



Jekyll+Hyde
LABS

According to Harvard University, there are approximately 30,000 new consumer products introduced every year. That same study shows that only 5%, or 1,500, of these new products will become a success.



As if the stress of only a 5% chance of success isn't bad enough, we need to realize that about 90% or 1,350 of these new products are introduced by existing brands and manufacturers. These include new flavors, scents or sizes. This means that only about 150 of all new consumer products that make it each year are truly first-timers.

When we look at the competition for new first-time products and businesses, the odds do not look very good. This reinforces the need to be completely market-ready when you present to retail.

New Product Retail Success Rate

INTRODUCED EACH YEAR

30,000

New CPG Products are Introduced Each Year

25,500

(85%) Are From Established Brands

30,000 - 25,500 = 4,500

4,500

Are New Entrants



(NOTE: Major Retailers Do Not Care How Innovative The Product Is.)

New Product Retail Success Rate

SUCCESS RATE

30,000

New CPG Products are Introduced Each Year

28,500

(95%) Failure Rate

30,000 - 28,500 = 1,500

1,500

Winners = 5% Success Rate For
Planned DR-to-Retailer



**For Planned DR-to-Retailer Products
J+H's Success Rate is 80%!**

You Need a Product That:

- **Can be easily explained.**

Pitching a new product is like pitching a new movie; if you can't explain it in one sentence, it won't happen. An example would be the movie ET: *"A young boy befriends an alien and tries to help him return home."*



- **Has a clear and present deliverable to a large enough demographic.**

It doesn't matter if your product is unique or solves a problem if no one cares. Often, people make new products based on a new technology or a small, but vocal consumer demand. Make sure the demand truly exists for the new product.



- **Has a unique point of difference.**

No retailer wants a redundant, "me too" item. Adding similar products is just trading dollars. This means the retailer is now dividing up the same dollars between more SKUs, reducing his or her overall per-square-inch profitability.



You Need a Product That:

- **Will expand the product category.**

Retail buyers want items that expand the category, meaning items that people will either trade up to a higher price for, or items that will inspire more people to enter the category.

- **Has a clearly defined advertising program.**

The days of placing a product on shelf and building a following off of the retailers' traffic is over. Every retailer expects a well-thought-out and executed advertising campaign that clearly demonstrates how you will bring additional traffic and buyers into their store. Without this, you are not likely to get on their shelves.



The Good News:

Even with the odds of a new product launch making it at retail being only 5%, Jekyll + Hyde's average success rate in any given year is around 80%. We like to think that this is exclusively due to our extraordinary skills and understanding of the CPG world, but there is another reason as well.

Our goal is always to have a successful outcome. Because of this, we give our clients and prospects an honest assessment of the new product they are looking to launch. If we find flaws in the product or the strategy, we tell them and advise them on how to correct it. Sometimes our advice is that the product be abandoned.



While it is never fun to tell someone that their baby is ugly, we feel we owe it to every person that we speak with to give them the most valuable and honest opinion possible, even if that leads to an uncomfortable conversation.



In short; if we don't see a pathway to success, we won't take the brand on as a client. That's how we keep our success rate up!

Want an honest assessment of your product?

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At Jekyll + Hyde Labs, we live and breathe consumer packaged goods.



No advertising agency in America has the depth of knowledge or the connections within the industry that we do. We love entrepreneurs and want to help every brand succeed.

If you think you could benefit from learning more about us and what we can do for you, please reach out.

JandHLabs.com - 800.500.4210

cpg insiders

The CPG Insiders Podcast brings the insights and expertise that Jekyll + Hyde has gained and leveraged across more than two decades in the advertising business, becoming the top agency in the country for CPG challenger brands. The show offers useful perspectives on creative and media strategies, product packaging, retailer needs, trends, traps to avoid and more about what it truly takes to succeed at retail.



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