
Teaching Case

Social Media as a Tool for Product Launches: How DISCO saved \$100,000

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Teaching Notes

A networking giant, DISCO, is forced to think outside the box in regards to a new product launch. The world was moving to becoming more digital, and the company realized that it needed to embark on this journey or be left behind. Through a three-month long, properly executed social media campaign that utilized not only social media platforms, but also blogs, video conferencing, and gaming, DISCO was able to successfully launch their new router into the market. The digital launch process saved them countless hours and dollars, and set precedence for future launches in terms of the way social media can be used as a launch tool.

Keywords: networking, social media, product launch, blog

1. INTRODUCTION

James frantically sifted through the lists he made with his team during their meeting earlier that day. He knew there was something that he was missing, but he just literally couldn't put his finger on what it was.

James Viola was the Product Launch Manager for the company Disco, a worldwide leader in networking technology. He was responsible for the launch of a brand new router and was feeling the pressure to make sure everything went smoothly. His supervisor had come to him the week before and informed him that there needed to be a better way to get people interested and more excited about new Disco products when they came out. And, on top of that the current method of launching a product was too costly, and it was necessary to have a

more cost-effective method of exposing products to the public.

It was frustrating that even with ten brains working together, nobody could come up with an answer to the problem. And, as the head of the department, James knew everyone would soon be looking at him for answers. He had to come up with a solution, and he had to do it soon – the launch was right around the corner.

Company History

The California based company was founded in 1984 when the multi-protocol router was invented so that husband and wife Larry Bernard and Stephanie Lloyd could e-mail each other from different buildings when working at a university. Since then, Disco has paved the way for networking by changing the way people connect with each other. This led the company

to earnings of almost \$11 billion in the third quarter alone in 2011, and employing over 73,000 people worldwide.

Disco offers solutions for large and small businesses in addition to solutions for home use. These products range from creating borderless networks with routers and switches, data centers and virtualization, storage, surveillance, and voice conferencing. Additional services consist of training and certification programs.

2. SOCIAL MEDIA

While the original purpose of social media was to connect people with each other, it wasn't long before businesses learned they could be advertising on these sites, connecting with consumers, sharing stories, and posting breaking news for the public.

Companies were using social media as a means of connecting with their customers. These cloud computing platforms enabled consumers to connect with fellow consumers in addition to businesses. Anyone could make a profile and share information with each other.

And, while companies were making their profiles, they weren't just sticking to using one company – they were using a handful to represent their brand.

By 2008 Disco was one of these companies and was active on social media sites such as Facebook, YouTube, and Twitter. The company recognized the need to advertise more digitally and adapt to the changing environment. Disco believed that people were online more than they were in the past, and the best way to reach them was to meet them at the sites that they so frequently perused.

As of 2010 Disco had added Second Life, Flickr, and various blogs to its repertoire of social media platforms aimed at connecting with and attracting new customers.

Facebook

Founded in February of 2004 by Mark Zuckerberg, Facebook had "given people the power to share and make the world more open and connected." On this site, users could upload photos, share ideas and websites, and virtually document their lives. Companies were able to have fan pages where they publicized their

business, and they could also advertise by selectively choosing the target market that would see their ads.

YouTube

Just a year after Facebook was launched, YouTube made its way onto peoples' computer screens. The site allowed people to watch and share videos that they themselves had created. Artists were discovered, people found something to laugh at, and companies were able to upload their commercials, or press conferences, or any other manner of promotions.

Twitter

In March of 2006, Twitter became the hottest new social media site that allowed people to post real-time information in the form of 140 character "tweets." People could follow anything they found to be interesting, and businesses could connect with each other and share information easily.

Webinar

A growing business trend is that of "webinars" – or basically web-based seminars. The concept is that with internet conferencing, users can attend meetings, conferences, training or seminars and interact with the presenters. GoToMeeting by Citrix and Cisco's Webex are currently the market leaders.

3. THE PRODUCT LAUNCH PROCESS

Each time Disco launched a new product, the company embarked on an expensive and time consuming journey to get the product developed. The process consisted of flying to DISCO in California over 100 executives and press members from all over the world. Presentations took place to inform attendees about the new product. Then, press releases were released to the media, customers were emailed, and print ads ran in newspapers and magazines.

This form of product launching was costly and time consuming. Also, it did not reach the desired amount of people. Disco wanted to do something that was more interactive and entertaining for consumers. The company wanted consumers to be able to become involved in the launch process because that would get them more excited about the product.

Reinventing the Launch

Disco was constantly exhibiting its ability to innovate by introducing new products to the market. James kept thinking this when he was trying to brainstorm ideas. He thought that there must be a better, easier, efficient, and cost-effective solution for launching products. The times were changing and it was time that something changed. But, he couldn't quite figure out what it was that needed to be altered.

Then, all of a sudden, it came to him. He thought that if DISCO was able to change the way people use technology, then DISCO should be utilizing the latest technology to do so. It wasn't a matter of sending out more press releases or printing more advertisements; the entire playing field had changed, and DISCO needed to change with it.

4. SOLUTION TO DISCO'S PROBLEM

It became clear to James what needed to be done – a virtual launch via social media platforms. It would be a genius way to spark peoples' interest in the product. It would also be significantly less costly than the method they were using most recently.

DISCO was already active on the majority of the social media platforms, so it wasn't like it would be an enormous challenge to move everything towards being digital. No people would be flown in, and no print ads would be found in newspapers or magazines.

This idea was brand new and never before heard of. Companies didn't launch their products online, and DISCO would be the first to do so. James thought to himself that he was sure that this was the breakthrough idea that he had been searching for. Now he just had to figure out how he was going to execute this new digital strategy.

The goal in using a virtual launch was to meet the consumer, and be located anywhere and everywhere they might be. This meant that DISCO would have to be active on social media sites, games, blogs, online forums, etc.

The first thing DISCO did was research to see where it made sense to become more active, and the company discovered the gaming world of Second Life was the hottest new place for consumers. People could have their own virtual

world with avatars that allowed them to connect, shop, do anything and be anywhere they wanted to be. People could even have virtual jobs! Disco recognized the influence this site had on people, and decided to host a seven hour concert that included eight bands to generate buzz about the new router.

Disco also created a 3D game that allowed network engineers to defend the network using the new router. There was a championship level complete with a new router and cash prize for the winner.

YouTube was also utilized to suggest that the possibilities were endless for businesses with borderless networks. Facebook allowed Cisco to connect with consumers on a whole new level – they could learn about products that were coming out, interact with the company, and with each other. DISCO's social media widget consisted of videos and information in the format of social media news and launch pages.

Disco also offered video conferencing to bring customers together and a video data sheet for mobile devices. The DISCO blog attracted customers and the online forum enabled customers to ask questions and also learn about what was going on with the company.

The launch lasted three months and was effective at getting consumers talking about DISCO and the new router. Over 9,000 people from all over the world were able to attend a virtual launch without ever having to leave their homes or offices. The video presentation that they watched was recorded in only an hour. All in all, the new method of product launching only required DISCO to spend a fraction of what they normally spent on product launches – one-sixth. And, they were able to save over \$100,000 by using social versus the traditional media.

For more technical users, DISCO offered Webinars on installing the new routers, configuring them, and advance users. The webinars were archived on their website so that other users with similar questions could watch the webinars without participating in them. On the interactive webinars, user questions were very valuable and were actually used to update the online support manuals.

DISCO also worked with their major customers in offering sales, support and information

webinars and web conferencing on the new CTMX-4 router.

The goal is to keep customers engaged, and bring people together, but make the process significantly easier so that people can be face-to-face without leaving the comfort of their homes. DISCO believes that social media is able to shorten the sales cycle and save money, and have proven that idea correct thus far.

CONCLUSION

As the world continues to develop new products for people to enjoy, it is important that it is understood all of the possibilities that lay with these new inventions. Social media is not just technology that enables people to connect with each other – businesses can use it as well to create buzz about their brand or even launch a product as was just demonstrated. The possibilities are endless with social media, and firms that are able to recognize this will find that their business will perform significantly better should they utilize the social media platforms available to them.

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