen et. al, 2012). Development of a new product and its launch is one of the most important challenges faced by the top management of any company (Tzokas, Hultink and Hart, 2004).

Product launch is a process of rolling out a new product on the market. It is an important aspect of the first stage of the product lifecycle (Kotler, 2009). At this point, the idea of a product is turned into a physical product. A certain amount of investment has been made and the company faces a lot of costs related to the promotion of a new product. While its sales and profits are negative at this moment as the
product is in its introductory phase, the companies have to decide about their product launch strategies that are in line with their planned product positioning (Armstrong and Kotler 2007).

Cooper and Kleinschmidt (1991) mention that new products face competition from foreign firms, continuous changes in technology and higher demand of customers. It is, therefore, important to keep in mind that product launch strategies of new products in the market might need to be changed or reconsidered, to avoid the risk of failure. According to the study conducted by Talke and Hultink (2010), launch decisions have been conceptualized based on strategic and tactical decisions. The strategy of launching new products must have three sets of strategic decisions: the objective of the launch, market selection and competitive position of the new product. The tactical decision appears at the later stage of physical development of new product (ibid).

The topic of product launch has been studied and researched by several academics and scholars. A study by Hultink, Griffin, Hart, and Robben (1997) focused on product launch strategies and product development performance. This study looked into strategies but not different stages of product launch. Furthermore, Bowersox, Stank, Daugherty (1999) identified four strategic aspects: price, product, place, and promotion; which they believe are essential for launching new products in markets.

Lee and O’Connor (2003) focus on the appropriate marketing strategies of launching a new product based on the network effect environment. The network effect occurs when the value of a product to one user increases as more users adopt the product. This kind of environment causes competitive dynamics and change customers’ response patterns. However, this study has not looked into specific factors of product launch (ibid). According to the study by Chen, Chiu, Shyu and Tzeng (2006), launch strategy decisions influences new product performance and previous studies examined the concept and content of new product performance and launch strategy. However, there is no proper agreement on how launch strategies should be selected and formulated (ibid). Another study on the topic was performed by Johnson, Piccolotto and Filippini (2009) in the field of manufacturing industry, where possible factors influencing product launch in small and medium enterprises was studied.

Ingenbleek, Frambach and Verhallen (2013) studied bad pricing decisions, which decrease the performance of a new product and can destroy the efforts and investments made on the product launch. Another research study by Di Benedetto (1999), shows the importance of product launch timing. Di Benedetto (1999) suggests that managers should focus more on the timing with respect to strategic, tactical and information gathering activities influencing the launch.

From the studies mentioned above, it is observed that the researchers mostly focus on the single part of the product launch instead of bringing all the stages that influence product launch: prelaunch, launch, and post-launch from the marketing perspective. This study will, therefore, look into each stage, where the focus will be on multinational enterprise within mining industry. The theoretical framework used in this study encompasses new product development, stage-gate model, and 7P’s of the marketing mix.
1.2 Research Question

The question to be answered is: ‘What are the important factors which influence product-launch, launch and post launch strategies in a multinational enterprise within the mining industry?’

1.3 Purpose

The purpose of this thesis is to investigate factors influencing product launch strategies.

1.5 Delimitation

The research takes into account a company within a specific industry - the mining industry. Furthermore, this company is a multinational enterprise with years of experience. The processes connected to a new product launch is also analyzed looking only into this specific enterprise. This study looks into the product launch from a marketing perspective and does not focus on all stages of product development.
2. Theoretical framework

This section provides the reader with information on concepts and models that the study is based on. This part has been divided into different subsections. By using a concept of New Product Development, The Stage-Gate Model, and 7Ps (marketing mix) this study will look into factors which influence the different stages of the product launch.

2.1 New Product Development

Written works published on new product development (NPD) show the significance of bringing new products to the market and their influence on company's success. NPD has been shown to have an effect on company's growth rate, profit performance, and planning and often decides a firm's existence (Bhuiyan, 2011). Technological and mass communication development, fierce competition, globalization, fragmentation of the marketplace, growing costs of R&D and a shorter life cycle of products are factors that trigger NPD (Ali, Krapfel, and LaBahn, 1995). NPD process includes activities that are performed while developing and launching new products. Each new product goes through a number of stages: new product strategy, idea generation, screening and evaluation, business analysis, design and development, testing and commercialization (Bhuiyan, 2011). Because of the number of stages involved in this process and their complexity, the cross-functional cooperation is vital (Di Benedetto, 1999).

Tzokas, Hultink and Hart (2004) consider NPD as the most challenging task faced by managers, that can provide the competitive advantage for a firm. This advantage can be obtained by new products customer's needs, perceived technical superiority, created within budget and launched ahead of the competition. The NPD concept can be linked to the Stage-Gate Model in order to ensure that all new product development plans fulfill the requirements of development stages and help to develop the decision-making process (i.e. Cooper and Kleinschmidt, 1990; Sethi and Iqbal, 2008).

2.2 Stage-Gate Model

In the last few decades, raising awareness of the importance of bringing new products to the market has led to a significant increase of the number of products introduced to the market. This has, in turn, caused challenges for companies’ management, as NPD processes became very costly, in financial and human terms (Cooper and Kleinschmidt, 1991). Therefore, in order to improve the NPD process, Stage-Gate systems have been implemented by companies (ibid). According to research conducted by Cooper and Kleinschmidt (1991) using Stage-Gate systems has a number of advantages. The study showed improved teamwork, less recycling, and rework, improved the new product success rate, better launch, earlier detection of failures, and improved time efficiency as the effects of the system. However, there are also potential weaknesses of the system and they include the reliance on inter-functional communication, time consumption - in terms of required commitment, and restrained creativity (Cooper and Kleinschmidt,
It is though, important to mention that 10% of respondents in this particular study did not mention any weaknesses of the new system. Also, when it comes to the reliance on inter-functional communication, the respondents rated improved communication within different functions and departments as the most important advantages of Stage-Gate system implementation (ibid). Product launch timing has also gained importance in the research, since during the launch customers and competitors are equally important as the launch activity itself (Di Benedetto, 1999). The Stage Gate Model helps to control deadlines and take care of timing related to product launch (Cooper and Kleinschmidt, 1991).

It is important to note that Stage Gate Model has been criticized by among others Sethi and Igbal (2008), due to its rigorous gate controls. Their research shows that strict gate review criteria, which are often applied, increase inflexibility of the project and can lead to learning failure. The problem can be solved through understanding that adaptation to different projects is needed while designing the gates. It is due to the fact that different new projects may need different requirements (ibid). The model has also received critique for being time-consuming, thereby resulting in time wasting activities. Furthermore, bureaucratic procedures and restriction of learning opportunities have been criticized by Grönlund, Rönnberg Sjödin and Frishammar (2010).

According to a study carried out by Talke and Hultink (2010), launch decisions are based on strategic and tactical decisions. Strategic decisions take into consideration objective of the launch, market selection and competitive position of the new product, while tactical decisions appear later during a physical development (ibid). Making these decisions is enabled by using The Stage Gate Model, since at each step the company can consider different choices and focus on achieving particular things. The Stage-Gate model describes the launch process and all the stages before and after the actual launch. The model starts from the idea about a new product and ends with the post-launch (see Figure 1).
The Stage Gate Model was first introduced in 1986 by Cooper (Chin, Han, Jang and Hong, 2011). The model is a blueprint, which helps when planning the process of a new product development and launch. Its main purpose is to bring a product to the market in an efficient and effective way. Stage-Gate consists of five stages and gates between them. The different stages include activities that should be undertaken in order to make progress. The gates serve as points where crucial decisions are made about whether the project should be continued or canceled (Cooper, 2008). The model has expanded over the years, to match the needs of different projects, but since major new product projects go through the five stages process, the original model will be used in this thesis.

This study analyses all the stages of the model. This model is considered suitable for the study conducted as it describes the stages and their flow.

The first Stage of the model has as its objective to provide technical and market information at a very low cost. Activities undertaken at this point include a library search, contacts with key users, focus groups, and even a concept test with a few potential users. At the same time, a preliminary technical assessment is carried out, involving a quick appraisal of the proposed product (Cooper, 1990).

At Stage 2 the attractiveness of the project must be clearly verified. It is due to heavy spending on a product development that is soon to be made. This is the time for doing a market research in order to determine customer’s needs, wants and preferences. Then, a competitive and financial analysis must be conducted. However, even more important at this stage is to “convert” customer’s needs and wants into technically and economically possible solutions (Cooper, 1990).
Stage 3 involves the development of the product. At this point, plans on testing, marketing, and operations are made. An updated financial analysis is prepared, and legal/patent/copyright issues are resolved (Cooper, 1990).

Stage 4 of the process is about Testing and Validation and it must be taken care of. The lack of careful execution of this stage is often a reason for a product launch failure (Soni and Cohen, 2004). Testing consists of internal testing and beta testing and it helps to validate the functional components of the product, its documentation, training and support services before the actual launch. The testing process starts with test plans, followed by the actual test and issue tracking that helps to notice problems when the manufacture is increased. Before the product can reach the beta testing stage, it must have gone through an initial testing, where the crucial functions of the product are proven to be failure free and work as they supposed to (ibid).

According to Jiang, Scheibe and Nilakanta (2011), beta testing is a trial of a product at the closing stage of development, carried out by an independent party (for ex. potential customers). The aim of this test is to gain information about customer’s product experience, find good sides of the product and have someone serving as a reference for the future (ibid). The beta stage is also a good time to train the sales force and the service people. Customers testing the product should be able to contact customer service already at this phase. The test period is a perfect opportunity, to learn for people who will help customers daily, after the product has been launched (Soni and Cohen, 2004).

Another important part is documentation, which is a crucial part of the product. Beta personnel makes sure that all papers regarding the product, warranty, and legal issues are ready for customer review at the start of beta testing (Soni and Cohen, 2004). The writing must be done already at the development stage so everything is ready to be shipped together with the product, and there is time for reproduction of the documentation. Furthermore, a feedback on the documentation itself is also very important and it is to be stressed to the customer who is testing the product (ibid).

Other preparation at this stage includes internal logistics. The pricing structure for sales should be decided early in the development process. It is due to that forecasts on revenues resulting from the pricing structure lead the development in the sense of product and project cost (ibid). Product demos, presenting the way in which a potential customer may use the product can be beneficial as well. This way the focus is not only on the technology itself (Soni and Cohen, 2004).

Stage 5 is the actual launch of the product. According to Cooper (2008), the most important role at this stage plays the marketing and sales team. The marketing plan has to be clear and the main goal of marketing activities should be set. The right product has to be put in the right place, in the right time with the right price, for the right market. Therefore, if there is no clear research conducted in earlier stages, the launch can easily fail. The objectives of the launch have to be aligned with the company’s mission. The goal of the launch is to bring value for customers and increase profitability for the company (ibid). As mentioned by Kotler, et. al (2013) companies have to follow STP (Segmentation, Targeting, Positioning) process in order to understand their customers and their needs. Segmentation will together with targeting
help companies to differentiate and position themselves on the market. On the other hand, positioning will help companies to differentiate their products from competitors (ibid). According to Cooper (2008), each gate describes the time allowed to complete each task. This helps to follow up each stage and look into each activity so a comparison can be made between the amount of time that was initially planned for a certain activity and the real times of executing it (ibid).

Post launch follows stage 5. According to Soni and Cohen (2004, p: 6-7), “a post-launch review provides for learning from the launch in an effort to improve the subsequent launches.” After the launch, post launch is a vital step to determine the results. They are then compared with the success criteria which are achieved based on the launch date, sales of the first year, and net present value (ibid). Comparison between what was promised and what has been achieved during post-launch is highly prioritized in this step. Financial results are analyzed and followed (Cooper, 2008). At this stage, it is important to figure out whether the previous launch was successful, why/why not (Soni and Cohen, 2004). Discussing and figuring out what went wrong or what went well has a positive impact during next product launch. This kind of event must be done within three to six months, as long as the information is fresh in everyone’s mind, but the timing varies by the companies. The data collected from the financial statement and distribution channels from previous launch help in future product launch (ibid). For a cross-functional review of launch, it is important to include marketing agencies, suppliers, engineers, manufacturing sales, senior management, channel management and customers (Soni and Cohen, 2004).

2.2 7 P’s of Marketing Mix

The marketing mix helps to determine what the product can offer and plan a prosperous product offering (Baker and Hart, 2008). When preparing a launch of a new product, it is very important to make sure that the right place, right product, right price and right promotion has been decided upon, which is the reason why the marketing mix is included in the study. The study takes into account not only the 4 original Ps but also 3 additional Ps related to services. McCarthy first originated the marketing mix theory with 4Ps of marketing: Product, Price, Place and Promotion. The marketing mix is more a conceptual framework than a scientific theory (Goi, 2009). Goi suggests that marketing mix is a concept which makes business easier to handle, helps to separate marketing activities from firm activities and assigns marketing tasks to specialists. Palmer (2004), suggests that marketing mix is used to develop long term strategies and short term tactical programs.

According to Baker and Hart (2008) the marketing mix helps managers or business practitioners to reach and attract customers with a greater plan of product or service. The 4Ps are believed by the marketers, to be necessary conditions for success in the market. Bowersox, Stank, Daugherty (1999) identified product, place, promotion and price, as aspects involving activities of a product launch. Decisions made on these four aspects, according to them, has an influence on a new product launch (ibid). Moreover, they are also significant for the development of marketing theory and practice (ibid). However, the 4Ps has gotten a lot of critiques, due to the fact that different marketing mixes have been put forward for different marketing contexts, resulting in conceptualization and making the concept weaker. Grönroos (1994), Rafiq and
Ahmed (1995) and Möller (2006) particularly emphasize the shortcomings of the marketing mix as not being customer oriented, the customers being passive rather than active and forming relationships, and that the mix does not take into account the elements that are unique in service management. An extension of 4Ps concept has therefore been proposed (Rafiq and Ahmed, 1995; Lin, 2011). Lin (2011) also states, that marketing mix is not a theory of management which has been derived from scientific analysis, but is rather a conceptual framework. The conceptual framework highlights a principal decision which marketing managers take to shape their offerings to adjust customer needs.

A way to meet the criticism has been to modify 4Ps to 7Ps by adding people, process and physical evidence (Boom and Bitner, 1981). It is believed that the company controls these components and influence customers buying behavior of products or services (ibid). Furthermore, the usefulness of 7Ps is to formulate marketing strategies to gain competitive advantage. These components influence customer satisfaction level and repurchase decision (Akroush, 2011). A study carried out by Zenithal, Bitner and Gremler (2010), shows that the 4Ps are partially effective for service marketing strategies but the 7Ps are important for the whole service production process. The marketing mix has therefore been shown to be a useful conceptual framework to be used as a tool by marketers (ibid).

**People:** According to West, Ford and Ibrahim (2015), the employees who serve customers with products or services, becomes the service in their eyes. Employees influence customers’ perception about acquired service. It is believed that, there is no possible way to separate service from the service provider agents. A company’s success is based on what kind of personnel it is using for serving customers. Hiring the right people, trusting and empowering them is important in the field of service marketing and it gives a chance to meet customer expectations (ibid). How employees represent themselves for example: dresses, personal appearances, attitudes and behaviors influences perception of the customers (Zeithaml, Bitner and Gremler, 2010).

**Physical evidence:** Physical evidence refers to how any product or service is visible to the customer. How the product looks in the shop, its color, shape, size and the way it is packaged, adds value that attracts customers. It is all about attractiveness, making customers happy, giving the best experience, and meeting the expectations (West, Ford and Ibrahim 2015). According to Zeithaml, Bitner, and Gremler (2010), physical evidence helps customers to evaluate the quality of tangible/intangible product or service. According to them, physical evidence enables communication of tangible products or services by using brochures, letterheads, business cards, report formats, signage, equipment, and servicescape. A study conducted by Baines, Fill and Page (2013), shows that an intangible service may also provide the feeling of tangibility to certain customers through sales literature and brochures. This increase the quality and positioning of a product or service.

**Process:** A prosperous business depends on smooth and efficient interactions between the customers and the service providers. An accurate process valuation inspects the operational process of customer’s view about quality-control of service delivery (West, Ford, and Ibrahim 2015). How a service is delivered depends on how the organization includes the process of operating system, procedures, mechanism, and flow of activities (ibid).
**Place (Distribution):** Place describes the way in which the product reaches the customer (Baines, Fill and Page, 2013). Companies often think that place does not play an important role in their marketing activities and that it is just a physical delivery. The place is the whole process of distribution and it may provide customers with different impressions of the distribution quality. Impressions can vary depending on lead-time of the product, coverage on different markets, types of transport solution, the place of the product launch etc. That is why it is crucial to understand customer’s expectation (ibid).

**Promotion:** Promotion looks into how the benefits and features of the product are communicated to potential customers. This is however very big overview and each process has to be well understood. The promotion is called “Marketing Communication” (Baines, Fill and Page, 2013) and as one of the aspects of 7Ps is crucial, due to the fact that it expresses the offering to the customer, but also has influence on what the customer thinks about the product or service beforehand (ibid.)

**Product:** Product is the offering, packaging and customer need fulfillment (Baines, Fill and Page 2013). Each product has three main forms: the core product - this is the main functionality for the customer; and the embodied product - this can be features, design, packaging, brand, etc. The augmented product - these are factors supporting the purchase and after purchase - delivery, training, commissioning, warranty. All these together should make the customer purchase the product and keep purchasing. Different combinations are bringing different value for the customer (ibid).

**Price:** The price means the amount of money that the buyer is supposed to pay for goods or services when the price is discussed in terms of marketing. According to Viardot (2004) the choice of a price that is set on a product, depends on the price elasticity for the produced product. Some products are demanded and still will be when the price changes, even if it means paying the premium price. Other products are demanded at a certain price and under price changes are to be substituted by others (ibid). The price has also meaning of costs that the company has to invest in development and production of the product (Baines, Fill and Page, 2013).
3. Methodology

The methodology section is chronologically structured in order to describe the gradually evolving process of this study. The first section starts with a short description of defined strategy. The next part serves as an explanation of the choice of concepts and models for this thesis. 7Ps of the marketing mix, NPD concept, and the Stage Gate Model are motivated in relation to the product launch. In the third part, the section continues with the explanation of the choice of the company that has been chosen for the analysis. Then, in ethics section, a fictive name of the company and anonymity of the interviewees are clarified. After that, the data collection is described, including both primary and secondary data. The last section is connected to reliability, validity, and credibility of the collected data.

3.1 Choice of Company

To achieve the goal of answering the research question, this study takes into consideration a mining equipment company- “Stone”. The company operates worldwide with wide product ranges and can be interesting to study.

The chosen company is in the mining industry, which according to Forbes, (2015) frequently innovates its product range and is one of the most innovative companies in the world. The company has been in the market for many years and has executed many product launches. The complexity of its products, which also affects the complexity of the launch, makes this company worth to investigate in connection product launch.

Furthermore, the fact that one of the authors of this study works for the company, played an important role. This has enabled cooperation, as people at the company were open and willing to provide information. However, this kind of situation, when an employee conducts a study brings a risk of bias (Bryman and Bell, 2015). It is due to the fact that the objectivity can be lost. Also, the results may be of low reliability, because the respondents may give answers that do not put the company in the negative light, especially when an employee is being involved. For all these reasons, this study has been presented to the respondents as being independent of the company itself. Furthermore, the goal of creating a thesis has been mentioned and a promise of keeping the anonymity of the respondents has been made. As the company is located in Sweden, data collection was made possible with face to face interviews with the managers.

3.2 Research Strategy

The purpose of this study is to investigate factors which influence product launch strategies during pre-launch, launch and post- launch. This study is based on a case study, which according to Crowe et. al. (2001) has a strength to use sources and techniques of collecting data, making the collection of the data
richer and deeper. The chosen population of this research is based on subsidiaries and headquarter of the company “Stone”. Based on the description of the actions, situations and interactions between chosen actors of the company, a mix method design has been chosen. A mix method approach measures an overview of the studied area and strengthen the generality of the research (Bryman and Bell 2011). There are different types of mix method design and for this study, the triangulation design is chosen. It is a one phase design where quantitative and qualitative methods are implemented (Creswell, 2014).

The semi-structured approach has been chosen for the interviews. A semi-structured interview is a category of the interview where the interviewer does not have a rigorous set of question, but rather adjusts the following questions to the respondent’s answers (Saunders, Lewis, Thornhill, 2009). The reason for using a semi-structured interview is that it gave a possibility to change the questions and add sub questions to get the most of the data required. As Yin (2003) states, it is one of the most flexible types of interviews. The interviews gave an enhanced understanding of the whole company, as well as they helped to acquire needed information on a new product launch. The interviews were used to get an overall understanding of product launch process. They were more of a descriptive nature identifying the factors to be analyzed.

This study also includes a survey. It is a method of investigation that usually answers who, what, where, how many and how much (Saunders, Lewis, and Thornhill 2009). It is a common strategy when doing a research, because of the ability to gather a high amount of data from a decent population. This kind of strategy gives an opportunity to collect quantitative data which can be used in order to find relationships between variables and for that reason it has been used in the study (ibid). The survey for this study was conducted in order to collect information not only from the headquarter but also from subsidiaries. Only information from headquarter would not give an understanding of the process, so the survey for different subsidiaries was conducted. 22 subsidiaries in different countries were chosen, based partly on the headquarters recommendation, in order to reach subsidiaries that are directly involved in the product launch. The specific amount of 22 has been chosen, because of their involvement in product launch and operating in different countries. The survey was answered by 13 subsidiaries. Due to geographical and time differences, it was not possible to conduct face to face interviews.

3.3 Choice of Theories

The study is mainly based on NPD (New Product Development). NPD is a complex process and The Stage-Gate Model is used in order to control and coordinate it. The Stage-Gate model is one of few models that thoroughly describes the process of the whole product launch and for that reason, it has been chosen to serve as the main model. The Marketing mix of 7P’s (promotion, place, product, price, people, process, and physical evidence) is used in connection with the product launch. With the help of the mix, it is possible to identify factors that marketers find being important. The marketing mix has been criticized by many scholars as not being sufficiently scientific, but rather a model that is used by non-Academics. However, the articles that cover the marketing mix that has been used in this study are based on scientific
research, where there is an awareness of the shortcomings of the model and where this is discussed and the use of the model is justified.

3.4 Data Collection

This section describes the way the data has been collected.

3.4.1 Background Data

The website of the company “Stone” provides a lot of information about the background of the company and their experience in product management. Company introduction found on the web page gave information about the company and also aided to prepare the interviews and survey in terms of product launch. Furthermore, “The Forbes” Magazine online provided a study with the background information about the company.

3.4.2 Primary Data

The primary data was gathered through interviews and a survey. The questions were built on the concepts of 7P’s, NPD and The Stage-Gate model. However, some of the questions were asked in order to get an overall understanding of the whole product launch process at the company (see appendix 1). To make sure that all areas needed in this study have been covered, a previous screening of the concepts and the model were made. After that, questions were prepared for interviews and surveys, to guide the respondents in the right direction and provide satisfied results. All the questions were specified, in order to avoid being ignored and wasting time for answers that are unrelated to the topic. They were created in a way that allowed the respondents to develop their thoughts and add information that was considered important to them.

The Marketing Manager and Communication Manager from “Stone” were chosen to be interviewed. They were chosen due to their direct involvement in the launch of new products and were believed to possess knowledge and experience needed for collecting a valuable data. Due to the fact that, the interviewees were managers and that the perception thereby can vary depending on their position in the company, there was a possibility of bias. To reduce the risk of bias, a survey was sent to the subsidiaries to confirm the information obtained during the interviews. The first interview with the marketing manager of “Stone” was conducted at its headquarter on 12th of April 2016 at 10 o’clock and lasted for two hours. The second interview with a communication manager was conducted on 14th of April 2016 at 11 o’clock and lasted for one and half hour.

The interviews gave information about how the product launch in the global company works. By having that information, the questions for the survey were formed in the way that each question had the aim to understand the level of involvement of the subsidiaries in the launch process. It also helped to understand the level of autonomy given by the headquarter to the subsidiaries to modify the process of product launch. The questionnaire was sent to 23 employees at “Stone’s” subsidiaries in 22 different countries
around the world. The survey was sent to 23 employees and not 22 employees because an extra opinion of one General Manager in a developing country was considered important for the study as he was just supervising the process. The authors chose 22 subsidiaries based on the advice of the HQ, as all of them were executing product launches. The correspond positions of the interviewees were: one general manager and the rest of them were business line managers. Based on the understanding of the process of product launch from headquarter at the company the questionnaire for subsidiaries were built. It is as well worth taking into consideration that people working at subsidiaries may not be objective and give answers that put the company in a positive light. People may misinterpret the meaning of questions, bringing the wrong results to the study. However, the questionnaire was sent to respondents who were directly responsible for product launches at the subsidiaries, so the risk of misinterpretation was considered being low. The respondents were either Sales Representatives or Business Line Managers. An email containing the survey was sent out on the 24th of April 2016. The questionnaire was a combination of 21 qualitative and quantitative questions, separated per Stage-Gate model, NPD and Marketing Mix (see appendix 2). The respondents had a deadline of one week to answer the survey, and most of the responses were received already within a couple of days. Answers from 13 different subsidiaries from 12 different countries were collected. Questions number 1–9 was qualitative, 10 qualitative, 11,12,13 quantitative, 14 qualitative, 15, 16, 17, 18, 19, 20, 21 were quantitative. The results show a “no answer” column as well due to the lack of an answer. This study takes into consideration all answers.

3.5 Data analysis

The data collected from the interviews with the support of the background data were used as a basis for the questionnaire that was sent to the subsidiaries. These data helped to separate the questions of survey per each theory. The survey answers including the statements collected from subsidiaries were also separated per each theory. This helped to analyze the data collected from both headquarter and subsidiaries directly in connection to each theory.

3.6 Reliability, Validity, Credibility

A study or research should be reliable if the outcomes or the results are expected to be repeatable. If the research is based on quantitative data there is a high concern of the reliability (Bryman and Bell, 2015). Reliability in research is considered as a measurement tool to produce stable and the consistent result (Phelan and Wren, 2006). The information that has been collected for this research is considered reliable because the respondents were directly involved in the product launch. Furthermore, by asking two interview respondents the same questions and sending the same questions to 22 subsidiaries assured the correctness of the collected data. The response rate was relatively high: it reached 57%. Answers from 12 different and independent subsidiaries were collected. The combination of both data collections from the headquarter and from subsidiaries made the study more trustworthy. It is because of the fact that; the data has been gathered from at least one person at each of 12 different subsidiaries involved in the product launch process. Not only the headquarter but also subsidiaries provided a direct feedback.
According to Bryman and Bell (2015), the data collection from both the headquarter and subsidiaries will help to identify the possible gap between two sides.

The company “Stone” also seeks for improvement, and giving out unreliable information would not bring any change to the current situation. When it comes to validity, it is very important for a test to be valid because, it ensures how a result should have applied accurately for research or studies (Bryman and Bell, 2015). The data collected in this study is recent and shows the current processes and opinions about them.

3.7 Ethics

The research question and purpose have been discussed with one of the biggest mining suppliers on the market, but due to confidentiality, the name of the company has been changed. The participants of the interviews and respondents of the survey voluntarily agreed to contribute with their answers and their names are not exposed, due to anonymity. The questions are directed to people who are closely connected to the product launch, ensuring a high quality of the study. Detailed information about the company is not exposed, to not cause any harm. For that reason, the reference to company’s website is taken away. Because of the fact that two of the authors are not connected in any way to the company being analyzed, the research can be considered being impartial.
4. Introduction of “Stone”

This part describes the company “Stone”, its structure and the products that are developed, manufactured, sold and serviced by it. Due to the firm’s wish to keep the company’s name confidential and interviewee's anonymous, the company appears in this research under a fictive name “Stone”.

4.1 Company Background

“Stone” is a multinational company providing sustainable productivity solutions. One of the specializations is construction and mining equipment. The firm today operates in 180 countries. “Stone” employed more than 40000 people in 2015. Its mission is sustainable and profitable growth. Due to the importance of sustainability, the company follows a strategy. There are five pillars of the strategy which are: presence, innovation, service, operational excellence and people. These pillars are complemented by the concepts of ethics, safety, innovation, competence and resources. The main goal is to deliver value to company’s stakeholders in an economic, environmental and socially responsible way.

4.2 Surface Drilling and Exploration Division

This study looks into the Surface Drilling and Exploration division (SED) which is one of the divisions with its headquarter in Sweden and eighty subsidiaries worldwide, from which 13 subsidiaries are studied. The SED division is developing, manufacturing and selling drill rigs that are used for different segments within exploration, mining and construction drilling. With a number of diverse products on market, it can offer the most suitable solution for its customers. Because the market for SED division is so diverse, a constant development and a release of new products on the market in order to stay competitive is crucial. Its customer centers are placed around the world which helps to reach the customers anywhere.

The headquarter develops and produces products in their product companies globally and supports their eighty subsidiaries. The headquarter has its own R&D, production, purchasing and logistics department. In each subsidiary is Business Line Manager (BLM) who is responsible for Profit and Loss for each division for his/her specific country or region. BLM is reporting to the local General Manager at subsidiary but has very close cooperation and gets support from the Regional Business Manager, which is his support at the headquarter.
5. Empirical Findings

In this section, the information collected during the interviews and surveys on product launch at “Stone” is presented. The findings have been divided into the prelaunch, launch and the post-launch stage.

5.1 Interviews

In this subsection information obtained during the interview with the communication manager and the marketing manager is presented.

The Launch Process

The entire launch process at “Stone” includes pre-launch, launch and post-launch, and the gate system process consist of eight gates and eleven stages. The Stage Gate Model has been adjusted to company’s needs. It has been stated in the interview by the marketing manager: “We have more stages because the original model does not cover all aspects of the product launch. For example, the assembly of the prototype, and a division of tests into functional and field test”.

Explaining the reasons behind the adjustments, the communication manager said “Developing a new product with a new technology that has not been used before may need longer time at some stages, before the gates can be reached. The small adjustments of the time flexibility of the gates may be needed” [...]

The gates are placed at points, where we think it is important to be time efficient. Sometimes it is in the middle of a certain stage and in other cases the gate control is presented after the execution of two different stages. We realize the threat of gate controls and we place them only where there are necessary and bring the best results”.

Asked about the benefits for the company in using a Stage Gate system, both the communication and the marketing manager mentioned better cooperation, easier detection of errors and minimized risk of delays. According to the manager’s, people are working more closely together, the process is effective and efficient. Due to the number of stages they are able to detect errors relatively early in the process and the risk of delay is minimized.

5.1.1 Pre-launch

The first part of launching a new product at “Stone” is prelaunch, consisting of six stages and seven gates. “It starts with an idea about a product and finishes at stage six, which is the last stage before the product is ready to be released” said by the marketing manager. Gate 0 to Gate 3 is a feasibility study, “the moment the company sees the potential for a new product” - according to the marketing manager. At this point, a market research is made, including competitor comparison and market understanding. “It is in order to target a niche market, grow and retain market share and increase the revenues” as mentioned by the
The proper market study is done in advance, in cooperation with both the headquarter and the subsidiary. This study will later help to choose a place for the launch. At stage two the design and the name of the product is decided. At the next stage a prototype technical drawing is created and the components are purchased in order to build the prototype. Finally, the product is assembled and ready for press release. At this point a marketing material in English is prepared. “Stone” execute functional and field tests between stage five and six. When the prototype is assembled and being tested the photos of the product are taken. Basic technical specification, main exhibition material and the decisions about the exhibition are made. As mentioned before, the location is chosen, based on the market research results on potential customer’s location. It is also based on environment conditions such as big enough space due to the size of the machines. Furthermore, it must always be a place free from distractions in order to keep customers focused and entertained during the actual launch.

“Stone” makes a 10-year plan for a new product. It is in order to stay ahead of competition. The product life cycle at the company is 5 years and after this time the product is upgraded or discontinued and replaced by a new one. Key subsidiaries and the headquarter are a part of a product portfolio strategic planning and they meet at regular conferences to review the products. It is important for headquarters to gain understanding of the market from the subunits. Development of a new product, before it is launched takes approximately 5 years. When it comes to an existing product, an upgrade is made within a timeframe of 1 year.

The company uses beta testing. As explained by the marketing manager “Beta testing helps us to verify the performance of the product and discover errors. We identify customers that have the right application for the product”. Asked who is responsible from performing the beta testing, this interviewee replied: “It is only performed by the subsidiary in the country that the product is to be sold and our target group is located. The subsidiary which has the best condition for beta testing is chosen” added by the marketing manager.

“Stone” sees people as a crucial aspect of the pre-launch. The sales force that works for the subsidiaries need to have a good relationship with their customers and have to make sure that some information regarding product launch towards customers is communicated in advance (It takes approximately three months). Both service and sales people learn about the product already during this step. The communication manager said: “The marketing material is prepared prior to launch of a new product so there is enough time to learn about the product”. “(...) at the gate four the documentation is prepared in English”. All people within the company have to cross-communicate regularly and follow up the process.

The entire NPD process plays an important role at “Stone”. The plan of NPD is to be made and followed up, keeping the deadlines and making sure that the right people are involved in each step of launch process. The budget is set in order to make sure that the costs will not exceed the given financial resources.

Price is another aspect that the respondents consider important at this stage. As explained by the marketing manager “The costs of the actual launch have to be calculated and presented for the approval
by Vice President of Marketing. It is important because the price for the customer must cover these costs to calculate the potential return on the marketing investment”. “The budget is set in order to make sure that the costs will not exceed the given financial resources. Usually already from the beginning there is an amount of money that could be spent on the launch. This number is though flexible, because it is hard to forecast what exactly the launch is going to cost” according to the communication manager.

5.1.2 Launch

At this stage a product has already been tested and passed all the stages of product development. Gate seven is the time for approving the product for market release. Each product is adapted to the local market, due to the legal requirements, weather conditions, etc. After that, customers can choose from available features of the product, to match their own preferences. The company stresses the importance of the product and its performance at this stage. “Overall more importance is given to performance and features of the product rather than the design” as said by the marketing manager.

When it comes to promotion, during the launch, the functionality of a product is showed to the customer by demonstrating the product at work. Entertainment activities support the launch, bringing customers together in a relaxed atmosphere. It can be for example a shooting competition; strongman show with heavy machinery or other. The communication manager said: “An event is always a good idea. We try to catch customer interest by bringing to the launch an element of surprise and something that customers may find interesting”.

Big parts of promotion are for example billboards at the airport, which the guests arrive at, giveaways in a form of pens, t-shirts, or caps with the logo of the company and flyers which are handed to customers where the product is physically launched. When the product is launched to the main markets then the headquarter prepares the online launch for subsidiaries which have potential to sale the product. The company also promotes its products through social media.

At “Stone” location is a vital step during the launch of a new product. The location is chosen, based on the market research results, showing where the customers are located. Also, the area for the launch must be big enough due to the size of the machines, their noise and possibility to demonstrate their functionality. Another important thing is a place free from distractions to keep customers focused and entertained.

At this stage internal and external stakeholder are part of the launch. Customers are invited by salesmen and business line managers from subsidiaries, as each subsidiary has ownership of the sales in the region. The company invites to a launch its regular and potential customers. The selection of guests “is based on a previous market research and the customer base” as explained by the marketing manager. Regional Business Managers from headquarters coordinate the launch together with the Business Line Manager. Marketing Communication Departments from both units support the launch with marketing material, and giveaways. Product Managers from the subsidiary and the headquarter provide technical description, functionality and the biggest value that customer would gain by purchasing the machine. The General Manager represents the local subsidiary. On the other hand, the Service Manager represents the service
division, which enrich the offering with the service. He is together with service people physically present at the launch. “That way we want to show potential customers that we are there for them in case of any problems, and that we offer support services that secures a long life of the machinery” as said by the communication manager. Asked about a training of sales force, the marketing manager answered “we train the customer service people in the best possible way to assist the customers. We at the headquarter make sure that all marketing and technical material is prepared and reaches everyone who is about to serve our customers”.

5.1.3 Post launch

After the actual launch an assembly and delivery of first serial products is made. Around six to ten months after the delivery of the first serial products case stories are published and the press visits the customer sites. At this point “we still train our subsidiaries and we run the demos at customer’s work sites “as mentioned by the marketing manager.

The next part of the post launch at “Stone” is collecting feedback from the customers, since they possess the information on performance of the equipment. The communication manager explained: “The feedback is important for us and help us to continuously improve the product”. In order to collect feedback, sales and service people frequently visit the customers. It is important to get feedback directly from someone who operated the machine, as this person has the most accurate information about the product and asking the owner may not be sufficient. The company also collects feedback through telephone and email within six months after the launch.

People who are employed by the company are considered as one of the important aspects of post-launch part because “People who are involved in the product launch also follow up the launch. The sales and service people follow up the performance of the product together with the customers. Marketing communication follows up the marketing material and return on investment. Our product managers follow a further development of the machine.” as explained by the marketing manager. Coordination between the people from the headquarter and the involved subsidiary is analysed. Employees involved in the process are asked questions about communication during the whole process of NPD. As stated by the communication manager: “Looking closer at the whole process of new product development gives valuable guidelines for the future”.

Another important thing for” Stone” is following up financial results. “Marketing communication follows up the marketing material and return on investment” added by the marketing manager. The targets must be met and the investment returned. As mentioned by both the marketing manager and the communication manager “Yes, profit and sales targets are often met after the launch”. Also, on time launch rate is something that the company analyses and learn from during the post-launch. “We have a high rate of on time launches. There can of course happen small delays, but since they usually happen under the watch of the headquarter, these delays can be quickly fixed” as explained by the marketing manager.
5.2 Survey

This section presents collected information from the survey for the subsidiaries of “Stone”. The questions for the survey are based on the answers obtained from the previous interviews with the headquarter. They are related to 7’Ps, Stage Gate Model and NPD concept. 13 responses have been received from “Stone’s” subsidiaries in India, Australia, Thailand, Peru, Central Europe, Poland, Turkey, Canada, USA, Eastern Africa, Bulgaria and Norway. It is about 57% of the surveys that have been sent out. All of the respondents work for the marketing department and have experience in product launch. Two responses have been received from two different managers from the same subsidiary in Thailand.

The clustered column charts present the answers that the respondents gave on 25 questions.

5.2.1 Survey Results

![Clustered Column Chart]

1. Do you know about the launch process in SED?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>2</td>
</tr>
</tbody>
</table>

Question 1

The first question is general, in order to gain information about the knowledge on product launch by subsidiaries managers. 11 out of 13 respondents answered “Yes” and 2 have given the opposite answer. They may not have the knowledge about the launch process but they may still have the knowledge about some activities during the launch.
Question 2

The second question is about rating the quality of the current launch process in the subsidiaries. The participants were asked to rate the process in 6 different choices. 1 of them rated the process by “Very High Quality”, 8 of them rated “High Quality”, 3 of them rated “Neither High or Low Quality” and 1 of them did not answer the question.

Question 3

This question is focused on the pre-launch stage and aims to gain information on the market research at “Stone’s” subsidiaries and how often it is carried out. Three of the respondents have answered “very often”, three of the respondents answered “somewhat often”, five of them answered “Not so often”, one of them answered “never”, and one of them did not answer the question. In the comment field, a lot of response has been given. One of the respondents mentioned wrote: “key customer visits in order to get their opinions”. Another respondent said wrote that “internal and external research is made”. Yet another comment was: “Usually the application areas of the machine will be known prior to the launch. Overview about the customer would be known to us. Before any launch and after the launch we spend more time educating the customer on the uses and benefits of the new product”. Finally, the last
respondent said wrote “It is too much to name it research but we anticipate customer needs and easily they trust our judgement”.

**Question 4**

This question has been asked to collect information about whether someone who is independent from the company test the products before their launch. The respondents were also asked who usually carries it out. Two of the respondents answered “Yes”, 10 of the respondent answered “No”, and one respondent did not answer.

One respondent left a comment such as: “We normally offer the new product to a customer risk free so they can give honest feedback on the performance”, “usually headquarter carries out the testing of the machine at a test or at a customer’s place”, “headquarter I believe, sometimes we help to arrange”.

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**5. The information on the product launch reactions (positive/negative) is always collected.**
Question 5

This question has been created to gain information on whether the customer reaction feedback is collected. Two of the respondents answered “extremely often”, five of the respondents answered “very often”, one of the respondents answered “somewhat often”, four of the respondents answered “not so often”, and one did not answer.

![Bar chart showing customer feedback collection]

Question 6

This question has been asked to know if the customer’s feedback is positive about the product launch. 10 of the respondents answered “Yes”, one of the respondents answered “No” and two of the respondents have not chosen any option. One of the respondent commented that “it is just as important if not more important to get customer feedback prior to the launch. This will reduce the chance of negative feedback when the product is launched officially.”

![Bar chart showing customer feedback positivity]
**Question 7**

This question has been asked for mainly to find out whether the subsidiaries analyses marketing materials effectively after a product launch. One of the respondent answered “extremely often”, four of the respondent answered “very often”, one responded “moderately often”, four responded “slightly often”, two of the responded did not answer the question.

![Question 8 Chart](image1)

**Question 8**

Question 8 seeks to find out whether the headquarters collect feedback on product launch from its subsidiaries. Respondents answers were as follows: five people answered “very often”, four “moderately often”, one “extremely often”, one answered “slightly often”, one answered “not at all often” and one respondent did not answer the question.

![Question 9 Chart](image2)
Question 9

This question has been asked to know if subsidiaries are able to meet profit and sales targets after a product launch. One of the respondent answered “extremely often”, six of the respondent answered “very often”, three of the respondent answered “moderately often”, one of the respondent answered “slightly often”. One of the respondents commented that “product launch will give a platform. However, lot of one to one discussion with customers takes place before the products are sold in the market and visibility is established”.

Question 10

Let us know your comment, how we could improve the product launch process either in headquarter or in your market? There were comments collected on this question:

“Leaflets or similar marketing materials such as presentations, competitor analyses should be followed together with the key subsidiary which has already big potential for that product”.

“More attracting movies can be the part of the launch”.

“Even for the best seller product, new marketing videos can be of consideration”.

“We have never heard/participated for a product launch in a place (by HQ) at “Stone” where the customers are invited globally. Should be attractive for the customers. Return on investment is the key factor and evaluated for sure”.

“With the best product in terms of productivity, efficiency, reliability, safety we need more lean concept for Total costs of ownership in order to highlight our advantages to end users”.

“Local language preparation can be ready during the launch, for that reason, HQ can keep in touch with potential SD beforehand.”

“Cross divisional cooperation is the most important factor to get a successful launch/start”.

“Need to improve the best delivery time to production”.

“Product launch in our market always should be supported from HQ side based on local requirements what would rise effectiveness and help to reach sales target. Product launch cannot be process before the HQ test and prof the quality of the product. Very often the quality of the launched product is very low”.

“HQ / SD exchange of knowledge and people continuously”.

“Customer feedback/involvement at the prototype stage or before is critical to the success”.

“Product launch can be organized in a target market, so that the major task of showing the machine and explaining the features to the target customers is completed on Day 1”.

“Application to specific market if machine fits territory, customer targets, demonstrations, customer acceptance trials.”

“Share good practice from other Regions concerning the Product Launch”
“Provide Webex training/session for each new rig/product on the market highlighting how to prepare for the launch”.

Question 11

This question has been asked if the products are always launched on time. Five respondents answered “very often”, two respondents answered “moderately often”, four of respondents answered “slightly often”, two of them did not answer at all. One of the respondents commented that “Only product conception to launch is a long time process”.

Question 12

This question has been asked to know if the sales force of subsidiary is properly educated about the product before or during the launch. Seven of the respondents answered “Yes”, five of the respondents answered “No”, and 1 of them did not answer. The comments left by the respondents were as follows:
“Training materials/e-learning usually follows the delivery of the products” and also, “We always try to prepare as much as we can locally using headquarter knowledge”.
“The headquarter only sends marketing materials.”
“Maybe if the headquarter involved the sales teams more the chance to learn would be higher”
“It is a personal responsibility to learn as much as possible to have the necessary knowledge about the products”.

![Survey Results Graph]

Question 13

This question seeks to find out if the marketing activities connected to the product launch are well coordinated across different functions. The respondent’s answers were following: five people answered “moderately often”, three answered “very often”, two answered “not at all often”, one person answered “extremely often”, one slightly often and one person did not answer the question.

Question 14

What are the main obstacles during the launch? Answers were collected:

“Solving technical issues that come up
Cost for the visit (if organized in that way)
Webex connection problems (rarely)
Get all necessary people (HQ and SD) prepared.
Time
Documentation problems - mistakes, software problems- bugs, technical support not strong enough,
Training / Time to market
Getting all the customers to be excited in the product and getting them confident to use it.
Getting the customers to attend a product launch is a major obstacle.
Customer attendance awareness
Being not prepared for obstacles: lack of parts/tools/service, operators knowledge/assembly quality. Trying to do the launch as cheap as possible. It can lead to disaster.”

**Question 15**

Question 15 has been asked to gain information whether the subsidiaries are able to influence the product launch and whether they feel that their impact matters. Eight of the respondent answered “Yes” three of the respondent answered “No”. Few of the respondent commented “Depending on the business cycle and the product fit to high potential market, if the division asks for it why not”, “We from marketing help in preparing marketing material, advertisements and mailers to customers”, “The product must meet the target market and customer application”, “I can prepare myself or my team the best we can locally”.

16. When you are considering product launch, what are the top two or three things you generally consider? (Choose more than one)
Question 16

The participants have been asked to select two or three the most important aspects of marketing mix (7 Ps). 11 of all respondents have selected product as the most important P. Six respondents chose price, four chose physical evidence, three selected promotion, two selected process, one selected place, one selected people and one person mentioned a market opportunity in the comment field.

Question 17

Question 17 is focused on whether the headquarter inform the subsidiaries about the product launch. The researchers have instructed the subsidiaries to answer “Yes” or “No”. 10 of the respondent answered “Yes” and three of the respondents answered “No”. In the comment field the respondents mentioned that “headquarter always works in synchronization with subsidiaries” but “input is not always good”.

18. How often does your team promote a SED Product Launch using social media (e.g., Facebook, advertising) to reach potential customers?
Question 18

This question has been asked to know if subsidiaries promote product launch to reach potential customers using social media; facebook, advertising etc. One of the respondents answered “very often”, one answered “moderately often” seven answered “slightly often”, four of them answered “not at all often”. The comments left by the respondents were as follows:

“More promotion through social media will reach higher number of people as receivers of marketing communication messages”.

“It is always makes better impression to present the machine to our customer physically. They can see its functionality and performance in real condition”.

Question 19

This question has been asked to find out if the place for the launch of a new product is based on the location of potential customer. Three of respondents answered “extremely often”, Four of respondents answered “very often”, three of respondents answered “moderately often”, one of respondents answered “slightly often”, one of respondents answered “not at all often”, and one of respondents answered nothing. In the comment field was found a comment such as: “customer/location to headquarter test” and “subsidiaries usually carries it out”. 
Question 20

This question has been asked to know if subsidiaries get supported by the headquarter with marketing materials. They were instructed to answer the same way as the latest question. Seven of respondents answered “very often”, Four of respondents answered “moderately often”, One of respondents answered: “Slightly often”, One of respondents did not answer.

Question 21

This question has been mainly asked for how subsidiaries evaluate product launch promotion activities and asked for their opinion about if there are any different ways of promotion they could suggest. Seven of the respondents answered “good”, Three of the respondents answered “very good”, Three of the respondents answered “satisfactory”. In the comment field the respondents left a lot of feedback. One
of them was that the company should “Go back to mailing brochures and flyers. Using promotional giveaways (Hats / stickers / t-shirts) with the new equipment”. Social media has also been mentioned as “not always the best way for promoting a new product”.

Another comment included scale models of the products. “Still we do not have scale models of drilling rigs for instance”. There was also a comment that the company is “too humble”, meaning the promotion activities are good. Another respondent mentioned that “Information should be more readily available online since it is difficult and frustrating for customers to get information currently”. The last respondent left a following comment: “Some trial reports of new products can be shared globally, so that customer in different subsidiaries can be easily targeted. Currently M&C magazine is the only source for trial reports or articles”. And also “the smart drilling rig “demo train” in my opinion was a very good idea cancelled due to high cost”.

6. Analysis and Discussion

In this section, the primary data that has been collected during the survey and interviews, is analysed in connection to the theoretical framework of Stage-Gate model, NPD concept, and 7Ps of the marketing mix.

New product development (NPD) literature stresses the importance of bringing new products to the market, for companies, in order to keep their market position (Bhuiyan, 2011). The study found that to make a new product, “Stone” needs approximately five years from idea to product launch. Looking at these results it can be concluded that the process is costly and need to be well planned and coordinated.

According to Kotler (2009), companies that wish to stay competitive have to follow their product life cycle. This study shows that “Stone” has five years of their product life. After that, the products are either discontinued, upgraded or replaced by new ones. Five years for a product with a high technology and costly development is a reasonable amount of time. The company is aware of the product life cycle and have regular product portfolio meetings in order to stay competitive with their products.

To obtain a smooth process of product development, “Stone” uses a Stage Gate Model of eleven stages and eight gates, while the original Gate Model introduced by Cooper (2008) contains five stages and five gates. The number of stages and gates used by the company is relatively high and is believed to give better control over the new product development (NPD). The analysis of the results shows that the use of a Stage-Gate system improves the teamwork, results in a more efficient and effective process, early detection of the errors and minimized the risk of delays. All these aspects help to maintain better control over the NPD process. This has also been mentioned by Cooper and Kleinschmidt (1991) regarding advantages that come with using a Stage Gate Model. On the other hand, a high number of stages can extend the time of the whole process and the higher number of gates can increase the inflexibility.

To the original model, the company has added three extra gates and six stages. An adjustment has been done as well to fit the needs of the process. “Stone” has adjusted its gate controls, so the gates do not have an equal interval but are placed sometimes in the middle of the stage or after two stages. It gives the company the freedom to control deadlines in the most effective way. This study has found that the primal model by Cooper (1986) can be adjusted and extended and this is exactly what the company did. Also, small adjustments have been made to different products, making the process suitable for the needs of each individual product. According to Sethi and Igbal (2008), new products may need a longer time at some stages to be able to reach the gate and that is why the gates can be slightly moved. Due to the diversity of the product, such adjustments may be beneficial because they improve the process and provide higher flexibility of the project. Strict gate controls may lead to the inflexibility of the project and cause a learning failure, especially when a high number of gates is present (ibid) and it seems to be realized.
by the company. It has been found that “Stone” does not have strict gate controls and this way avoids the learning failure of novel products.

In the Stage Gate Model, the testing stage is significant for validating the functional components of the product, documentation, training and support services, before the actual launch (Soni and Cohen, 2004). According to Cooper’s Gate Model, testing and validation have been put together into one stage starting after gate 4. The study has found that “Stone” prefers to separate this stage into two sections of functional and field tests. The outcome of dividing the stage into two could be two-ways. There is a possibility that going through two testing phases, the product may be tested better and under a wider range of conditions. Furthermore, the fact that there is also a gate between these two stages, may provide a better control, better time efficiency and early detection of errors, due to the requirements that need to be meet in order to continue to the next stage (Cooper, 2008). On the other hand, it can lead to previously mentioned learning failure (Sethi and Igbal, 2008). One part of the testing, which is beta testing has gained importance for many scholars such as Soni and Cohen (2004). This type of testing of a prototype is important in order to get the customer’s experience about the product (Jiang, Scheibe and Nilakanta, 2011). This study has found that beta testing is not performed by all subsidiaries of “Stone”. It is due to the fact that the product is not planned to be sold in all subsidiaries and that the weather or environmental conditions requirements are not fulfilled for beta testing in all subsidiaries. Based on the results a few subsidiaries have experience with beta testing and this could mean that the highest potential number of buyers is in the country where subsidiary tests the product since the company does the beta testing at the place where the target group is located at. An advantage of executing beta testing by only some subsidiaries is that the product is tested in environmental conditions under which it will be used later on by the customer. On the other hand, there is a risk that a product may be bought for use in a country with different environmental conditions and may perform poorly there. As the product is still in its development stage the customer’s feedback helps the company to identify the problems of the product faster, because the subsidiaries are the closest contacts with the customers.

At the validation point, sales force training about the product is an important stage. This period will help the sales force to learn about the product and support their customers after the product has been launched (Soni and Cohen, 2004). However, the survey for the chosen subsidiaries of “Stone” showed that only 55% of the sales force have proper education about the product at this stage. This means that even though the products are not tested in all questioned subsidiaries, sales people are still learning about the products at an earlier stage in order to possess all information when the product is officially launched. Based on the results 45% of the salespeople are not well educated about the products. The reasons for this can be many. The obtained information shows that sometimes marketing materials themselves are not enough to teach the sales people about the products. Lack of education can mean both the lack of interest from the headquarter but also the lack of interest from the people that will sell products to customers.

As explained by Kotler, et. al. (2013), companies have to follow the Segmentation-Targeting-Positioning process in order to understand customers and their needs. This study has found that 38% of the surveyed subsidiaries of “Stone” does not carry a market research prior to a launch of a new product. An assumption
can be made that; the company either does not have the resources or is not willing to use them. Not carrying the market research may cause missing the target, selling the wrong product, and wrong positioning of the product.

The Stage Gate Model is about following each task that has to be performed under the certain time. The same is for launching the product on time (Cooper, 2008). This study has found that 38% of all “Stone’s” product launches are executed on time and 46% of product launches are executed with slight delays. Analyzing this information, it is clear that delays do not occur often and when they do happen they are acceptable for the company. It is due to that headquarter develops the products and is responsible for the eventual delay of any launch. The subsidiaries do not take responsibility for the delays. These results are related to product launch timing, mentioned by Di Benedetto (1999). It is though important to note that “when” the product is launched has been analysed from the perspective of the company and not customers or competitors.

Cross-functional coordination as a part of the Stage Gate Model needs to be paid attention to (Cooper and Kleinschmidt 1991) and it is very important to coordinate the activities across the different departments involved in the process (Di Benedetto, 1999). This study has found that 69% of the respondents at “Stone” think that the process of the whole product launch is well coordinated. However, the opinions differ strongly between the countries where the process has been rated as extremely well-coordinated and not at all coordinated in others. According to one subsidiary cross-divisional cooperation is the most important factor influencing product launch strategies. The study shows that at “Stone” 62% of the respondents at the surveyed subsidiaries can influence the launch. This might mean that the specialization is in place and the tasks are assigned to everyone involved. When it comes to such complicated products, a high number of specialist is needed and plays a crucial role. On the other hand, the study has found that not everyone is informed about a new product launch. 23% of the subsidiaries is missing the information about launching a new product. This can be caused by poor cross-functional communication and lack of internal communication within the company. The lack of power to influence the launch by subsidiaries can lead to a failure in the launch process at Gate 5 when the marketing and the sales team play a key role. The company risks internal threat by not letting everyone involved influence the launch. The headquarter has power to decide on any launch and this can lead to a failure when the subsidiary is not involved.

The important part of the post-launch is to follow up the financial results. Sales results in terms what was promised and achieved are to be compared (Cooper, 2008). The launch at “Stone” seems to be with very high results of what is delivered versus its target. The study shows that the company meets the financial targets, more or less often, but it never finds itself in a position when the targets are not met. Discussing the reasons behind it, a market research prior to the launch may be responsible for that. The study shows that products are only launched in places with a high number of potential customers.

As another part of the post-launch, customer feedback on company’s products is not always collected. Analyzing the results, it is clear that the feedback is positive in 77% of cases, but that it is not obtained each time a product is launched. This can affect the objectivity of the results. Another type of feedback
that is crucial at this stage is internal feedback that can identify defects of the launch, improve ideas and avoid repeating the same mistakes (Cooper, 2008). The study shows that the feedback from subsidiaries is taken into consideration by headquarters in 77% of the cases. According to Kotler, et. al. (2013), everyone should give a feedback after the launch. This will help the company to improve the process for next launch (ibid). Most of the respondents at “Stone” believe that feedback is very positive after the launch. One of them points out that it is just as important, if not more important to get customer feedback prior to the launch. This will reduce the risk of receiving negative feedback when the product is launched officially. Some others think that sharing good practices with each other can help their colleagues in other regions to prepare for the launch. Most of the respondents have the good experience when headquarter is considering their feedback. This means that headquarter is taking into consideration the data that are collected from their subsidiaries. However, one concern comes to the effectiveness of marketing material that is analysed after the launch. Four respondents commented that the marketing material and its effectiveness is normally analysed, another four respondents commented that the material is analysed less frequently and last two respondents answered that there is no analysis of the material made. This seems to be in contrary to what was concluded earlier, that headquarter takes subsidiaries’ feedback into consideration. An assumption can be made that the marketing material is produced locally by subsidiary and its quality is not further analysed.

After analyzing the results from the interviews and the survey for “Stone’s” subsidiaries about product launch stages, the study has found a few important factors of the marketing mix (7Ps). According to Baines, Fill and Page (2013) each product has three forms the core product, the embodied product and the augmented product as mentioned in the theory section. This study shows that “Stone” seems to understand the importance of their product and the most of the resources are used, in order to bring a valuable offering to the customers. The product has been mentioned as one of the most important factors of the launch by 28% of the survey respondents and it has even gained the main attention during the interviews. It has been found that the core product is crucial because the interviewees said that the performance of the product plays the most important role. It is due to the fact that this kind of product has to serve its function and missing purpose cannot be replaced by something else. The embodied product turned out to be important as well in the company but it is observed that the features are given more attention to than to design itself. It may be because of the fact that industrial products are not about the appearance.

Promotional activities during the actual launch were considered as good by most of the subsidiaries and even by the headquarter of “Stone”. The study has found that the company uses a lot of financial resources during the promotion. The events that the company prepares, comes with a high expenditure. It has been found that the amount of promotional marketing material could be increased. More giveaways, brochures or flyers should be prepared and handed out as it has been recommended during the survey. As mentioned by subsidiaries the physical evidence is important as well, and infrequency or the lack of it in creating marketing materials can lead to missing business opportunities. Social media was considered less important for promotional activities. This implies that subsidiaries prefer to promote the product physically rather than through the media. This can lead to a disadvantage because a physical presentation of a product is not widely possible and limits the number of message receivers.
The study has found that the place of the launch is usually chosen, based on the previous research, regarding potential customer’s location. 77% of the subsidiaries does a research to identify the right location and then together with the headquarter decide upon the place. One possible threat of choosing a place that way is a market research that is not regularly conducted. It may provide false information and result in having a launch at the wrong place. It has been found that the market research is not carried out very often (as answered by 38.5 % of the respondents) and it brings doubts to the company’s choice whether to rely so strongly on it. On the other hand, choosing the place based on customer’s location seems to be the most reasonable choice. By gathering customers from different countries and doing regional launch, “Stone” saves the costs but also promotes its products widely. Although the company must make sure that the market research is done in a proper manner.

The company mostly focuses on price from the perspective of the company. Talking about the price, the interviewed managers from the headquarter did not mention a selling price at all. The question was put in a manner to take the interviewee into the direction of pricing that is important to the company. This may mean that the customers are not price sensitive and the company can focus on delivering the best quality products to customers. Innovative high technology products as the ones produced by “Stone” has low price elasticity, which means that variations in price do not modify demand. Customers are aware of the complexity of the products and they are prepared to pay a premium price for them (Viardot, 2004). On the other hand, this can be a result of the company’s focus on return on investment, knowing that there is a market for the product. The costs that the company has to invest in development and production of the product must be returned (Baines, Fill and Page, 2013).

To conclude, the findings show that for the whole product launch, (including pre-launch, launch and post-launch) product, promotion and place came out as important key factors to consider. Analyzing the questionnaires for subsidiaries, product, price and then the physical evidence would be generally considered, regarding the product launch. After analyzing the data obtained from both subsidiaries and the headquarter product came out as the vital fact which could influence product launch strategies. However, promotion, place, and price are also important factors to consider. The findings support the study of Bowersox, Stank, Daugherty (1999), which found product, place, promotion and price as important aspects influencing decisions on the product launch. These all four factors have been mentioned during the survey and interviews. Also, physical evidence that has been mentioned by respondents, strengthens the need for extending the original mix in order to be customer oriented, as said by Grönroos (1994), Rafiq and Ahmed (1995) and Möller (2006).
7. Conclusion

This section serves as a room for drawing a conclusion out of the analysed data and theories used.

Product launch strategies can be influenced by many factors. The way a company chooses to plan its product launch is not less important than the execution of the product launch itself. Answering the research question, “What are the important factors which influence product launch, launch and post-launch strategies in a multinational enterprise within the mining industry?” this study has brought together important factors influencing product launch strategies, based on the results and existing literature. They are: product lifecycle, product, price, promotion, physical evidence, place, testing, market research, coordination, feedback and follow-up, gate controls and training.

Product life cycle may influence strategies of a new product launch because it dictates the time when a new product should be introduced into the market. Also, ending a life of a product pushes companies to upgrade it and sometimes change strategies resulting from this fact. As long as the product life cycle is followed, the products are never going out of being demanded. Creating new products in this kind of industrial branch is time- and money-consuming, that is why coordination plays an important role in influencing product launch strategies. Realizing the power or weakness of the teamwork and coordination in the company helps to choose strategies that most accurately reflect the current situation and bring the best results for the launch.

The company needs to continuously develop new products in order to stay competitive. A lack of resources or capability to develop new products or upgrade the old ones can lead to getting out of business. Development of new high technology products takes years and it is a complex process that needs to be well structured and coordinated. Also, development of a new product is related to high costs and the company should not try to save money at the launch stage. Despite developing the best product, a firm can risk a product failure if the marketing investment is limited. The cost cutting may influence the quality of the product launch. To obtain a new product development (NPD), companies use a Stage-Gate model. The company that has been analysed in this study, uses a Stage Gate Model that is adjusted to its needs, in order to make the process most efficient.

This study has found that gate controls have both advantages and disadvantages. The advantage is that delays of the product launch are at the minimum. Each gate has its time frame that has to be followed during the whole process. On the other hand, “Stone’s” high number of gates (eight) may be responsible for those delays, that occur while launching a new product on the market and many gates may increase the inflexibility of the process. Gate control could be a factor which may influence product launch strategies. Choosing a lower or higher number of gates gives a company an opportunity to create a plan for a product launch, where the deadlines will be kept.
Higher attention should be paid to another factor which is a part of the testing stage; beta testing and its importance. It should be a common practice to test a new equipment by an independent party or directly by potential customers. It will help the company to identify strengths and weaknesses of the product. The test should be performed by someone who has the capability to test the performance of the product and use it for correct application. It is also important at this stage to train the sales force about the product, prior to the actual launch. The training material and training sessions should be in place long before the launch, so the sales and service people have the opportunity to learn about the product and be able to give information and solve customer problems already based on prelaunch experience.

Market research plays a crucial role and it might be a factor which influences strategies of the product launch. Firms create strategies based on a market research that provides information about demand and supply of the products and also gives insights into potential customer’s needs and location. For this reasons, resources should be put into it and market research should be conducted regularly. Badly executed, it may result in missing customer target, wasting resources and not realizing threats and opportunities coming from the competitors. In addition, coordination across different departments must be taken care of by the management team, since it is another factor of a product launch. The power of the team should not be underestimated and everyone involved in the process should be able to influence the launch. This study has found that in many cases not everyone is informed about a launch and it shows the imperfections of an internal communication system. Coordination gives an opportunity to respond quickly to the problems that occur during a product launch.

The study shows that feedback and follows up after the launch should be collected and everyone including customers should give their opinions and comments, in order to make a strategy for a future product launch. The headquarter should analyze the feedback and take a further step for improvements. This will help to make a product launch better in the future. The financial results and return on marketing investments should be analysed shortly after the launch. This analysis should be conducted within an earlier decided amount of time. This will help the company to see if the launch has met the targets.

In connection to the marketing mix, a product is the first and the most critical factor identified in the eyes of company’s employees from different subsidiaries, because of the attention that it has gained under the survey and the interviews. The product should always be in the center of attention in a product company since it is its core offering. Knowing the product and realizing its potential gives significant insights into creating a suitable strategy for its launch. Highly significant is also the quality of the product. No failures of the product are acceptable at the time when a product is being launched. In order to give the best value to the customer, the product has to be of a high quality and have a great performance. Customers who expect high-quality products are willing to pay the premium price. This is a win-win situation for the company. It is beneficial to offer a service together with the product during the launch. Such combination brings more value to the offering and confidence to the customer.

The study found that price is not a major factor which could have an effect on the customers. That is why the company can deliver products to its customers by keeping in mind that they are not price sensitive. Also, training of the sales force has a positive influence on a product launch. Especially when salespeople
learn about the product prior to the launch. By gaining the right competence the sales people will be prepared to support the customers in the best way.

Another factor proven to influence the product launch is the place. A regional launch (a launch held in a region and not in a single country) may be a good idea, because of the lower cost of logistics and marketing materials. Also, the time dedicated to the actual launch will be much shorter, because it is executed only once. If the place of the launch is not based on potential and existing customers’ location, the launch is likely to fail. It results from the inability to reach the target market. The place of the launch is usually affected by several external factors for example competitors, entertainment, weather, and environmental conditions. Furthermore, promotion and physical evidence is closely related and have been found to influence product launch strategies. They both support a launch and even the best product cannot be sold without a proper promotional support and physical evidence. This study has found that the product is rather displayed physically than through the social media. This is limiting the number of potential customers that can be reached by the promotion.
8. Suggestion for future research

There is room for doing a research on customers in relation to product launch. It may be valuable to see what customers consider important during a product launch. Their opinions would help companies to develop and improve the process of a product launch. Also, it would be worth to look into domestic companies within the same industry, in order to find out if the factors are similar in different size companies.
List of references


### Appendix 1

**Interview for “Stone”**

The following interview questions were asked face to face to the Marketing Manager and Communication Manager at “Stone”. All the questions were asked and answered in English.

<table>
<thead>
<tr>
<th>General Questions</th>
<th>Is the launch process divided into: pre-launch, launch and post-launch at the company? Do you use stage-gate model?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pre-launch:</strong></td>
<td>• Exactly what stages the pre-launch consist of?</td>
</tr>
<tr>
<td></td>
<td>• Do both headquarter and subsidiary participate in product portfolio strategic planning?</td>
</tr>
<tr>
<td></td>
<td>• Is the product always launched on time?</td>
</tr>
<tr>
<td></td>
<td>• At what point the budget is set for the launch?</td>
</tr>
<tr>
<td><strong>Launch:</strong></td>
<td>• How does the launch process look like?</td>
</tr>
<tr>
<td></td>
<td>• Who is involved in the product launch?</td>
</tr>
<tr>
<td></td>
<td>• Is the product created for the need of the particular market or is the product standardized?</td>
</tr>
<tr>
<td></td>
<td>• What do you think is the best way to attract the customer attention launching a new product?</td>
</tr>
<tr>
<td><strong>Post-Launch:</strong></td>
<td>• How does the post-launch look like?</td>
</tr>
<tr>
<td>Stage Gate Model &amp; NPD</td>
<td>Pre-Launch:</td>
</tr>
<tr>
<td>-----------------------</td>
<td>-------------</td>
</tr>
<tr>
<td></td>
<td>• How do you use stage gate model?</td>
</tr>
<tr>
<td></td>
<td>• What are the benefits for your company for using the stage gate system?</td>
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<tr>
<td></td>
<td>• Can you specify exactly when the prelaunch process starts?</td>
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<tr>
<td></td>
<td>• How often do you launch a new product and upgrade an old one?</td>
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<tr>
<td></td>
<td>• How long does it take to develop the product to launch?</td>
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<td></td>
<td>• Does the company use beta testing (testing the product by an independent party)?</td>
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<tr>
<td></td>
<td>• Who does perform beta testing?</td>
</tr>
<tr>
<td></td>
<td>• Are the customer service people trained already at the pre-launch stage?</td>
</tr>
<tr>
<td></td>
<td>• Is the product documentation prepared at this stage?</td>
</tr>
</tbody>
</table>

|                       | Launch: |
|                       | • Is the sales force well educated about the product and its features? |

|                       | Post-Launch: |
|                       | • How is the product evaluated? |
|                       | • Does the company know what customers think about the product? |
|                       | • Is customer’s feedback collected, valued, and taken into consideration? |

<table>
<thead>
<tr>
<th>Marketing Mix</th>
<th>Pre-Launch:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• What do you think are the most important aspects of prelaunch (product, price, promotion, place, physical evidence, people, process?)</td>
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<tr>
<td></td>
<td>• Are the prices for products already set at the prelaunch stage?</td>
</tr>
<tr>
<td></td>
<td>• How the decisions are made about the place for promoting a new product?</td>
</tr>
<tr>
<td></td>
<td>• At what point the budget is set for the launch?</td>
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</tbody>
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<tr>
<th></th>
<th>Launch:</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>• What do you think are the most important aspects of product launch (product, price, promotion, place, physical evidence, people, process)?</td>
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<td></td>
<td>• How do you market the product? (flyers, giveaways and others)</td>
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<td></td>
<td>• Do you introduce the service during the launch?</td>
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<tr>
<td>Question</td>
<td></td>
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<tr>
<td>How does the company select customers to be invited to the launch?</td>
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</table>

**Post-Launch:**
- What do you think are the most important aspects of postlaunch (product, price, promotion, place, physical evidence, people, process?)
- Are financial and sales targets usually met after the launch?
### Appendix 2

**Survey for the subsidiaries of “Stone”**

The following questions are related to Marketing Mix Theory (7 Ps) and Gate Stage Model.

<table>
<thead>
<tr>
<th>Stage Gate Model Theory</th>
<th>Question 1 - Do you know about the launch process in SED?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes / No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 2 - How would you rate the quality of the current SED Product Launch process?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very high quality / High quality / Neither high nor low quality / Low quality / Very low quality</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 3 - In your market a research on the customers and their needs is carried before any launch? How often?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely often equal to Always / Very often equal to Most of the time / Moderately often equal to Sometimes / Slightly often equal to Rarely / Not at all often equal to Never</td>
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</table>

<table>
<thead>
<tr>
<th>Question 4 - Are new products tested by an independent party (ex. customer) before the product is launched in your country? (Beta testing) Who does usually carry it out?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes / No / Comment:</td>
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</table>

<table>
<thead>
<tr>
<th>Question 5 - The information on the product launch reactions (positive/negative) is always collected.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely often equal to Always / Very often equal to Most of the time / Moderately often equal to Sometimes / Slightly often equal to Rarely / Not at all often equal to Never</td>
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</table>

<table>
<thead>
<tr>
<th>Question 6 - Customer feedback is very often positive after the launch?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes / No / Comment:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 7 - The effectiveness of marketing materials (for example: flyers, giveaways) is always analysed after product launch?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely often equal to Always / Very often equal to Most of the time / Moderately often equal to Sometimes / Slightly often equal to Rarely / Not at all often equal to Never</td>
</tr>
<tr>
<td>Question 8 - Headquarter SED take in consideration your feedback after product launch?</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>Extremely often equal to Always / Very often equal to Most of the time / Moderately often equal to Sometimes / Slightly often equal to Rarely / Not at all often equal to Never</td>
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<table>
<thead>
<tr>
<th>Question 9 - Profit and sales targets are often met resulting from a SED Product Launch?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely often equal to Always / Very often equal to Most of the time / Moderately often equal to Sometimes / Slightly often equal to Rarely / Not at all often equal to Never / Comment:</td>
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<table>
<thead>
<tr>
<th>Question 10 - Let us know your comment, how we could improve the SED product launch process either in headquarter and your market?</th>
</tr>
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<tbody>
<tr>
<td>Comment:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marketing Mix Theory</th>
<th>Question 11 - Are the products always launched on time?</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Extremely often equal to Always / Very often equal to Most of the time / Moderately often equal to Sometimes / Slightly often equal to Rarely / Not at all often equal to Never / Comment:</td>
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<thead>
<tr>
<th>Question 12 - The sales force is always properly educated before / during launch about the SED products? If not, why?</th>
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<tbody>
<tr>
<td>Yes / No / Comment:</td>
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<table>
<thead>
<tr>
<th>Question 13 - The SED Product Launch in your market is always well coordinated by all people within different functions?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely often equal to Always / Very often equal to Most of the time / Moderately often equal to Sometimes / Slightly often equal to Rarely / Not at all often equal to Never</td>
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<tr>
<th>Question 14 - What are the main obstacles during the launch?</th>
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<tr>
<td>Comment:</td>
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<thead>
<tr>
<th>Question 15 - Can you influence the launch?</th>
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</thead>
<tbody>
<tr>
<td>Yes / No / Comment:</td>
</tr>
</tbody>
</table>
Question 16 - When you are considering SED product launch, what are the top two things you generally consider? (Choose more than one)
Price / Product / Place / Promotion / Physical Evidence / Process / People

Question 17 - Do you consider that headquarter always inform subsidiary about the Product Launch?
Yes / No / Comment:

Question 18 - How often does your team promote a SED Product Launch using social media (e.g., Facebook, advertising,) to reach potential customers?
Extremely often equal to Always / Very often equal to Most of the time / Moderately often equal to Sometimes / Slightly often equal to Rarely / Not at all often equal to Never

Question 19 - The place of the launch is always chosen based on the information on potential customer location?
Extremely often equal to Always / Very often equal to Most of the time / Moderately often equal to Sometimes / Slightly often equal to Rarely / Not at all often equal to Never

Question 20 - SED Product Launch in your market is always supported by marketing material from headquarter?
Extremely often equal to Always / Very often equal to Most of the time / Moderately often equal to Sometimes / Slightly often equal to Rarely / Not at all often equal to Never / Other (Please Specify)

Question 21 - How would you evaluate “Stone” promotion activities. What could be done differently?
Excellent / Very Good / Good / Satisfactory / Poor / Comment