

# Trying something new



First, take a look at the pictures. Anchor's Extra Thick UHT cream comes ready whipped from an aerosol can and flavoured with a liqueur. It will keep in the fridge for about two months. It is made by the New Zealand Dairy Board and imported into the UK. It retails at about £1.95.

On the other hand Safeway's cream sells for 96p. It is fresh, but it will keep for no more than three or four days. You can whip it but it takes a little bit of effort.



## Think about these questions:

*When do people buy cream?*

*Who would choose the Anchor cream?*

*Who would choose the Safeway cream?*

*Write down four ways in which value has been added to the Anchor cream.*

## What happened next?

Soon after the Anchor cream appeared on the market, it disappeared again. A letter to the importers in Swindon was 'returned to sender', with a note saying 'This firm closed down'. It looks as though Anchor tried something new, test marketed it at Christmas, found the sales rather disappointing, and discontinued it almost immediately.

## Some more thinking:

*Why do businesses develop new products?*

*What risks are they taking when they do this?*

*What kinds of market research might help with the decision to launch a new product?*

*Write down three reasons why the Anchor product might have failed to sell.*

*Explain what information Anchor would need in order to decide whether to go on producing liqueur flavoured cream.*