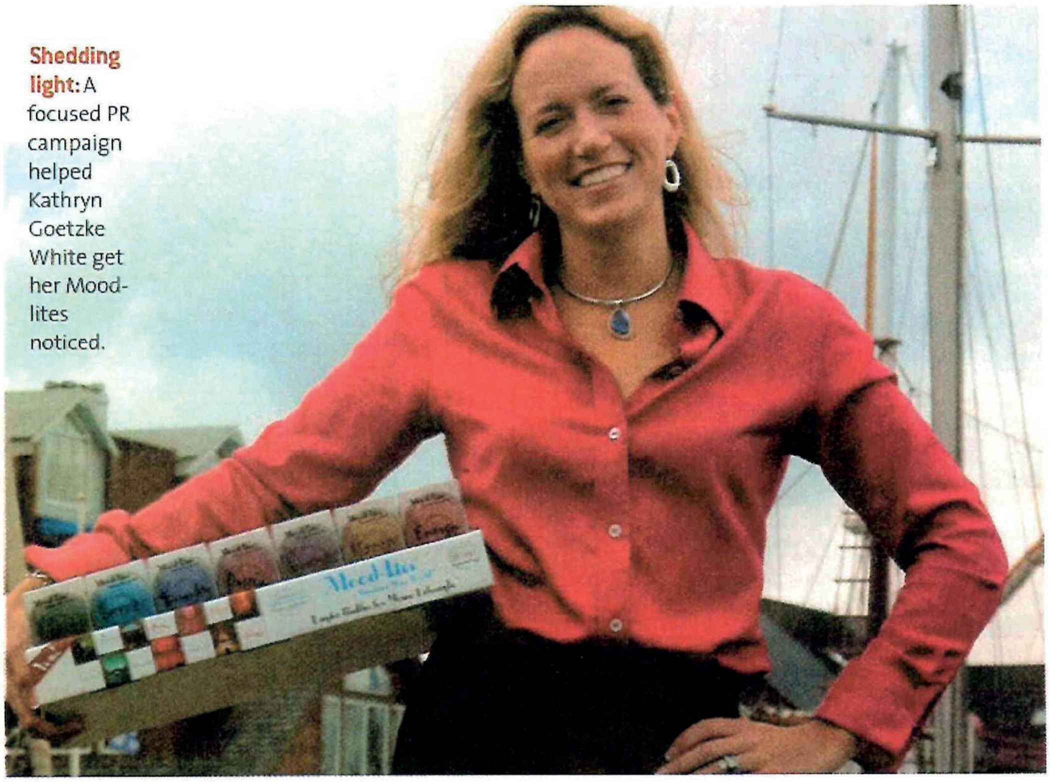

Shedding light: A focused PR campaign helped Kathryn Goetzke White get her Mood-lites noticed.

In the Mood

WARM RETAILERS UP TO YOUR NEW PRODUCT, EVEN IF IT'S IN A CATEGORY ALL ITS OWN.

BY DON DEBELAK

THE ENTREPRENEUR: Kathryn Goetzke White, 34, founder of Innovative Analysis Inc. in Annapolis, Maryland

PRODUCT DESCRIPTION: Mood-lites, dubbed "light bulbs for your lifestyle," are colored light bulbs that were created according to research on how colors affect moods. Available in seven colors, from Happy (yellow) to Serenity (turquoise), the 25-watt Mood-lites produce a soft glow similar to a candle. With a suggested retail price of $4.95 to $5.95, Mood-lites are sold in Linens 'n Things and specialty outlets such as spas, natural-food stores and college bookstores nationwide. They're also sold in some Ace Hardware and Bed Bath & Beyond stores.

STARTUP: Goetzke White financed the business with personal savings, credit cards and loans from family and friends. She spent $25,000 for research, consultant fees, trademarks and preliminary work, as well as $50,000 for inventory.

SALES: More than $1 million projected for 2005

THE CHALLENGE: Overcoming retailer resistance when introducing a new product category

When Kathryn Goetzke White developed her Mood-lites, she knew interior home lighting was a big market and believed consumers would love her colorful light bulbs. But she also knew that getting her products in stores nationwide would prove quite a challenge, as retailers typically resist new product categories for fear of ending up with unsold merchandise. Then Goetzke White had a bright idea for breaking through the resistance: persuade retailers that her colorful Mood-lites were part of a larger consumer trend. Thanks to sales help from her 35-year-old husband, John, Goetzke White developed an action plan that created quick acceptance of the Mood-lites product line.

Steps to Success

1. FIND A TREND THAT FITS. Goetzke White had her product idea for several years, but didn't pursue it until she saw a Home Depot ad that talked about color therapy and how to paint a room a certain color to create a mood. At that point, she felt her product could sell because the color therapy concept was being accepted by major retailers. "My undergraduate degree was in psychology, and I was intrigued by moods and different influencers of moods," she says. "I knew that certain colors created different moods—for example, blue is associated with the ocean and water, images that bring a sense of tranquility. I was tired of basic white lighting and decided to combine color therapy with the upsurge in candle sales for soft mood lighting. Adding an oil-based coating gave that glow that makes Mood-lites different from other products on the market."

2. DEVELOP A MARKETING STORY. While Goetzke White was sure people understood the concept of colors and their impact on mood, she wanted to complete the story to inspire consumers to make a purchase. Today, she's obtaining trademarks for each of the colors: Serenity for turquoise, Tranquility for sapphire, Passion for crimson, Happiness for yellow, Energy for orange, Creativity for purple and Renewal for green.

MEET YOUR MATCH

Due to cutbacks at R&D departments nationwide, major companies are now seeking certain products from outside sources. NineSigma (www.ninesigma.com) allows inventors to register for a biweekly *Innovation Newsletter* that lists some of the products, solutions and technologies that big companies are looking for. If you've got a great product idea, this site can also connect you with someone to help co-develop your product.

3. CREATE INTEREST WITH PR. In fall 2004, Goetzke White started an extensive PR campaign to get articles about Mood-lites in magazines. "The goal was not only to sell Mood-lites, which were available on our website, but really to help sell retailers," she says. "I felt the positive energy created by the PR would show the market was interested in Mood-lites. We hired a PR firm, and articles were published in many newspapers as well as *Home*, *Residential Lighting*, *For Me Magazine* and *New York Magazine's Metro*, among others. Those articles were a big help when I approached retailers to carry Mood-lites."

4. PACKAGE THE PRODUCT TO CREATE EXPOSURE. A new product needs to be noticed on a shelf. "One of the best moves I made was to produce the package so it could fit on clip strips [plastic strips with six to 12 clips to hold individual packages]," says Goetzke White. "Retailers love these strips, as they allow them to move the product into the store, save on shelf space and entice customers with new products. We've produced a header [a small card with sales copy] for the clip strips showcasing the bulbs in use, and we also have a display box for stores [that] carry Mood-lites on the shelf."

5. FIND MARKETS THAT ENHANCE THE PRODUCT'S IMAGE. Some of Goetzke White's earliest customers were doctors and massage therapists, who used Mood-lites to create a relaxing environment for patients. "We're expanding distribution to include spas and gyms with massage therapists, yoga practitioners and spinning rooms," she says. "The intent is to get exposure for the brand. Clients of these customers will see the effectiveness of [Mood-lites] and want to try them at home."

Lessons Learned

1. RETAILERS SUPPORT NEW TRENDS. Products tied to new trends typically sell well and sell at high margins—just the types of products retailers want. Consumers are curious about new trends, and that curiosity produces sales and store traffic. Because published articles show the product is part of a trend, they effectively generate retailer interest.

2. GO WITH THE FLOW, NOT AGAINST IT. Inventors often come up with ideas to change how things are done. Their product introduction strategy calls for persuading people that there is a better way to do something. That strategy almost never works; inventors just don't have the money to change a market. They should instead find a way to show how their product is an extension of products people already use. Goetzke White's tactic of adding an oil-based finish to light bulbs to create a soft glow was expensive and time-consuming, but it allowed Mood-lites to go with the flow of candle therapy.

3. KEEP PRODUCTS FRONT AND CENTER. People usually shop with a purchase in mind. Rarely do people notice other products unless they are displayed prominently enough to catch their attention. Using clip strips, which can be provided by the inventor or the retailer, is a low-cost tactic that often produces impulse sales, and most inventors can afford it.

4. GET EXPERT ADVICE. Inventors without marketing experience often don't know how to best position a product in the market. If you need help from a marketing expert, contact your local Small Business Development Center (www.sba.gov/sbdc). ■

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