



Small Business Guide:

How to Manage a Product Launch
During the Holidays



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Introduction

In 2017, holiday sales experienced a **5.5 percent year-over-year increase**, with the total value of purchases climbing to more than \$691 billion. The holidays are the boom period for many industries, as they represent a unique opportunity to take advantage of consumer spending and generate an influx of revenue. Because of this, the holidays are a potentially lucrative, but also challenging time to launch a new product. The rapid rise in sales during the holiday seasons presents you with an opportunity to release your new product into the market with a splash, reaching audiences who are looking for the perfect gift for someone on their shopping list. However, the market is flooded with sales, promotions, and product launches from competitors attempting to do the same thing.

A successful product launch hinges on careful preparation for the holiday season, strategic marketing to garner attention, and a robust sales strategy. Read on for a complete guide on how small businesses can successfully manage a product launch during the holidays:

Part 1: Getting Your Product Ready

Manage Production

Once you've determined how to refine your product relative to the market and audience, it's time to get moving on production. Beyond creating a solid base of inventory to meet initial sales, ensure you have production resources set aside to handle sudden increases in volume. You don't want to be the brand that rakes in sales around Thanksgiving only to lose momentum a week later because you ran out of supply.

It's important to prepare for demand in advance, as the manufacturers you partner with will likely be working to fulfill demands from other customers. Having to increase in-house production may require you to hire additional workers or have staff work extra shifts.

Evaluate your finances to assess how much revenue you'll need to generate to consider the new product a success. Project sales and costs to identify any areas where you may have room to invest

Perform Background Research

An effective product launch begins with careful market research to analyze the demand for a good or service and understand the barriers and opportunities that currently exist. It is vital to know where the market presently stands, particularly in terms of growth expectations and factors that are contributing to expansion. This data can point to opportunities for you to take advantage of emerging trends or stand out in a niche market that your competitors aren't serving. At the same time, it can also help predict times of increased competition or limited growth opportunities, which could have a negative impact on your product launch.

Beyond performing big-picture market research, you should also take the time to test your product. Run careful performance tests to make sure it operates efficiently and can sustain the use scenarios it's designed for. Bring in a focus group to evaluate first impressions. Taking a bit of extra time to analyze your product can prevent an awkward

situation in which your launch is deflated because of malfunctions, defects, and recalls.

It's also vital to inspect your current business situation. Evaluate your finances to assess how much revenue you'll need to generate to consider the new product a success. Project sales and costs to identify any areas where you may have room to invest to better support the launch.

Additionally, you should make sure you carefully analyze your audience. Beyond focus groups, read customer reviews of related products and services to make sure your product solution meets a real need. Consider having family, friends, or long-time customers do some early testing for you. A successful product launch begins with understanding who you're selling to.



It's imperative that you train your workers to market, sell, and even use your new product or service to avoid operational missteps



Part 2: Getting Your Business Ready

Marketing and Sales

Even a great product will slip into the background if it doesn't stand out to the right audiences. Marketing and sales success begins with strong branding. Understand what makes your business unique, identify your customer's needs, and establish a strong brand culture. Make sure the new product is marketed in a way that reflects your brand identity to create cohesion for existing customers.

You may want to consider adding staff to prepare for the holiday rush, especially if you're going to be heavily reliant on marketing strategies or a big sales push. For example, you'll typically want to use promotions, special offers, or even a pay per click online marketing plan to increase customer awareness. You should also consider:

- Setting a clear goal to help you measure success.
- Identifying your target audience for marketing and adapting accordingly.
- Creating a cohesive campaign that reaches customers across multiple channels.
- Employing special offers and promotions to draw attention to your product launch.





Staffing

Hiring additional staff is routine during the holidays. Whether it's customer service representatives to handle high volumes of calls, sales employees to help move product, or production workers to cover extra shifts, bringing in seasonal workers is often a necessity. However, it can require extensive training to make sure newer employees are familiar with your business and its operations.

When bringing in seasonal workers, even if it's just one or two hands to do odd jobs around the office, it can be easy to get distracted and neglect the rest of your employees. When launching a new product, you need your employees to have a deep understanding of what it does, how it works, and why it is valuable to customers. It's imperative that you train your workers to market, sell, and even use your new product or service to avoid operational missteps down the line.



If you have poor credit, but a great idea, a loan designed specifically for borrowers with a less-than-stellar credit history can help you launch your project

Shipping and Fulfillment

Your warehouse and distribution center must be equipped to handle the high volume of sales that come from both the holidays and the product launch. For small businesses, this may require that you upgrade and repair equipment, train a new forklift operator, and refine operations and processes to focus on the new product. For others, it may require partnering with a shipping specialist and assigning an employee to manage your partner relationship. Whichever strategy is the right fit for you, make sure you prioritize the customer experience and ensure you get packages to shoppers in a timely fashion.

Transparency is key, especially around the holidays. When excitement builds and sales skyrocket, stocks can quickly deplete. Providing customers visibility into how much inventory remains and when new stock will become available can play a significant role in keeping shoppers engaged in the event you fall behind on production.





Part 3: Getting Funding to Support Growth

The Role of Funding

The right loan can go a long way in helping you create the right product and support it throughout your holiday launch. However, you need to be careful not to bite off more than you can chew. While financing can be a growth-enabler, an overly large loan can eat into your revenues and be a financial burden heading into the new year. Consider working with lenders that specialize in financing for small businesses and offer short-term loans. Lenders that take the time to assess your unique needs help you access the capital needed to drive a successful launch, rather than making you borrow excess funding that could set you back once the holidays have passed.



Funding Strategies

Now you have a plan of action, a working product, and a reliable staff. The last thing needed is capital to put everything in motion. A few loan options stand out as ideal fits for a holiday product launch. They are:

Working capital:

These all-purpose loans provide fast funding to cover cash shortfalls and daily operations, like hiring new employees and purchasing equipment. The infusion of working capital can be used immediately and paid off quickly.

Bridge loans:

Bridge loans offer short-term cash flow coverage for basic but essential expenses while you wait for additional funding. Whether it's due to unpaid invoices or a simple cash crunch, bridge loans can help you purchase inventory, cover manufacturing costs, and hire temporary workers on time without busting your budget.

Poor credit/unsecured loans:

While not interchangeable, both loans can be ideal for entrepreneurs getting their start. If you have poor credit, but a great idea, a loan designed specifically for borrowers with a less-than-stellar credit history can help you launch your project and return to financial health. Unsecured loans make an attractive option for small business owners who lack the collateral to back a traditional loan and need a quick infusion of cash.



Conclusion

Launching a product during the holiday season presents several advantages. However, it also comes with numerous unique challenges. Proper preparation is the starting point for success. With a plan in place, working capital can help simplify your holiday product launch. At QuickBridge, we strive to empower small businesses. Our small business lending

solutions are built to fuel growth by providing small business owners with small, short-term loans that let them engage in new strategies without taking on the risk of large-scale financing plans. If you're thinking about getting a product off the ground this holiday season, contact us to see how we can help.

