Classifying New Products

New products are more than just new-to-the-world innovations. Actually, most companies only ever introduce products that already exist in the marketplace.

For this activity you need to identify what 'type' of new product the firm has developed (see list of options in the question section below).

Some Great New Products

1. McDonald's introduces the 'Triple-patty Big Mac'

2. Coke brings out 'Coke Ice Cream'

3. Coke changes the target market for Fanta - it will now be targeted at young adults (rather than kids)

4. Facebook launches its own smartphone product.

5. United Airline offers a new class - regular traveler - which is half-way between business and economy standard

6. Virgin starts offering rocket flights to outer-space, for just $250,000

7. Apple brings out its next iPhone

8. Walmart decides to introduce a full-service luxury department store, under a new retail name

---

Student Discussion Questions

1. Classify the above examples into one of the following new product categories: Use this scale for your answers:

    A= New-to-the-world

    B = New category

    C = Line extension

    D = Product improvement

    E = Repositioning

2. Which of the above new product categories do you think would be commonly used by firms? Which ones would be rarely implemented? Why?

3. Why is repositioning a product considered to be one of the new product categories?