In the words of Alfred P. Sloan JR, "growth and progress are related for there is no resting place for an enterprise in a competitive economy. Obstacles, conflicts, new problems in various shapes and new horizons arise to stir the imagination and continue the progress of industry." Companies working in a competitive scenario need to adopt a rationale which gives them clarity of the customer needs, the competitive actions, the prevailing economic conditions and the level of technology desired.

With almost uniform product quality and insignificant price differentiation between the competitors, it is indeed very difficult for any seller to sell the product and earn profits. Irrespective of the efforts taken, the response of the customers to a product is unpredictable. The fate of the product in the marketplace hence is a critical issue for any organization. Thus, in order to cover the broad spectrum of needs of the customers, companies regularly modify their existing products and work on new product development as well. Product policies form the core of the organizational strategies. Capability of the organization to innovate and change thus becomes important for its position amongst competitors.

The current market scenario demands dynamism to be displayed by any company. New products are essential for organizations that want to grow. New product planning and proper launch is inevitable as it: -

1) improves the profitability of the company
2) improves the overall image of the company in the marketplace

3) improves the image of the product in the customer’s mind

The impact of India’s initiatives in economic liberalization and globalization (post 1991) is most apparent in the automobile sector. Automobile industry is a key driver of economic growth contributing around four to five percent to the Indian GDP (Ref: Auto Policy, 2003, Department of Heavy Industries, Government of India). Introduction of reforms and entry of international companies has intensified competition in the Indian automotive sector. This has resulted in the transformation of a seller’s market (created mainly due to the Indian government’s protectionist policies) into a buyers market. The changing structure of this industry has posed many challenges and opportunities to the market participants. The automobile industry in India has undergone a metamorphosis in terms of both the strategies as well as processes.

The study of New Products, strategies and their launch with specific reference to Automobile Industry is very interesting and intriguing. So the researcher chose to work on the research topic – New Product Launch Strategies – A Case Study of the Automobile Industry. With the frequency of new product launches increasing in case of automobiles, the work was very exciting. Conceptual understanding of the topic opened up new areas of learning for the researcher. This research has attempted to present a holistic model for new product launch.

Data was collected from both secondary sources and primary sources. Three different surveys were conducted for the automobile companies in Pune, automobile dealers and
the customers. Questionnaires and personal discussion methods were used to collect information from these sources. Published literature was used for the purpose of making recommendations. An overview of the automobile industry was taken to know the characteristics. Various vehicle models were studied to test the hypothesis. Rank correlation was used to establish the link between the success of the product to the design of the new product development process. During the dealer and the customer survey, the problems and the expectations were discussed. Some questions in the customer questionnaire were based on the Kano method explained later in the thesis. The analysis of these questions clearly indicated the areas of satisfaction and dissatisfaction from the customer perspectives. Further the analysis also indicated the expectations of the customers from the automobile manufacturers.

Findings of the surveys identified various gaps in the system set up by the company and the channel partners. To enable the companies to visualize the likely gaps in product launch, the research has put across various thoughts in the topic – Gap study for improving the process of new product launch. As a summary, the researcher has presented a New Product Launch System divided in three stages. This three-stage model stresses on the need to involve number of elements to design and sell a successful vehicle.

Finally, a few topics for future research have been identified. These topics were considered as a view / perspective in this research. However, each one of them has potential for a detailed and systematic research.