

nielsen

AN UNCOMMON SENSE  
OF THE CONSUMER™



NIELSEN  
BREAKTHROUGH  
INNOVATION  
REPORT

**EUROPEAN EDITION  
DECEMBER 2016**

# WELCOME

**BEN SCHUBERT**

Senior Vice President,  
Nielsen Innovation Practice

**SMRUTI KULKARNI**

Director, Nielsen  
Innovation Practice

## LETTER FROM THE AUTHORS

WELCOME TO THE 2016 BREAKTHROUGH INNOVATION REPORT, EUROPE EDITION.

First and foremost, we'd like to extend our congratulations to the 11 European Breakthrough Innovation winners! This year's winners, chosen from among 9,900 new initiatives in Europe, hail from France, Germany, Italy, Russia, Turkey and the U.K.

The objective of this report is to celebrate these winners and, at the same time, to learn from them. We know that identifying the right "job to be done"—the key consumer struggle that an innovation will resolve—is the basis for building strong consumer demand, while perfecting the product experience is essential for sustaining and growing this demand. However, developing a product that consumers will love is only half the journey. The other half is launching with excellence so that the innovation has the chance to realize its potential. No matter how distinctive and promising an innovation, it won't take flight without strong in-market execution.

As a complement to earlier editions of this report, which have focused on birthing Breakthrough ideas, the 2016 edition focuses on how to maximize the potential of these innovations in market. We explore how our winners have leveraged package design, pricing, in-store execution and advertising to truly remarkable effect. Through these stories and Nielsen's own innovation research, we'll continue to deepen our understanding of the science of successful innovation.

# 2016 NIELSEN BREAKTHROUGH INNOVATION WINNERS



AIR WICK® PURE  
PG 39 [🔗](#)



AZ COMPLETE  
PG 43 [🔗](#)



COLGATE® DÉFI  
ZÉRO CARIE  
PG 31 [🔗](#)



FINLEY  
PG 28 [🔗](#)



FRUTONYANYA  
NA PROGULKU  
PG 41 [🔗](#)

[🔗](#) = SEE WINNER SPOTLIGHTS

CONGRATULATIONS

**THE MAKING OF WINNERS:**  
**NIelsen BREAKTHROUGH INNOVATION CRITERIA**

**DISTINCTIVENESS**

Deliver a new value proposition to the market. Ingredient reformulations, repackaging, size changes, repositioning and other minor refinements to existing brands are excluded.

**RELEVANCE**

Generate a minimum of £/€ 7.5 million in first-year sales per market for Western Europe and € 5 million for Eastern Europe.

**ENDURANCE**

Achieve at least 90% of year one sales in year two. This measure confirms a sustained level of consumer demand while allowing for some drop in revenue during the transition from trial to adoption.



ZOTT SAHNE JOGHURT  
 MASCARPONE DUETT



GOLD MINE  
 BEER ZHIVOE  
 PG 34



MELITTA® MEIN  
 CAFÉ



O'LALA SUFLE  
 PG 36



SÜT BURGER  
 PG 46



WHISKAS® DRY  
 CAT FOOD  
 PG 49

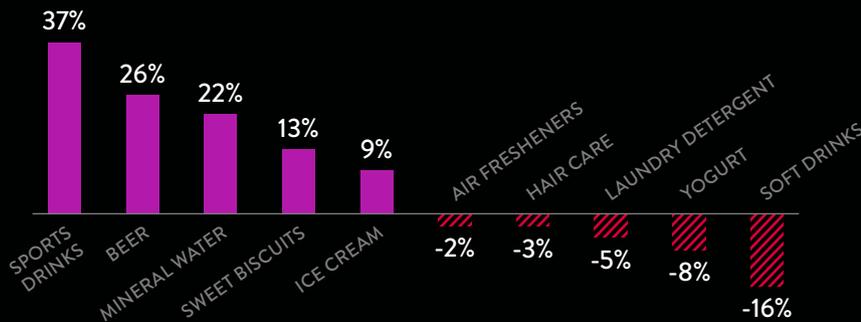
☞ = SEE WINNER SPOTLIGHTS

# THE STATE OF INNOVATION IN EUROPE

## ACCELERATING IN SOME CATEGORIES

Overall, innovation activity is on the rise in Europe; new product launches grew 9% in 2015 vs. 2014.

Change in number of SKUs launched in select categories (2015 vs. 2014)



## INNOVATION VALUE

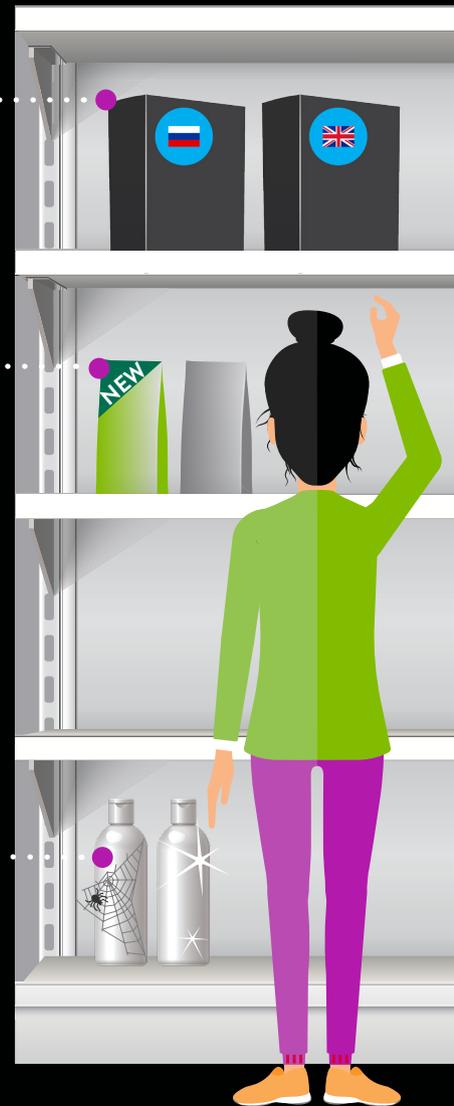
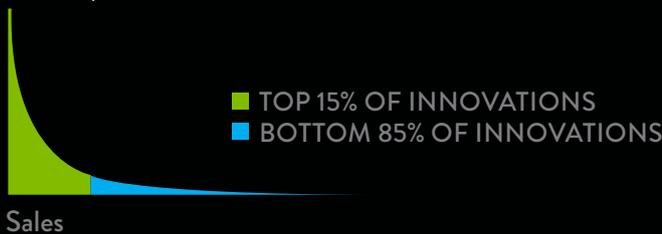
The average new SKU in Europe rakes in €160,000 in its first year, which is approximately 60% of the average amount generated by new and established SKUs.

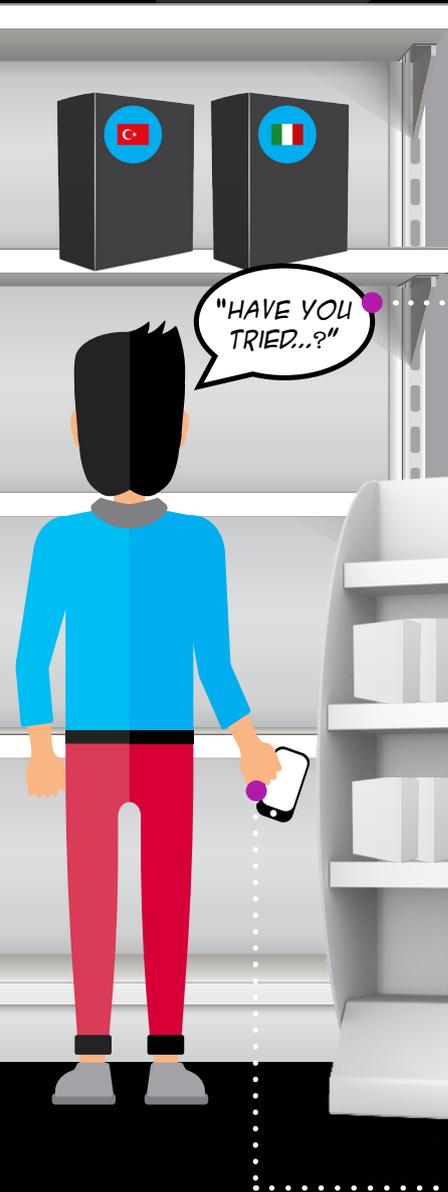
Sales



## THE GREAT DIVIDE

There's a large gap between successful new launches and the rest of the pack. Across most categories, 10-20% of innovations account for approximately 80% of new product sales.





### TOP DISCOVERY DRIVERS

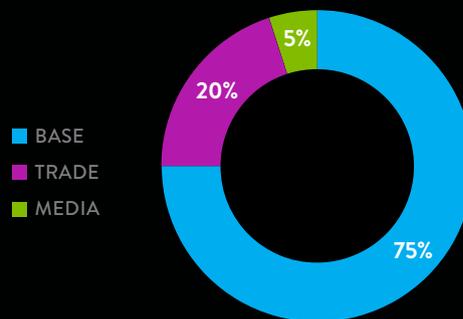
European consumers most often discover new products through friend and family recommendations (58%) and while shopping in store (56%).



### TRICKS OF THE TRADE

Beyond a brand's base equity, trade promotion—including displays, in-store advertisements and promotions—is the most effective volume driver.

Sales Volume Percent Contribution



### DIGITAL DOMINANCE

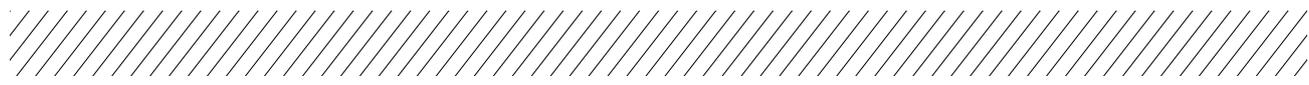
In 2015, online outpaced TV for advertising spend in Europe.

Media Spend Breakdown



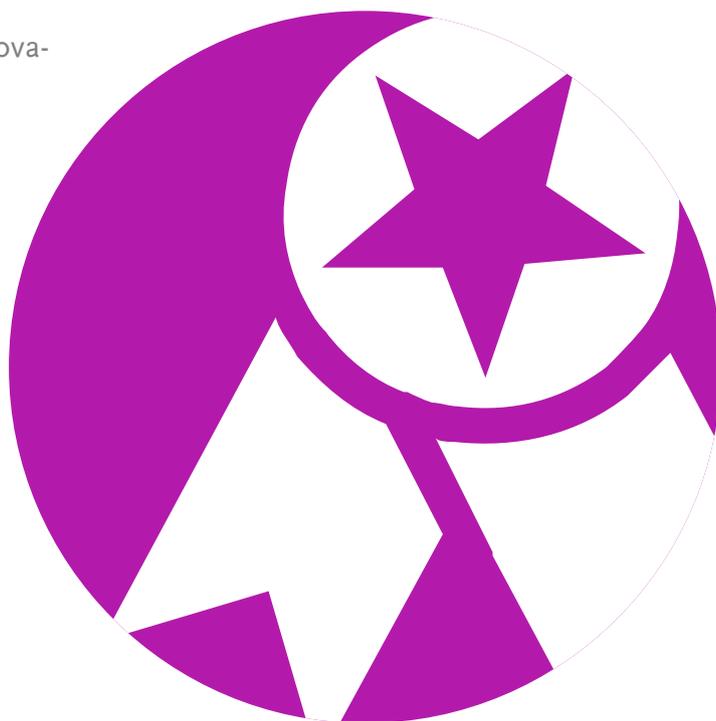
Sources (counter-clockwise from top left): Nielsen in-market data with 6+ major European markets represented per category; Nielsen in-market data comparing first-year sales for new products launched in 2014 vs. all products' sales in 2014; Nielsen in-market data; IAB Europe, "adex Benchmark 2015: European Online Advertising Expenditure," July 2016; Nielsen marketing mix analysis based on more than 700 European initiatives; Nielsen Global New Product Innovation Survey, 2015.

WELCOME TO THE 2016 NIELSEN BREAKTHROUGH  
INNOVATION REPORT AND THIS YEAR'S THEME:



# DEVELOPING AND DEPLOYING PRODUCTS WITH EXCELLENCE

In last year's edition of the Breakthrough Innovation Report, we focused on the genesis of Breakthrough ideas; we established that innovation success is a science that begins with discovering and resolving poorly performed “jobs to be done”—or circumstances of struggle—in consumers' lives. While this is a critical part of an innovation's journey, it's just the beginning. This year, we'll turn our attention to the hard work of developing and deploying high-potential ideas.



# THE NIELSEN 3D INNOVATION SYSTEM



Every seasoned innovator knows that the notorious “If you build it, they will come” mantra rarely proves true. Successfully activating a product in market is a herculean task—one whose importance shouldn’t be downplayed. Consider this statistic: Nearly one-third of innovations launched lack sufficient marketing support for concept or product performance to make a real impact.<sup>1</sup> In other words, if consumers don’t know a product exists, can’t find it or don’t feel compelled to try it, then even a great innovation will fail. Thus, it’s absolutely essential that even the best ideas be properly fueled in market.

Marketplace reception is the true test of an innovation’s success, and many variables—including pricing strategy, package design, in-store execution and advertising—will collectively determine the outcome.

As a final note, while this year’s report won’t focus on the early phases of innovation, you’ll notice that the importance of the “job to be done” doesn’t end with discovery. It should serve as the guiding light for the entire process—informing the product’s messaging, appearance and activation strategy.

Now let’s dig in.

# JOBS THEORY REFRESHER

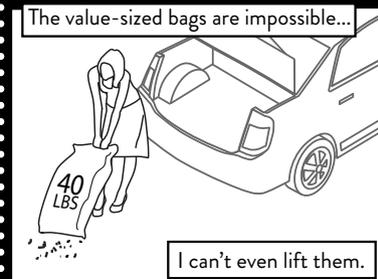
## WHAT'S A JOB?

- A “job” is the progress that an individual seeks in a given circumstance.
- The job to be done generates the energy required for someone to take an action, such as pull a brand into his or her life or develop a compensating routine.
- While many of the jobs in our lives have adequate solutions, successful innovations resolve circumstances of struggle and fulfill unmet aspirations: they perform jobs that formerly had only inadequate or nonexistent solutions.
- Because jobs occur in the flow of daily life, the circumstance is the essential unit of innovation work—not customer characteristics, product attributes, new technology, or trends.

### ▼ DIRECTLY VERIFIABLE ELEMENTS INCLUDE:

#### CIRCUMSTANCE

#### STRUGGLING MOMENTS



Who, when, where

Desired progress, outcome, experience or solution

Complication, compromise, trade-off, or struggle

1. Buying and using a product that imperfectly performs the job
2. Cobbling together a workaround solution involving multiple products
3. Nonconsuming compensatory behavior

Remember: Sometimes the struggle is discernable and quite clear; other times, especially when consumers have developed compensating routines, the struggle is far less obvious.



## WHAT DOES A JOB LOOK LIKE?

YOU CAN VISUALIZE A CIRCUMSTANCE IN WHICH A JOB ARISES AS A SHORT STORYBOARD CAPTURING ESSENTIAL ELEMENTS. SOME OF THESE ELEMENTS CAN BE DIRECTLY VERIFIED, AND OTHERS NEED TO BE INFERRED AND VALIDATED.

## WHY ARE JOBS SO IMPORTANT?

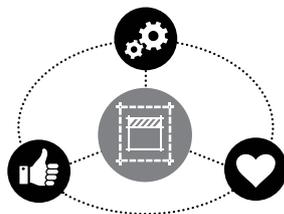
- Understanding the job reveals why (the cause) people purchase and use products and services, as well as why they sometimes behave in ways that involve no purchase at all (nonconsumption).
- Innovation initiatives that are organized to resolve well-defined yet poorly performed jobs proceed with purpose and efficiency. Conversely, initiatives untethered to specific jobs lack meaning and proceed haphazardly, if at all.
- Viewing the marketplace through the lens of consumers' jobs to be done redefines categories (typically far larger than conventionally envisioned) and reframes competitors (typically more numerous and diverse than conventionally considered).
- Jobs Theory focuses the insight process on the search for circumstances of struggle, unmet aspirations, and pools of nonconsumption. Demand Driven Insights identify poorly performed jobs.
- Jobs Theory creates a shared purpose and common language that facilitates communication and integration across diverse functional areas. A well-defined job enables efficient development as well as in-market success.

### ▼ ELEMENTS THAT NEED TO BE INFERRED INCLUDE:

#### CRITERIA

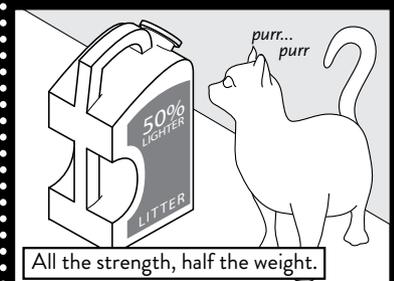
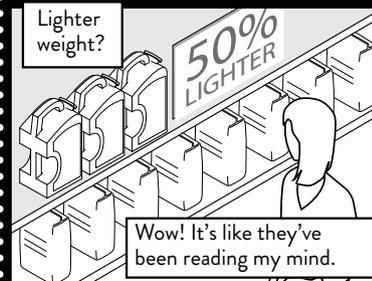


- ▶ The criteria that people apply in evaluating “job candidates” (i.e., potential solutions).
- ▶ Understanding the job dramatically reconfigures category structure and competitors. For a given job, consumers regularly consider an array of solutions that extends well beyond a given store aisle—and often beyond the store as well.
- ▶ **Remember:** criteria are always circumstance specific.



- ▶ The functional, emotional and social dimensions of benefit that collectively constitute the ideal solution for the job: the “job spec,” or blueprint for successful innovation.

#### SOLUTION



- ▶ **Breakthrough Winners nail poorly performed jobs:** All the strength, half the weight.

FROM BUST TO BREAKTHROUGH:

# THE ADVANTAGE OF GREAT IN-MARKET EXECUTION

History is fraught with examples of high-potential innovations that underperformed because of subpar in-market execution. Let's consider the story of AZ Complete, a two-in-one toothpaste-plus-mouthwash product, which concluded happily. (In fact, AZ Complete is one of this year's winners.) When the oral-care team at Procter & Gamble Italy first launched the product in 2011, the results were disappointing. We now know that the innovation had Breakthrough potential, so what happened in 2011?

Prior to launch, AZ Complete had aced its product tests; consumers loved that it provided freshness and cavity protection benefits without requiring the purchase of multiple products. However, once the product was in market, something about its communication failed to draw consumers in. Believing that AZ Complete truly addressed an unmet consumer need and thus still held promise, the team decided to rethink its activation strategy.

At this point, some readers might be tempted to conclude that the initiative simply wasn't funded sufficiently. Indeed, providing robust, multiyear backing is a best practice for new-product launches, but it's certainly not the only factor. Procter & Gamble's eventual success didn't require a dramatic increase in the advertising budget for AZ Complete; the team just used the existing budget more efficiently. For example, they

identified a new package design to help them visually communicate their unique benefit combination in a way that better resonated with consumers. They also improved the efficiency of their marketing by putting greater emphasis on in-store execution and ensuring that their messaging was optimized for each particular channel.

When AZ Complete relaunched in 2014, it rapidly gained momentum, earning €9.5 million in first year sales—a dramatic improvement over its 2011 performance. The team changed the brand's destiny by thinking more holistically about the activation strategy and better aligning the communication with the “job to be done.” After all, why invest time and resources on perfecting the product experience if consumers, not understanding how the product fits into their lives, can't be compelled to try it?

AZ Complete provides a unique glimpse into the activation challenge that all brands face. In retrospect, it's easy to view Breakthrough Innovations' paths to success as neat and tidy, and their arrival as inevitable; it's hard to remember that what is now a big win was once anything but guaranteed. Successful innovators understand the importance of strong in-market execution, and they rely on carefully calculated decisions—not guesswork or luck—to transform their launches into smashing successes.

**LESSONS FOR**  
**DEVELOPING**  
**AND DEPLOYING**  
**WITH**  
**EXCELLENCE**

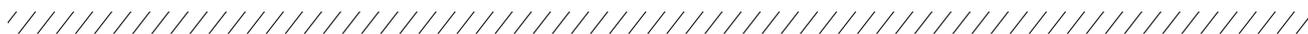




★★★ EXCELLENCE IN ★★★

# PACKAGE DESIGN

Package design is the dark horse of the marketing world. Compared with other marketing levers, it often receives little attention, and its impact is vastly underestimated. However, optimized package redesigns—identified using objective consumer feedback—have been shown to generate an average 5.5% increase in forecasted sales revenue over existing designs.<sup>2</sup> Breakthrough Innovators appreciate the value of great package design; they know that it can drive trial, build brand equity and serve as a key medium for communicating an innovation’s “job to be done.”



## BOLD DESIGNS DRIVE AWARENESS FOR BREAKTHROUGH PRODUCTS

Arguably, the most distinctive thing about Gold Mine Beer’s Zhivoe, Russia’s first premium unpasteurized beer, is its package design. And it’s a good thing, too: At the time of the product’s launch, alcohol advertising was banned from almost all media channels in Russia, including television and outdoor. As a result, the brand relied primarily on package design to drive awareness and trial of the product. It needed a bold design that would grab consumers’ attention on crowded shelves and single it out as a premium unpasteurized or “live” beer. (“Live” beer has fresher taste because it retains more natural yeast and enzymes than pasteurized beers. As a result, it has a relatively short shelf life and is considered more authentic and upscale.)

The brand’s agency created a “bottle” that resembles a freshly poured glass of beer. The design forged a more visceral connection in

consumers’ minds with the first refreshing sip of a draft beer, and evoked a bar-like atmosphere. Perhaps more significantly, it was so unlike traditional beer packaging that the bottle practically leapt off shelves. Consumers couldn’t help but notice the package, and they found it so innovative and appealing that retailers began actively requesting to stock the product.

The unique conditions of Zhivoe’s launch, created by Russia’s ban on alcohol advertising, showcases package design’s potential as a key awareness driver. Even under typical conditions, 56% of European consumers claim that in-store discovery is one of their top information sources for new products, compared with only 45% for TV commercials.<sup>3</sup> Still, it’s easy to underestimate the power of a commanding shelf presence.





## EARLY EXPLORATION BEGETS BREAKTHROUGH DESIGN

“To have a great idea, have a lot of them,” Thomas Edison famously quipped. The same principle applies to developing Breakthrough designs. Exploring more design directions with consumers—including both “close-in” and bold options—early in the process leads brands to identify higher-performing package designs.

Die Limo Von Granini, a premium lemonade drink and a 2015 Breakthrough Innovation Award Winner, was tireless in its design exploration. The brand vetted more than 30 different bottle designs, playing with various ways to express Granini’s core brand equities of tasty, exotic and indulgent, before landing on the winning design.<sup>4</sup>

By contrast, the typical design agency presents three or four different design directions to its clients, who select only one of these for further development.<sup>5</sup> In fact, brands and their agencies spend considerably more time refining a chosen design direction than they do exploring a wide variety of directions at the start of the process. While that doesn’t sound particularly nefarious, consider this: What if the limited set of options selected by the brand contains no truly *good* options? In an instance like this, the brand simply chooses the best

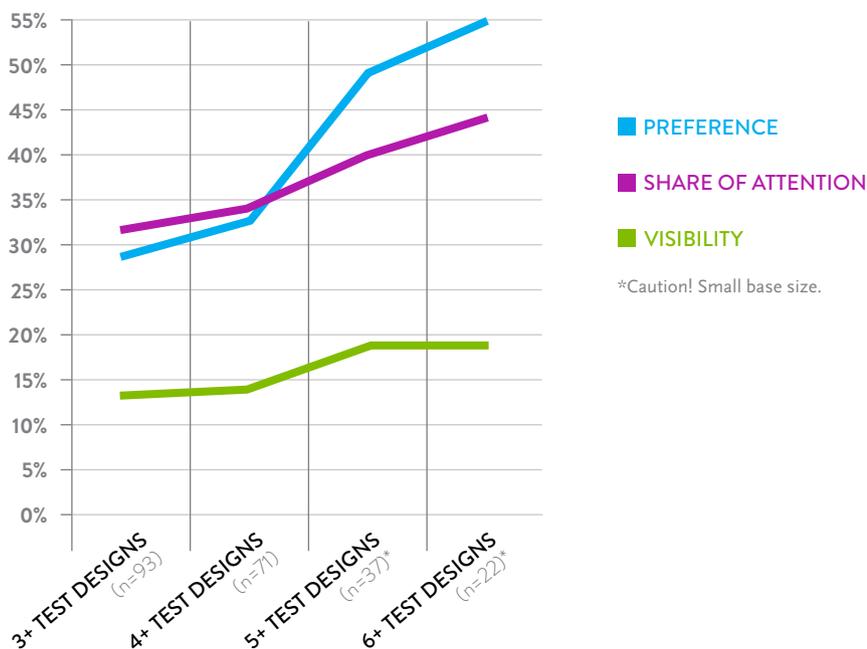
among a handful of ineffective options, unaware that yet-undiscovered designs have greater potential to grab attention and drive purchase. Nielsen’s analysis of more than 90 package redesign initiatives demonstrates that as the number of vetted designs increases, so too does performance on key packaging metrics for the best in each set.<sup>6</sup>



It’s important to note that exploring more design directions doesn’t just mean considering more design directions and then subjectively eliminating the ones that don’t appeal to various stakeholders. Rather, effective exploration demands the objective evaluation of many design alternatives among a large consumer base. As it happens, subjective decision-making is rampant in package design processes today. A full 53% of consumer packaged goods

(CPG) professionals report that a senior executive’s opinion is a primary driver when selecting which design direction to pursue.<sup>7</sup> Moreover, even professionals citing other drivers say they often defer to the subjective influence of team consensus or focus groups. It’s little wonder that many brands’ package design efforts generate lackluster results. After all, shouldn’t the consumer-centrism of demand-driven innovation extend to design?

Improvement Over Current Design<sup>8</sup>





## PACKAGING AS A KEY EXPRESSION OF THE “JOB TO BE DONE”

Breakthrough Innovators are exceptionally crafty in their use of packaging to overcome key communication challenges and to emphasize a product’s unique benefits. Gold Mine Beer overcame the awareness setbacks created by Russia’s advertising ban; AZ Complete relied on packaging graphics to drive home the combination benefit of its toothpaste-plus-mouthwash offering; and O’lala, another of this year’s winners, signaled to consumers that its soufflé wasn’t just your average cake by building a spoon into the lid of its inner package.

In the case of FrutoNyanya Na Progulku, a Russian fruit puree drink designed for small children, its packaging benefits became the cornerstone of its value proposition and communication strategy. Fruit puree was a key driver in the baby food segment, but children aged out of the category as they became more adept at feeding themselves. To extend its appeal to reach older children and address circumstances of nonconsumption, FrutoNyanya used a Gualapack—a spouted pouch—that allows a



child to feed herself. The team discovered that this feature was so inspiring that they focused their messaging on “the joy of joint discoveries,” which refers to the joy a mother feels as she watches her child acquire more skills, and the pride both parties feel at this achievement. Later, FrutoNyanya began to use lids that can be stacked like toy blocks, which created a platform for the brand to discuss how their packaging helps children develop motor skills.

Breakthrough Innovators leverage all possible touchpoints to reinforce their products’ unique benefits and “jobs to be done.” In particular, this year’s winners have put an exceptional amount of weight on developing stellar packaging. And with package design reaching 100% of in-store buyers, why wouldn’t they?



★★★ EXCELLENCE IN ★★★

# PRICING

It's no coincidence that most Breakthrough Innovations fall into the premium segment. Consumers are simply willing to pay more for products that offer truly unique benefits or resolve a circumstance of struggle that previously had no satisfactory solution. However, particularly innovative products tend not to have exact in-market corollaries that can provide a benchmark for pricing. This can present challenges, but also opportunities.

When Scholl Velvet Smooth Express Pedi, an electronic foot file for removing hard skin, hit the market in 2014, foot exfoliation methods hadn't received any noteworthy upgrades for centuries; consumers were still using pumice stones and manual files. As Phil Thomas, global category director for foot care and skin care for Reckitt Benckiser, said, **"IT'S A BIT LIKE MOVING FROM A HORSE AND CART TO A CAR."** IN A WORLD WITHOUT CARS, HOW MUCH SHOULD THAT INNOVATION COST? IT'S A TOUGH QUESTION.

In cases such as these, brands tend to underprice their products. For example, many innovators might have chosen a price lower than €40 for the Scholl Velvet Smooth Express Pedi starter kit, but they would have been leaving money on the table. In fact, consumers in France and Germany, where the product was first launched, had no qualms about "footing" that bill; for them, the product uniquely addressed a circumstance of struggle. Not surprisingly, the product went on to become a 2015 Breakthrough Innovation.





## PRICING IN PERSPECTIVE

Some brands approach pricing by adding their desired margins to manufacturing costs, but this can lead to forfeited revenue. After all, the cost of producing a product may not even be in the same ballpark as the perceived value it brings to consumers' lives. For this reason, pricing—as with all aspects of innovation—ought to begin with the consumer.

When an innovation lacks a close in-market counterpart, brands should conduct exploratory research with consumers to understand absolute price thresholds and price-value perceptions at different price points.

However, the reality is that while Breakthrough Innovations can create new categories, they're unlikely to create new aisles. A product must be placed *somewhere* in a store, likely near alternatives that satisfy a similar usage occasion—and this juxtaposition will undoubtedly influence consumers' price expectations. For this reason, when it comes time for a brand to validate its pricing, study inputs should reflect the realistic competitive context in which the product will appear to consumers. An innovation that provides a truly unique benefit or solution will be able to command a premium price despite being placed near less costly competitors—but context still plays a vital role in determining the ideal price point.

## THE PSYCHOLOGY OF PREMIUM PRICING

Breakthrough Innovations often push category boundaries or create new categories. Since they don't fit neatly into the established order, these brands have more flexibility to manage how consumers think about their products. For example, does the “job” performed by an electronic foot file most closely compare to that of a pumice stone or a salon pedicure? The Scholl Velvet Smooth Express Pedi team clearly understood that likening their product to the latter would confer a price advantage, so they consciously managed consumers' frame of reference in a way that justified the higher price.

pladis, a Turkish sweets manufacturer and one of this year's winners, created a portion-sized soufflé that offered something more than competing cakes did—a “patisserie-like” experience without the higher costs and inconvenience associated with visiting an actual bakery. By cultivating an association with the “patisserie experience,” pladis was able to compete in the cake category at a higher price point than before, growing the category and skyrocketing brand awareness.

Anticipating and managing consumers' price expectations is a complicated operation requiring robust consumer exploration and marketplace evaluation—and, in many cases, a bit of finesse when it comes to product positioning. However, when done well, price optimization—both actual and psychological—will set the new product up for success in market and maximize profits.



★★★ EXCELLENCE IN ★★★

# IN-STORE EXECUTION

According to the Ehrenberg-Bass Institute for Marketing Science, brands grow by maximizing their physical availability. At first blush, one might think this equates to maximizing distribution. However, it goes far beyond increasing the number of retailers who stock a particular product. Physical availability also encompasses the strength of a brand's presence within retail environments, which can be improved with eye-catching displays, strategic shelf placements, and sampling efforts.<sup>9</sup>

Some established brands with sizable above-the-line advertising budgets may underestimate the importance of in-store execution. Procter & Gamble cited insufficient in-store support as one reason for AZ Complete's underwhelming performance when it was first launched in 2011, and it credited the greater emphasis placed on

this channel as a key reason for its later Breakthrough success.

Not surprisingly, small brands that have launched Breakthrough Innovations are some of the most outspoken advocates of strong in-store execution. Bai, a naturally sweetened, low-calorie beverage and winner of a 2016 U.S. Breakthrough Innovation Award, believes the brand's laser-sharp focus on retail strategy may well be the primary reason it achieved Breakthrough success while so many other start-ups have not. "Building distribution, cultivating retailer relationships, working hard on the in-store execution—this is mundane stuff, but it's the bones and flesh of great consumer products businesses," said Bai founder and CEO Ben Weiss.<sup>10</sup> Ben's Breakthrough peers couldn't agree more.

“BUILDING DISTRIBUTION, CULTIVATING RETAILER RELATIONSHIPS, WORKING HARD ON THE IN-STORE EXECUTION—THIS IS MUNDANE STUFF, BUT IT'S THE BONES AND FLESH OF GREAT CONSUMER PRODUCTS BUSINESSES.”

— BEN WEISS, CEO AND FOUNDER OF BAI



## COMMUNICATING THE “JOB TO BE DONE” IN STORE

When asked to reveal their innovation best practices, Breakthrough veterans reliably stress the importance of activating in a manner that underscores the “job to be done.” Specifically, in-store execution may seem to require less artfulness than other creative media, but Breakthrough Innovators are particularly thoughtful about their communications in this space.

For example, Eti’s Süt Burger, a refrigerated sweet snack for children that is made of milk cream sandwiched between two soft honey pancakes, had two distinct jobs to perform: convince mothers that the product is nutritious and natural, and dazzle children with a fun, tasty experience. Eti went to great lengths to address its first job; in fact, Süt Burger was developed with its eventual store placement in mind. The brand was intent that Süt Burger be a refrigerated offering, because mothers tend to associate the refrigerated snacks section, unlike the freezer aisle, with preservative-free foods and nutritious, dairy-based ingredients such as milk and yogurt. Moreover, as part of its retail activation efforts, Eti educated parents about the product’s fresh ingredients and the brand’s healthy viewpoint. To appeal to children, Eti distributed more than 100,000 samples in Turkish stores and awarded children prizes at festively decorated booths.

Before Colgate’s Défi Zéro Carie could perform the job of complete cavity protection, it first needed to convince consumers that a life without cavities is even possible. As a result, in-store execution became a cornerstone of the brand’s educational efforts. The brand set up “mini shops”—special boutiques in retail stores—where they informed consumers about cavities and displayed their product line. Additionally, nearly 2,000 stores were outfitted with strong point-of-sale materials inviting consumers to take the “zero-cavity challenge.” The materials were placed in various departments, including the candy aisle, which is frequented by consumers who could particularly benefit from the product’s “Sugar Acid Neutralizer” technology. Furthermore, Défi Zéro Carie doubled down on its “on-premise” education efforts by distributing samples and pamphlets to dentists’ offices, which lent additional credibility to the initiative.

Innovators who approach their on-the-ground activation efforts with aplomb are often the ones who come out on top. In-store strategy, like other executional elements that are sometimes considered mere details, can be the difference between a Breakthrough Innovation and a bust.



*While distributing samples in stores, Eti used additional refrigerated displays to remind consumers that the product is shelved in the refrigerated section, not with ambient snacks.*



★★★ EXCELLENCE IN ★★★

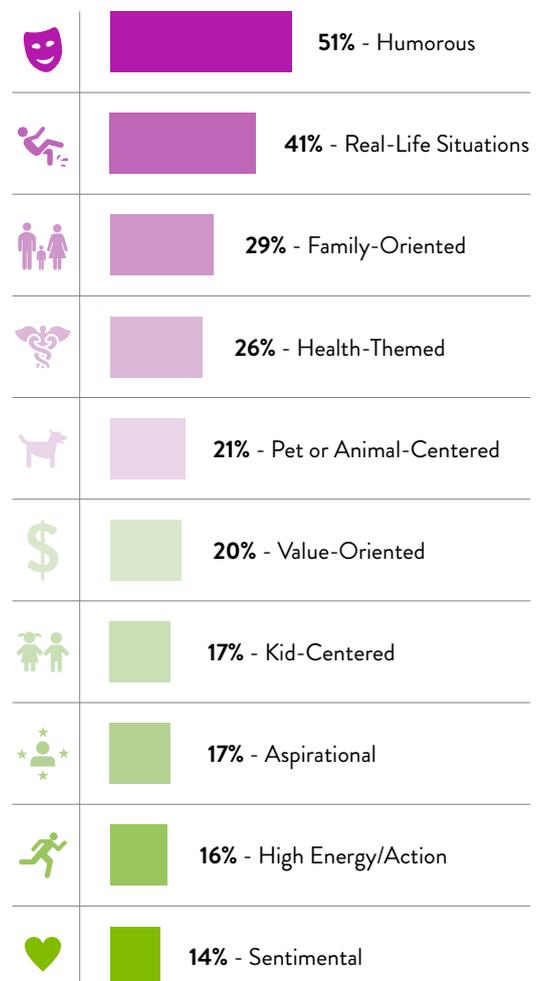
# CREATIVE EXECUTION

Many marketers would agree that the primary “jobs” of advertising are to raise awareness and to forge an emotional connection with the consumer. Arguably, the latter presents a more complex task. Why do consumers feel connected to certain brands? While innumerable answers have been proposed, Jobs Theory suggests one reason: Innovative brands resolve a specific, relatable circumstance of struggle in consumers’ lives. Consumers can empathize with the problem at hand, and they crave a solution. Moreover, brands that *explicitly communicate* this circumstance of struggle resonate more strongly with consumers.

Recently, Nielsen analyzed more than 600 product concepts from 30 countries and 60 categories, and found that those which clearly described a circumstance of struggle—including who was struggling, as well as when and where—performed 58% better with consumers than concepts without this information.<sup>11</sup> Describing the circumstance of struggle presumably helps consumers to internalize potential use cases for the product and cultivate more appreciation for its benefits. Though the stimuli in this scenario were product concepts, not advertisements, the same principle applies to effective in-market communications: Don’t simply claim to solve a problem—describe the circumstances in which it occurs.

In a similar vein, 41% of European consumers report that advertisements featuring real-life situations resonate strongly with them. (Real-life situations are bested only by humor, which tickles 51% of European consumers.)

## Advertising Themes That Resonate Best With European Consumers<sup>12</sup>





## REQUIREMENTS FOR RESONANCE

While advances in segmentation systems and programmatic buying are improving brands' *reach* with relevant consumers, *resonance*—which operates in the all-too-important space between awareness and purchase—relies on the quality of the creative. Resonance refers to an advertisement's ability to break through the clutter, fix itself firmly in consumers' minds, and shape their opinions about a brand.

A large body of research supports the notion that emotional advertising is highly resonant and that, as one might expect, strong resonance leads to strong sales. In a recent Nielsen Neuroscience analysis of 100 advertisements from 25 fast-moving consumer goods (FMCG) brands, ads that generated above-average emotional response (based on EEG readings) drove an average 23% lift in sales volume over what a typical ad would generate for the brand.<sup>13</sup>

**ON AVERAGE, ONLY 25% OF CONSUMERS EXPOSED TO AN ADVERTISEMENT THE PREVIOUS DAY CAN CORRECTLY REMEMBER THE CONTENT AND THE BRAND FEATURED.**

However, simply forging an emotional connection may not be enough. For resonance to incite a favorable reaction, consumers also need to remember which brand inspired them to purchase. In crowded categories, it's not uncommon for consumers to misattribute an advertisement to a competing brand. Based on Nielsen's measurement of 1.7 million TV ads over the past 13 years, on average only 25% of consumers exposed to an advertisement the previous day can correctly remember the content *and* the brand featured.<sup>14</sup>

For this reason, Breakthrough advertising not only establishes an emotional connection, but also employs

both subtle and explicit cues to solidify the brand connection in consumers' minds.

For example, Melitta's Mein Café, one of this year's winners, featured people of different ages and genders whimsically describing what they enjoy about their favorite coffee, evoking warm feelings and a quaint coffeehouse atmosphere: "In my favorite coffee, there is foam in the shape of hearts [. . .] and the cream is as thick as friendship." Emotional engagement? *Check*.

To reinforce brand associations, the various coffeehouse settings depicted in the advertisement made strong use of the color red, the brand's signature hue. At the close of the spot, the Mein Café package and logo featured prominently. A voice brought the dialogue narrative full circle, saying, "That's my favorite coffee from Melitta." Viewers likely found themselves in a warm, reflective mood with no confusion whatsoever about the brand that had just been addressing them.

In the case of pladis' O'lala Sufle, an effusively feel-good advertisement engaged viewers with a strong use of faces and mood music—elements that boosted its emotional appeal. Nielsen Neuroscience studies confirm that humans are hardwired to remember faces—and, moreover, that expressive faces trigger "emotional contagion" in viewers, causing them to experience the depicted emotion themselves. Music drives consumers to rely more on intuition than critical thought, and positive mood music has been shown to render consumers more receptive to interpreting new information in a favorable way. To strengthen consumers' connection with the O'lala brand, the song's refrain





repeated “O’lala” throughout the advertisement. The product appeared frequently throughout, and the scenery and talents’ clothing echoed the distinctive purple of the package and brand.

Developing creative that ignites an emotional connection *and* a brand connection is the first step toward developing resonant advertising. In fact, Nielsen’s

multivariate models show that creative execution explains more of the in-market resonance score variation than any other factor, such as the format or context in which an advertisement appears. Leveraging copy testing and newer technologies designed to capture consumers’ intuitive emotional responses—such as neuroscience modeling—can help brands build the best possible bridge from reach to reaction.

## BEYOND TV: O’LALA TAKES THE “JOB” TO CYBERSPACE



In today’s fragmented media landscape, Breakthrough Innovators understand the importance of thinking strategically about their digital strategy. It’s not enough to set up a Facebook page or to engage in a monologue on Twitter. Successful brands unify their digital strategy around the “job to be done” and, whenever possible, tailor the specific content to each channel.

“We focused our social media efforts on Instagram, because it was popular with our target audience, and it allowed us to *show* indulgence and explain more about the concept of O’lala Sufle,” said Nihal Gül, marketing director of biscuits and cakes at pladis Turkey. The soufflé format had low awareness in Turkey, and as a highly visual social platform, Instagram helped the brand demonstrate the product’s benefits and the way in which it could fit into consumers’ lives.

“We showed a variety of consumption occasions and even presentation ideas with small and practical touches. The visuals were very indulgent and focused on the ‘pleasure moment,’ which helped to strengthen the brand image,” she continued. For example, the brand posted seasonally inspired recipes with O’lala as the centerpiece—such as a pumpkin and walnut soufflé to close out winter, and a soufflé with in-season fruits to celebrate summer vacation. Shortly after its launch, O’lala’s Instagram page became the third most popular at pladis—an impressive feat, considering that the company’s portfolio included 300 subbrands spanning 41 categories at the time.





★★★ EXCELLENCE IN ★★★

# INNOVATION NURTURING

“It’s easy to launch and move on to the next bright, shiny object, but you end up leaving so much money on the table. [You have] to keep the focus and sustain the effort,” said Greg Lyons, Mountain Dew’s vice president of marketing, as he reflected on the Kickstart brand’s launch. A 2015 Breakthrough Innovation Award Winner in the United States, Mountain Dew Kickstart knows a thing or two about enduring wins; sales from this initiative grew 50% in year two, with annual retail sales of \$300 million.<sup>15</sup>

Most innovation professionals know that new-product launches are subject to quite a bit of “gravity” in the marketplace: Once the force of the initial marketing push wanes, many brands begin to see significant sales declines. In fact, only 20% of new products yield sales increases in year two, while more than half take a sharp turn for the worse.<sup>16</sup> Why? Shortsighted marketing plans emerge as one key contributor. Many manufacturers assume a stable or growing business after year one, but in reality, simply coasting by on the

previous year’s momentum rarely pans out.

On average, successful innovations—defined as those that grow by 10% or more in their second year—spend nearly as much on advertising in their second year as they did in their first. Not surprisingly, Breakthrough

**MANY MANUFACTURERS ASSUME A STABLE OR GROWING BUSINESS AFTER YEAR ONE, BUT IN REALITY, SIMPLY COASTING BY ON THE PREVIOUS YEAR’S MOMENTUM RARELY PANS OUT.**

Innovations (the top tier of successful initiatives) tend to take exactly the same approach. However, declining brands—defined as those whose sales decrease by 10% or more in their second year—spend only one-fifth of their first-year media budget in year two. Coincidence? Not likely.

Without sustained marketing support to raise new-product awareness, trial rates begin

to slip in a brand’s second year—and ongoing trial is essential for maintaining sales volume during this time. According to Nielsen’s analysis, brands that grow by 10% or more generate approximately 80% of the trial in their second year as they did in their first year.<sup>17</sup>



**YEAR 2 TO YEAR 1 MEDIA SPEND RATIO:  
Breakthrough Innovation vs. CPG Average**



**THE POWER OF A PLATFORM**

After launching a Breakthrough Innovation, it’s tempting to drop the mic and let events run their natural course. However, smashing successes are hard to come by, so shouldn’t brands make them as big as they can be? To achieve this, marketers must turn to sustaining or “small” innovation, which drives incremental growth and buoys retailer confidence. Sustaining innovation includes adding new flavors, varieties, and package sizes to increase consumption among existing buyers, attract new buyers, and target more usage occasions. On top of that, even Breakthrough Innovations can become old hat after some time, meaning they require maintenance to defend their shelf space and refresh their buyer pools.

For example, Coca-Cola’s Finley, a soft drink developed for adult palettes and one of this year’s winners, used its initial success as a springboard for further growth. The brand later launched new flavors, including mojito, piña colada, and citrus and pomegranate, to address adult consumers’ cravings for new, surprising and sophisticated tastes over time. The brand has also adopted occasion-based marketing campaigns to expand when and where consumers incorporate the product into their lives.

While ascending to Breakthrough heights is no easy feat, remaining there can prove equally challenging. Enduring brands understand the indispensability of “small” innovation for long-term success, *especially* on the heels of a big win.

# CONCLUSION

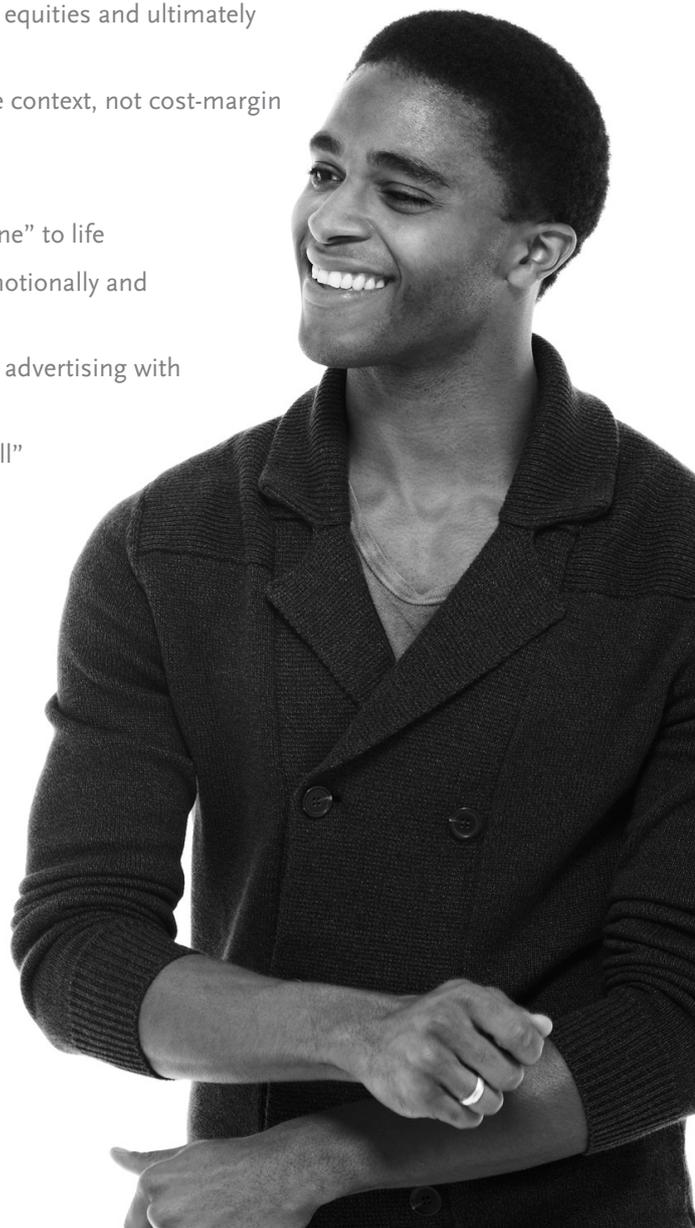
## BREAKTHROUGH INNOVATION REQUIRES IDENTIFYING A FIRST-RATE INNOVATION IDEA

that clearly resolves a circumstance of struggle in consumers' lives—but it also requires transforming a promise into an outstanding product, turning the essence of a great idea inside out for all to see, shouting it from the rooftops, and spurring consumers to action. In short, it requires developing and deploying an innovation with excellence at every stage of the process—and, ideally, in a manner that vitalizes the “job to be done” and sparks a powerful connection in consumers' minds.

Our checklist for developing and deploying winning products includes these elements:

- A package design that grabs attention, conveys the right brand equities and ultimately drives purchase
- Pricing guided by consumer value perceptions and competitive context, not cost-margin calculations
- Strong distribution and retailer partnerships
- In-store execution that drives trial and brings the “job to be done” to life
- Creative execution that resonates with consumers, engages emotionally and forges a strong brand connection
- A holistic advertising strategy that complements traditional TV advertising with digital, and that maximizes the strengths of each channel
- Robust, multiyear marketing support and a road map for “small” innovation

We hope you take the opportunity to see these principles in action by reading the Spotlights from this year's Breakthrough Innovation Award Winners. They provide a unique glimpse into the workings of world-class innovation teams. Perhaps most importantly, though, they remind us that innovation success isn't random; it's a *science* predicated on an inexhaustible willingness to learn (and to fail, when necessary), data-driven insight, flexibility, pluck and persistence.



# WINNER SPOTLIGHTS

SPOTLIGHT #1

**FINLEY**

SPOTLIGHT #2

**COLGATE® DÉFI ZÉRO CARIE**

SPOTLIGHT #3

**GOLD MINE BEER ZHIVOE**

SPOTLIGHT #4

**O'LALA SUFLE**

SPOTLIGHT #5

**AIR WICK® PURE**

SPOTLIGHT #6

**FRUTONYANYA NA PROGULKU**

SPOTLIGHT #7

**AZ COMPLETE**

SPOTLIGHT #8

**SÜT BURGER**

SPOTLIGHT #9

**WHISKAS® DRY CAT FOOD**

## SPOTLIGHT #1

## FINLEY

## DRINKING UP SALES FROM AN UNDERSERVED CONSUMER SEGMENT



“THE STORY OF FINLEY STARTED OUT LIKE THAT of any other brand looking for specific growth opportunities,” recalled Celine Bouvier, marketing director at Coca-Cola France. In recent years, the soft drink category had seen a steady outflow of buyers seeking healthier, more natural options. To identify potential opportunities, the Coca-Cola France team began as all Breakthrough innovators do: by focusing on the consumer—or, in this case, the nonconsumer. Who wasn’t drinking traditional soft drinks, and why exactly?

“We knew from experience that adults drank fewer soft drinks. However, in France the gap was even larger. The consumption of soft drinks was approximately 50% less than in similar markets,” recalled Bouvier. At the time, carbonated soft drinks accounted for only 10% of the beverages consumed by French adults, lagging far behind other non-alcoholic options like coffee and tea.

“We were talking about nonconsumption of a category in which we have true know-how, by an enormous population that is only getting bigger,” said Bouvier. Convinced

“WE WERE TALKING ABOUT NONCONSUMPTION OF A CATEGORY IN WHICH WE HAVE TRUE KNOW-HOW, BY AN ENORMOUS POPULATION THAT IS ONLY GETTING BIGGER.”

that there was some way to tap into this audience, the team dug deeper to understand why these consumers passed over current soft drink offerings.

“We realized that there was a huge gap in the market between consumer needs and the propositions that existed. In our research, we found that adults wanted a sensory experience that was a lot more sophisticated and complex than younger consumers. Moreover, as consumers get older, they desire increasingly more sophisticated experiences.”

“As an example of this, I like to use coffee,” explained Bouvier. “Coffee is not something a child would like. Bitterness is not appreciated when you’re young. However, as you grow older, bitterness is something you seek; it’s an acquired taste that you develop over time. These specific features are important in the taste profiles of adults, but they weren’t being addressed by any existing soft drink offerings.”

In addition to targeting a more mature taste experience, the team also aimed to address adult health concerns. “As we get older, we’re more concerned with our calorie intake. We had to ensure that, in addition to meeting the taste expectations of adults, the product would also meet their health and calorie expectations.”

The team knew that adults are discerning about the origin and quality of ingredients, too. “They pay close attention, and an ingredient that is natural is preferred,” said Bouvier. “So we took these three intrinsic elements—the sophistication in taste, the calorie limit and the proof of naturalness—and began the R&D process.”

“We explored a large number of formulas and tested all of them with adult consumers. Consumer feedback on taste was probably the most important contributor to our success. We knew our product could only succeed if it tasted great—and that’s extremely difficult to achieve,

given the limitations we had on the ingredient profile, calorie count and added sugars, as well as our commitment to health and naturalness.”

“We looked at exotic flavors to create a level of surprise and sophistication. We used lemon and other citrus tastes as the base of our recipes, then we added special ingredients for an interesting twist.” For the carbonation, the team chose to use fine bubbles like those found in champagne, rather than the larger bubbles that are more common in soft drinks. Finer bubbles are more effective at carrying and releasing the drink’s distinctive flavors and aromas.

The resulting product was a fruity, low-calorie carbonated soft drink containing fruit juice, natural flavors, sugar and stevia. Finley was launched in bottles and cans, and the initial flavors included blood orange and grapefruit, lemon and elder blossom, orange and cranberry, and a tonic.

“Once we had our product, we decided on a big launch across all channels to activate the brand and ensure it reached its potential. Some brands start smaller with targeted consumer groups and then gradually expand; however, we decided to go big and bold, so we could position this brand as the leader in the adult soft drink market. We sustained this level of support in year two, and now into year three as well. This investment and commitment are necessary because the level of opportunity is absolutely huge.”

“To raise awareness of the brand, we combined traditional media—TV and outdoor—with digital marketing. We had to create a story that would allow us to apply our uniqueness in a territory that was relevant to adults and that would celebrate adulthood. We decided to select a celebrity who could educate consumers on what the brand is all about and help us increase awareness of the product. The preferred brand ambassador for Finley was

Omar Sy, an actor who is one of the favorite personalities of the French.”

Finley’s digital channel activation included tapping the expertise of online players such as Google, Facebook and Webedia to create engaging, shareable content that would achieve maximum reach. Though the campaigns and stories differed, they all communicated Finley’s core equities of complex tastes, naturalness and sophistication.

Knowing the rising popularity of the cocktail market, the brand also invested in the food service channel with Hotels Restaurants and Canteens (HORECA), and built partnerships with mixologists to develop cocktail recipes featuring Finley.

In stores, the team worked closely with retail partners. “Availability is really the number one criterion to generate trial, and that can be achieved by close collaboration with your customer—the retailer.” As part of its in-store execution, Finley distributed more than 1 million samples. Sampling had the added benefit of ensuring that consumers had a favorable first impression of the product, as it tasted best when served at just the right temperature. “We realized that it is important to have the adults try the product when it is fresh and in a good condition, and when it is served by people who know the intrinsic nature of the product.”

Finley invested heavily in displays, positioning the product near the front of the store, as well as in the refrigerated snacking section to target the lunch crowd. In-store materials were designed with the brand’s elegant, urban look and dark color scheme, and sampling booths evoked a bar-like atmosphere to bring the product’s “adult” essence to life.

“Today we have today reached 60% awareness in the French market—more than double what it was in year one—and penetration of 10%,” said Bouvier. Finley was a highly incremental initiative, with 50% of its sales coming from new buyers. First-year sales topped €7.5 million and jumped 17% to €8.8 million in year two.

Keeping its foot on the gas, Finley has invested in occasion-based marketing to expand when and how consumers think about the brand. Additionally, the product line has grown to include mojito and piña colada flavors. “We have learned that the adult consumer is looking for sophistication and surprise in taste, and that expectation can be met only if the product is renewed over time.”

With 45% growth in 2016, Finley demonstrates how demand-drive innovation can beget big opportunities in some of the most unlikely categories. ■

“WE HAVE LEARNED THAT THE ADULT CONSUMER IS LOOKING FOR SOPHISTICATION AND SURPRISE IN TASTE, AND THAT EXPECTATION CAN BE MET ONLY IF THE PRODUCT IS RENEWED OVER TIME.”

## SPOTLIGHT #2

# COLGATE® DÉFI ZÉRO CARIE

SHAKING UP A COMMODITIZED CATEGORY



SINCE THE INTRODUCTION OF FLUORIDE TOOTHPASTE more than a century ago, the science of cavity fighting hasn't changed much for the average consumer. Scanning dozens of toothpastes in the oral-care aisle, one is likely to assume that—whatever their other differences may be—they are all equally effective at fighting cavities.

“We found that the cavity segment in the market was not strongly investigated and was largely commoditized,” explained Marine Olhagaray, oral care category manager at Colgate-Palmolive France.

Knowing that it would take something big to break through, the Colgate team began by investigating how consumers fundamentally thought about cavities. What assumptions were they operating on, and how did they feel about their current prevention efforts? During the course of this research, the team uncovered a key insight: Consumers believe that cavities are inevitable, and there's little they can do to prevent them. Specifically, they found:

- One in three consumers believe everyone will develop cavities.

- Two in three think cavities are inevitable when one eats sweets and drinks soda.
- And 72% know that they don't do enough to address this problem, but they don't know what else to do; they simply think they have to deal with cavities.

Consumers used toothpaste every day. They knew about cavities—yet there was a gap in consumer needs when it came to addressing the cavity challenge. This insight provided a wakeup call. After all, *shouldn't* toothpaste do more to address cavities?

The introduction of fluoride was a major step in fighting cavities. Being a global leader in the toothpaste category and with the aspiration to make the world cavity-free, Colgate had always been on the forefront of researching new avenues to fight cavities. The development of their

duction of fluorides in toothpastes.”

Colgate's patented Sugar Acid Neutralizer is clinically proven to fight tooth decay in two ways. First, it helps to deactivate sugar acids in plaque *before* they can harm teeth. Second, the inclusion of fluoride and calcium strengthens and re-mineralizes the enamel to help prevent cavity formation. “Our clinically proven formula provides consumers two times more protection against tooth decay than existing standard fluoride toothpastes. This was a huge step forward for us.”

Colgate decided to offer its revolutionary toothpaste in three different flavors: two that appealed to adults and another for children.

It wasn't difficult to convince retailers of the product's

## THE DEVELOPMENT OF COLGATE'S SUGAR ACID NEUTRALIZER TECHNOLOGY PROVED TO BE THE FIRST DEMONSTRABLE IMPROVEMENT OVER FLUORIDE TOOTHPASTE.

Sugar Acid Neutralizer technology proved to be the first demonstrable improvement over fluoride toothpaste.

The Colgate team knew they were onto something big, but they were facing two enormous challenges: First, they needed to develop a revolutionary solution, and then, to encourage adoption, they needed to change how consumers fundamentally thought about cavities. They set to work developing a formula that would live up to the product's future name: Défi Zéro Carie, which means “zero-cavity challenge.”

The development of the Sugar Acid Neutralizer technology was the result of an eight-year effort led by Colgate's global research and development teams. “This was truly a breakthrough innovation in cavity fighting and protection. It is one of our biggest innovations since the intro-

potential. “Our product was priced higher since it offers a superior solution than what existed in the market, so for retailers, that naturally meant an opportunity to get consumers to trade up. This was a way for them to create value in a segment that already had stable penetration.”

Armed with a game-changing product, the Colgate team began the hard work of changing the consumer mindset around cavities; they needed to undercut consumers' long-held assumption that cavities are largely unpreventable. As a result, they focused their communication strategy on education, tapping experts in the dental community and launching a national campaign to reach the masses.

“Our target audience is really broad, so our media campaign was adapted to reach this wider population. We

also used a French local TV presenter, Stéphane Rotenberg, for the launch phase to be the voice of the educational campaign—to really engage with consumers, ask questions and educate them about cavities and the solutions that exist to fight them.” During the three-month plan launched in September 2014, commercials and public health messages were broadcast daily on television. The team complemented these efforts with a strong digital campaign, including an engaging online quiz that helped consumers assess their risk level for cavities and learn how to defend against them.

Additionally, Colgate collaborated with a group of dental and non-dental professionals. “The idea was to disseminate the latest scientific data on cavities among professionals, so they could in turn educate their patients. These experts participated in professional conferences, and we supported them on the development of press releases. They were part of the media campaign that was developed for consumers, advising on everything we were saying to the public regarding cavities.” Colgate also worked with these professionals to develop educational materials that could be distributed through dental offices along with product samples.

“Retailers partnered with us to make this launch a success. Across more than 2,000 stores, we had specific shelf placements, secondary placements, strong point-of-purchase materials, and dedicated in-store promotional events that all drove trial. We were given space to have ‘mini-shops’ in the stores—special boutiques where we displayed the toothpaste, toothbrush and mouthwash.”

To further enhance the product’s visibility, the team settled on an eye-catching purple package that would stand out among the sea of blue, red and white packages that dominate the toothpaste aisle. “We dressed this great formula very attractively with a bold, unique color code. The shape of the package was also different and premium, being a bit shorter than usual.” The product’s strong name also captured consumers’ attention. “This idea was very engaging to consumers—that we could tackle the fight against cavities together. The package, the name of the product and the visual standout on the shelf were key to making this initiative a success.”

Eight weeks after its launch, Défi Zéro Carie had captured a 3.8% market share.

Colgate continued to provide robust marketing support in the product’s second year. They renewed their communications strategy to forge a stronger emotional connection with consumers, in addition to their educational efforts. For example, they launched a TV spot reinforcing the concern that parents have for their children’s long-term health. As a result of this sustained support, Défi Zéro Carie sales grew nearly 10% in year two.

By reexamining decades-old assumptions about what toothpaste can and should do, the Colgate team identified a Breakthrough opportunity. They challenged themselves to deliver more—and taught consumers to expect more—from a category that had changed surprisingly little over the years. And they succeeded, despite the daunting R&D and communications challenges ahead of them. Défi Zéro Carie is a shining example of how Breakthrough Innovations are possible even in commoditized categories. ■

“ THE PACKAGE, THE NAME OF THE PRODUCT AND THE VISUAL STANDOUT ON THE SHELF WERE KEY TO MAKING THIS INITIATIVE A SUCCESS. ”

## SPOTLIGHT #3

## GOLD MINE BEER ZHIVOE

A STRUGGLING BRAND STRIKES GOLD WITH INNOVATIVE PACKAGING



GOLD MINE BEER HAD BEEN GRAPPLING WITH declining sales for more than two years, and its parent company, Efes Rus, had even considered delisting the brand entirely. Needing a slam dunk, the brand team zeroed in on two distinct market trends: the popularity of zhivoe—beer that is unpasteurized and therefore retains a fresher taste and aroma—and PET packaging, which was used for 90% of beer sold in Russia. PET (polyethylene terephthalate) is a type of plastic that is safe, durable, versatile and recyclable.

“The idea was to launch a zhivoe beer using PET packaging that looked more premium,” said a member of the marketing team. Since Russia had banned alcohol

advertising on TV, the team knew that the package design would be essential for driving awareness and trial of the product.

While R&D set to work brewing a perfect zhivoe, the brand team solicited packaging ideas from their creative agency. Initially, they planned to launch a limited-edition design to call more attention to the launch. This would involve a special package to highlight zhivoe’s freshness attributes. The team tested multiple design directions with consumers, including in-person qualitative and online quantitative evaluations, and a clear winner emerged.

“The agency came up with a special cap design resembling a white foam head to make the bottle look like a freshly poured glass of beer. This created a strong association with beer from the tap,” explained a member of the marketing team. Moreover, the design was attention-grabbing, likable and different from any existing beer design in the Russian market.

In addition to package aesthetics, the team experimented with different name alternatives. “We considered a variety of names and ran extensive tests to select the best one. Initially, we wanted an English name to refer to the beer’s non-Russian origin, since the brand and product names should reflect their heritage. We tried different variations of ‘live’ and ‘alive’ to refer to the beer’s freshness, but

spent six months scaling their production capacity.

“During that time, we worked hard to design creative in-store communications. There was a full ban on television beer advertisement in Russia, so this channel was incredibly important. Traditional trade stores presented an additional challenge. They accounted for more than 50% of beer sales, and they tended to place PET packages on the bottom shelves, where they were hard to see,” said a retail insights manager at Efes Rus.

“Since package design and recognition were key to the product’s success, we had to come up with a creative solution to draw attention to the product. We created big arrows that were placed on the floor with a phrase that

## THE DESIGN WAS ATTENTION-GRABBING, LIKABLE AND DIFFERENT FROM ANY EXISTING BEER DESIGN IN THE RUSSIAN MARKET.

our tests told us that English names did not, in fact, have a strong impact on consumer perceptions. In the end, we settled on Gold Mine Beer Zhivoe.”

Next, the team needed to bring the packaging to life. Creating the special cap would, unfortunately, require new manufacturing resources—which would require an additional investment. Nevertheless, committed to their innovative packaging approach, the team gained the necessary buy-in from senior management and adapted the existing manufacturing process to accommodate the design.

Gold Mine Beer perfected the product through taste tests and made small adjustments to the formulation and positioning. “Based on the final concept, the recipe of the beer changed. We created it with shorter terms of use to ensure that consumers really understood it was zhivoe.”

In October 2013, Gold Mine Beer’s Zhivoe was launched. “We had tough distribution targets, but we reached them. The product was so innovative and well-appreciated by consumers that retailers started to ask for it proactively.” In fact, Gold Mine Beer underestimated demand for the product. Initially, their supplier couldn’t produce the special caps at the rate they needed, and the brand

translates roughly to ‘snag faster!’ In Russian, there’s wordplay because *zhivee*—which, of course, is very close to *zhivoe*—means ‘faster,’” explained a team member.

During the first six months of the launch, Gold Mine Beer regained all the market share it had lost during the previous two years. Moreover, the product sustained high trial rates throughout its entire first year—an unusual occurrence for beer launches in the Russian market, which typically witness a plateau after three to six months. In the end, first-year sales exceeded €8 million.

Gold Mine Beer’s story attests to the incredible power of package design. Its standout appearance helped close the awareness gap created by Russia’s advertising ban. Moreover, its “just poured” design perfectly manifests the brand’s core freshness benefit, forging a more visceral connection with consumers and evoking a premium, bar-like atmosphere. In fact, the packaging was so successful that it became the default design for Gold Mine Beer Zhivoe rather than a limited edition, as was originally intended. In 2014, the design won a Gold Pentaward, an accolade that recognizes excellence in creative packaging worldwide. ■

## SPOTLIGHT #4

## O'LALA SUFLE

SPOONING UP SUCCESS BY THINKING OUTSIDE THE CATEGORY



AS A MAJOR SWEETS MANUFACTURER IN TURKEY, pladis knew that delivering a big win in the cake category certainly wouldn't be a cakewalk. "The category wasn't profitable," recalled Nihal Gül, marketing director of biscuits and cakes at pladis Turkey. "Consumers aren't willing to pay for a cake they can make for much less at home. This is a challenge that the whole category faces. It was clear we had to create a truly new innovation—one that would break traditional category constraints and justify a premium price point."

Pladis' marketing team began by examining the existing cake market. "The alternatives to cakes were not limited to packed cakes available in grocery stores, but included a variety of desserts and sweets that could be made at home or bought at a patisserie," said Gül. "We were really looking across categories and situations. This is important to understand because it allowed us to consider a broader set of insights into what consumers enjoy and how they consume."

"We looked at a number of different cake-like formats, including soufflés and cupcakes," continued Gül. "We realized through our research that soufflés are perceived as the most premium. They are the most difficult to make at home, they contain expensive ingredients, and they are viewed as very indulgent. We also realized that, because it is a lesser-known pastry in Turkey, consumers had more flexible ideas about what makes a good soufflé."

Once the team had settled on a soufflé format, they tailored their value proposition to appeal to "pleasure seekers" between the ages of 18 and 35. "These consumers take indulgence seriously. They have the enthusiasm and energy to enjoy life and are willing to pay more. They are in the most carefree stage of their lives; they find pleasure in social interactions and in treating themselves occasionally. Pleasure seekers also tend to cross categories freely in order to meet their indulgence needs."

"Previously, pleasure seekers tended to visit coffee chains or patisseries to treat themselves for gourmet coffee and cake. However, there are time and cost barriers associated with this. We realized that this could be our big differentiator. The 'patisserie-like experience'—anytime, anywhere—is something that no other confectionary brand was offering to consumers."

"This approach was new for us, so it was crucial to create a new brand—one that was relevant to the soufflé format and the premium experience. We defined our playground as 'patisserie moments,' allowing consumers to create an indulgent moment whenever and wherever they happened to be."

Armed with a promising concept, the team set about translating this into an actual product—a process that was not without some R&D challenges. "We made a conscious decision to make this a shelf-stable product that didn't require refrigeration. There were a couple

of reasons for this. First, we wanted the product to be easy to transport and consume on the go. Second, in Europe, consumers know that soufflés are heated before consumption, but this isn't the case in Turkey, where awareness of the format is low. Additionally, microwave penetration is not very high in Turkey, and we didn't want this to be a purchase barrier."

In the end, pladis' O'lala Sufle would be the first ambient packed soufflé format in the world, the first portion-sized cake consumed with a spoon, and the first portion-sized cake that could be heated in an oven.

Next, the team focused their efforts on package design. "We discovered that including a spoon alongside the cup brings the soufflé idea to life; without this, the product

would be perceived as just another cake. So the packaging was enhancing the soufflé experience and bolstering premium perceptions."

The inclusion of the spoon provided unexpected benefits as well. "After the launch, we realized the product made a great addition to packed school lunches. We hadn't

thought of this initially, but the spoon adds a lot to the convenience of the product. Additionally, we found that the product captured some demand from 'spoonable' desserts such as pudding, so including this accessory added a lot to the value proposition."

For the outer package, O'lala settled on a distinctive purple color scheme and a mouthwatering image of a soufflé overflowing with liquid chocolate. "We learned that packaging can make or break perceptions. In O'lala's case, it was instrumental for the success of the launch," reflected Gül.

In 2014, pladis Turkey launched the O'lala Sufle. In addition to this format, they rounded out the line with two other options—a bar and muffin cake—to compete

“THE ‘PATISSERIE-LIKE EXPERIENCE’—ANYTIME, ANYWHERE—IS SOMETHING THAT NO OTHER CONFECTIONARY BRAND WAS OFFERING TO CONSUMERS.”

tactically at a price point where competitors were having considerable success.

The next step was to decide on a distribution strategy. “We could have decided to make this a niche product and focus on selling it only in urban areas. As mentioned, awareness of the soufflé format was low in Turkey, and it was a premium offering, so this route might have made sense. However, we decided to launch the product broadly. We believed that the soufflé format would catch on, given its strong chocolate appeal.”

“Our sales team did face an initial challenge when bringing the product to retailers; they were concerned that price would be a barrier. However, the push became easy when we started to see some momentum in market. The

“BEING ON SOCIAL MEDIA ALLOWED US TO INTERACT WITH CONSUMERS AND EXPLAIN ... DIFFERENT CONSUMPTION OCCASIONS AND EVEN PRESENTATION IDEAS WITH SMALL AND PRACTICAL TOUCHES.”

first couple of months showed the strong potential of this initiative, and retailers liked that the product delivered larger margins than many competing offerings.”

O'lala's launch messaging focused on generating awareness for the brand and the soufflé format, and rapidly driving trial. “Our communications strategy for O'lala was also highly differentiated from that of existing brands. We showed vibrant, cheerful people indulging in a social context. We aired the campaign on TV and radio, and we used this concept in our outdoor advertising as well.”

O'lala's activation plan also included a robust digital component. “We're aware of digital's high potential and the increasing second-screen usage among our target

audience. Being on social media allowed us to interact with consumers and explain more about the concept of O'lala Sufle, including different consumption occasions and even presentation ideas with small and practical touches.”

“Specifically, Instagram was a trending social media platform in 2014, when we launched, so we tailored our content and campaigns for this channel. For example, we prepared 12 short O'lala videos evoking summer associations and displaying different usage occasions. By the end of the month, we had a nice, big ‘Summertime Pleasure With O'lala’ series on our Instagram page.” O'lala also leveraged Facebook, soliciting user-generated content to raise awareness of various on-the-go consumption occasions. In this way, the brand reinforced its core messaging around “anytime, anywhere” patisserie moments.

“To support our media efforts, we had strong in-store visibility, driven by eye-catching displays and sampling programs. We also had special placement in the ice-cream aisle, since soufflés are often eaten together with ice cream.”

Additionally, O'lala partnered with restaurant chains. Throughout 2015, 270 McDonald's locations across Turkey offered the soufflé on their dessert menu and served it with their ice cream. This provided a big bump in awareness and trial for O'lala.

In its first year, O'lala Sufle generated more than €5 million in sales and helped to expand the cake segment—affirming that Breakthrough Innovations frequently win big by defying established category definitions. Brand awareness skyrocketed to 59%, and trial reached 25%.

“Two years into the journey, we can look back with pride. O'lala has become the third most highly valued brand in the pladis Turkey cake portfolio. In addition to generating impressive business results, O'lala's Sufle won the Superior Taste Award from the International Taste and Quality Institute in Belgium, bringing the product recognition throughout the world,” said Gül. ■

## SPOTLIGHT #5

## AIR WICK® PURE

A DEMAND-DRIVEN INSIGHT SAVES THE SPRAY



IF THERE IS ONE QUALITY THAT ALL BREAKTHROUGH Innovations embody, it's a laser-like focus on addressing a real consumer need—even when that means pursuing a completely different course than expected.

The Air Wick team began by making a logical assumption: Consumers purchase air fresheners to mask odors, so longer-lasting fragrances would be a ripe opportunity space. They developed a concept around the idea of “fragrance longevity” and a more concentrated product that could deliver on this benefit. However, when they began

testing with consumers, their Nielsen forecast revealed that they weren't meeting the necessary requirements for launch.

Undeterred by this bad news, the team dug deeper and discovered something surprising: Consumers valued a specific benefit their product offered, but it wasn't longer-lasting fragrance; it was one that the team had completely overlooked. As it happens, consumers loved that the product didn't wet surfaces. This “feature” was actually a by-product of how the formula had been devel-

“CONSUMERS VALUED A SPECIFIC BENEFIT THEIR PRODUCT OFFERED, BUT IT WASN'T LONGER-LASTING FRAGRANCE; IT WAS ONE THAT THE TEAM HAD COMPLETELY OVERLOOKED.”

oped. It contained no added water, so it dispersed immediately into the air without settling on furniture, clothing or skin. This benefit resolved a key frustration in the life of consumers by providing “fragrance without fallout.”

The team knew then that the product held promise. Despite this, it *had* failed in testing, and senior stakeholders would need to be convinced of the initiative’s merit. Certain that their value proposition was at fault, the team aligned their positioning to the newly uncovered benefit. They chose the name Pure to suggest that the product allowed consumers to enjoy just the fragrance, without the hassle of water fallout. Convinced that this repositioning had strong potential, senior management aligned to move forward and test Pure on French and Benelux markets.

Next, the team brought the “pure” concept to life through package design. The cleanly designed bottle sports a simple claim: an aerosol without the wet spray. To ensure that the package would stand out on the shelf, they chose vibrant colors—a different one for each scent—and featured the Air Wick logo prominently.

Retailers immediately saw the value of Pure. The concept was elegant in its simplicity, and the product delivered. Additionally, Pure could command a price point 20% above competitive offerings. In 2014, Air Wick launched three varieties of Pure in French hypermarkets and supermarkets.

With the help of their advertising agency, the team developed a clear message that didn’t attempt to create an emotional connection or emphasize the fragrance quality; instead, it focused on the struggle that Pure resolves for consumers. The TV spot included a demonstration

wherein two products—Pure and a traditional “wet” air freshener—were sprayed on paintings of a smiley face, but only the traditional aerosol smeared the image. This comparison was so simple and effective that the team used the same imagery for its in-store displays.

To complement these efforts, Air Wick offered promotions until trial was established, at which point it progressively reduced the level of promotions. Notably, as discounts became scarce, Pure suffered no declines in market share—affirming that the product performs a unique “job” in consumers’ lives.

Over time, the team optimized their activation plan. Observing that TV was a particularly effective medium for this launch—in fact, sales doubled every time they ran a campaign—they decided to increase their TV investment. Additionally, they targeted younger audiences through online video advertisements.

Pure proved to be a highly incremental initiative, growing the category by 6.3% in its first year. To sustain launch momentum in year two, Air Wick maintained the year-one level of media spending. They also launched three new fragrances. Impressively, Pure saw more than a 20% sales increase in its second year.

The Air Wick team’s journey is a testament to the power of demand-driven innovation, and a reminder that smashing successes are rarely first attempts. Breakthrough Innovators know that a roadblock isn’t the *end* of the road—it’s just another learning opportunity. ■

## SPOTLIGHT #6

FRUTONYANYA NA  
PROGULKUEXPANDING A BRAND'S TARGET AUDIENCE  
THROUGH PACKAGING INNOVATION

FRUTONYANYA, A TRUSTED BRAND OF BABY FOOD in Russia, had developed a portfolio of successful fruit and vegetable puree products—but as with all products targeted to children within a limited age range, their end consumers eventually aged out of the brand. To extend the life cycle of the brand, the FrutoNyanya team began looking for ways to win with slightly older children.

The team investigated what older children eat, how they eat it, and where they eat it. “Feeding a child outdoors

can be difficult for a mother. A glass jar is heavy and inconvenient to take along. As a result, many mothers turn to juice, which comes in a Tetra Pak with a straw—but that’s not always enough,” said Anna Ivanova, marketing director at FrutoNyanya. “A child can spend a lot of time outdoors, and something more substantial is often required. Other portable alternatives include cookies, biscuits and other snacks that are less healthy than fruit.”

The team also considered the life stages of a toddler’s

eating habits, zeroing in on the transition from being fed to feeding oneself. This was a critical insight: Older children don't want to be fed.

Given this knowledge and mothers' desire for convenience, FrutoNyanya chose a Gualapack—a spouted pouch—for its packaging, which allows children to easily feed themselves. The format was also driven strongly by out-of-home convenience. “It's why we used the claim *na progulku*, which means *on the go*. The package is lightweight, robust and easy to take along. Moreover, it's hygienic. A child's hands are usually dirty, and it's not always possible to wash them before they snack. Our package allows the child to touch *only* the package, not the food inside,” explained Ivanova.

With the package format decided, the team began to adapt the formulation to suit older children's tastes. “In the puree segment, different flavors are preferred by children of different ages. Mothers of smaller children tend to choose simple flavors like apple and pear. On the other hand, children older than one year appreciate slightly more complex tastes, so we developed a range that would appeal to these children.” The FrutoNyanya Na Progulku line includes flavors such as “pureed apples and apricots with cream” and “pureed apples and bananas with cottage cheese.”

In addition to being tasty, FrutoNyanya Na Progulku was designed to be healthy—it's made from fruit and nutritious dairy-based ingredients, and it packs a good dose of vitamins.

“The product and the positioning evolved nicely,” Ivanova continued. “We realized that a child's ability to feed herself is very inspiring. A mother feels gratified as she watches her child grow and acquire new skills, such as eating a snack without assistance, and the child feels a sense of pride at the achievement. We developed our communications platform around this idea: the joy of joint discoveries.”

Taking this idea even further, the team explored how packaging could not only bestow comfort and confidence, but also help children to develop motor skills. They added colorful toy lids to the packages that could be

collected and stacked like blocks. “We talked extensively about how the packaging helps children develop motor skills in our communications on TV and digital, as well as with the media. This worked really well for us. While the toy wasn't necessarily a purchase driver, it was a value-add to consumers and a competitive differentiator. Mothers felt very positively about it.”

FrutoNyanya Na Progulku rapidly gained momentum with consumers. In its second year, the product generated nearly 2.5 times its first-year sales—a truly remarkable feat. “While we retained our existing customers—smaller

“ WE REALIZED THAT A CHILD'S ABILITY TO FEED HERSELF IS VERY INSPIRING [FOR BOTH MOTHER AND CHILD]. WE DEVELOPED OUR COMMUNICATIONS PLATFORM AROUND THIS IDEA: THE JOY OF JOINT DISCOVERIES. ”

children who do not require a Gualapack—the new line proved largely incremental to the brand. We were able to bring older children into the category by offering a healthy, tasty, on-the-go snack that was tailored for this new demographic.”

“Looking back on the initiative, it's worth noting that launching a new product always involves risk. Success is never guaranteed, but the risks can be minimized if we have a strong consumer insight that gets carried through everything we do—from product development to packaging to in-store execution,” concluded Ivanova.

FrutoNyanya Na Progulku demonstrates, quite literally, that Breakthrough Innovations come in all shapes and sizes. Any number of paths can lead to winning product—from a new packaging format, as in FrutoNyanya's case, to a cutting-edge technological advancement—so long as they all begin with an unmet consumer need. ■

## SPOTLIGHT #7

## AZ COMPLETE

BREAKTHROUGH ACTIVATION MAKES ALL THE DIFFERENCE



MANY ORAL CARE BRANDS ASPIRE TO IMPROVE the oral health of consumers, and Procter & Gamble's AZ is no exception. The AZ team conducted an assessment to learn more about consumer habits, including gaps in their current oral care routines. They found that, while people brush their teeth and care about oral health, many consumers were skipping steps—such as flossing and rinsing with mouthwash—that are essential to a good oral care regimen. Consumers felt these additional steps were time-consuming and that they added unnecessary

hassle to one's daily routine.

Moreover, most stores don't shelve other dental care products such as mouthwash right next to toothpaste, making them easy for consumers to pass over. Additionally, consumers feel that these "extra" products take up precious real estate in their bathroom cabinets.

Thus, existing offerings forced consumers to make a trade-off: either skip important steps in the oral care rou-

tine or suffer the inconvenience of purchasing and using multiple products. The end result was that many consumers in Europe—and Italy specifically—were passing over key opportunities to improve their oral health.

The team at Procter & Gamble immediately saw an opportunity to resolve this struggle for consumers by addressing two steps—brushing and rinsing—with a single product. A two-in-one toothpaste-plus-mouthwash offering would deliver both cavity protection and freshness.

While a few similar products existed in the Italian market, they targeted a niche audience and weren't broadly

cluding positioning, package design, in-store execution and promotions.

In particular, the team had initially struggled to communicate the product's core “two-in-one” benefit in a way that clicked with consumers and recalled the core struggle they were experiencing in their daily routines. While the concept was simple and relevant, the execution could easily become too complex.

Package design became an important vehicle for conveying the product's central benefit and shaping consumers' value perceptions. The package needed to visually com-

## THE TEAM KNEW THAT LAUNCHING A COMBINATION PRODUCT WITH A SUPERIOR PRODUCT EXPERIENCE, STRONG VALUE PROPOSITION AND MASS-MARKET REACH PRESENTED A SIGNIFICANT OPPORTUNITY TO ATTRACT BUYERS.

adopted. The team knew that launching a combination product with with a superior product experience, strong value proposition and mass-market reach presented a significant opportunity to attract buyers.

The team commenced their product development efforts, eventually dubbing the product AZ Complete. It passed its product tests with flying colors; consumers absolutely loved it. However, when the initiative launched in 2011, the in-market results were underwhelming.

Convinced that the innovation fundamentally addressed an unmet consumer need, the team began retooling its entire activation plan to drive more consumers to try the product. While one might assume a new plan would require a significantly inflated marketing budget, this wasn't the case. Instead, the team reallocated the existing budget more strategically, with a focus on maximizing effectiveness across all consumer touchpoints—in-

communicate that the product was a single paste combining both mouthwash and traditional toothpaste. Ideally, it would also signal to consumers that the product could help recreate the sensory experience that results from using both toothpaste and mouthwash separately.

The team explored multiple design directions and relied on objective consumer feedback to guide their final decision. The winning design displayed a very clear graphic of white, sparkling toothpaste and mouthwash swirling together into an AZ Complete tube. With the help of this visual, consumers immediately understood the product and the premium benefits it delivered.

In 2014, Procter & Gamble launched its restage of the original AZ Complete product. This time, they put greater emphasis on in-store execution to drive awareness and trial. New messaging focused on the product's core benefits and ensured that the brand assets were consistent

across all retailers and other marketing channels. In fact, the team credits this relentless consistency across all communication channels with being a major driver of the initiative's eventual success.

Reflecting on the launch, the team also emphasized the critical role of cross-functional collaboration throughout the entire innovation process—from ideation, to product development, to in-market activation. By involving marketing, sales and R&D early in the process, the team ensured that the core consumer insight informed every step of the journey.

The team also learned that, while having a product that addresses an unmet consumer need is an important foundational step, in-market execution is critical for ensuring that the consumer understands the proposition when making shopping decisions and that the shopping experience itself is easy.

Generating €9.5 million in sales during 2014, AZ Complete proves that even great products need a strong, strategic push to succeed in market. ■

WHILE HAVING A  
PRODUCT THAT  
ADDRESSES AN UNMET  
CONSUMER NEED  
IS AN IMPORTANT  
FOUNDATIONAL  
STEP, IN-MARKET  
EXECUTION IS CRITICAL  
FOR ENSURING THAT  
THE CONSUMER  
UNDERSTANDS THE  
PROPOSITION WHEN  
MAKING SHOPPING  
DECISIONS.

## SPOTLIGHT #8

## SÜT BURGER

EXPANDING A CATEGORY WITH COOL SNACKS



ETI IS ONE OF THE LEADING MANUFACTURING companies across Turkish snacking categories. However, by 2012, it had yet to make its debut in the refrigerated snacking category, a corner of the market valued at approximately €40 million—and dominated by a single player that focused on sweet treats for children.

Wanting to claim a piece of the pie, the Eti team began by understanding how consumers think about the cold-snacking category. “We analyzed the behaviors and opinions of two different target audiences: mothers and

kids in the four to ten year-old age range,” explained members of the marketing team. “We discovered that the actual consumers—the children—do not typically search for snacks in the refrigerator at home; to them, it’s a boring place. Instead, they search for snacks either in the confectionary drawer or in the freezer.”

“On the other hand, mothers seek healthy, natural snacks for their kids. Refrigerated snacks are preferred because they typically meet these criteria—they use natural ingredients such as milk and honey, they are less likely to

## SPOTLIGHT #8 | SÜT BURGER

contain additives or preservatives, and they often contain more nutrients than snacks found in other areas of the store.” (Think yogurt, cheese and milk.)

“When we considered those two target audiences, the challenge was to create a brand and product that speaks to both mothers and kids simultaneously. Mothers are very sensitive about their children’s nutrition. Any kids’ brand that isn’t mom-approved won’t last long in the market. Our brand needed to address a mother’s desire for healthy fare and a child’s desire for great taste and a fun experience.”

Through extensive research, Eti concluded that mothers view cakes more favorably than other snack options, and they appreciate the health benefits of drinking milk and consuming preservative-free foods. In fact, the team

name, shape, eating experience, packaging and so on. The team knew this would drive kids to request the new snack from their mothers.

“We found the inspiration right from the kids’ daily lives. Every child loves to eat burgers, so we applied the burger shape to this product.” The team dubbed it the Süt Burger, which translates as “milk burger.” The burger concept and the playful, attention-grabbing packaging they developed helped to differentiate the product from competitive offerings already in the market.

While the development and deployment of Süt Burger was ultimately successful, Eti’s debut in the refrigerated snacking category required overcoming some new challenges. The R&D team had never created a refrigerated product, and Eti didn’t have the infrastructure to

## AS BREAKTHROUGH INNOVATORS DO, ETI ADAPTED ITS PROCESS TO FIT THE INNOVATION, INSTEAD OF FORCING THE INNOVATION TO WORK WITHIN THE PARAMETERS OF ITS EXISTING CAPABILITIES.

discovered that it would not be possible to exclude milk from the formulation, given how positively mothers feel about it.

Unsurprisingly, children love eating cold snacks. The team also discovered that children love eating pancakes, which are a breakfast favorite. As a result, they landed on the idea of a milk cream sandwiched between two soft layers made from pancakes—setting it apart from existing foods, which are made from cakes.

In their messaging, existing brands tended to put more weight on marketing to mothers, and the team saw this as a differentiation opportunity; they needed to fully engage children in a way that was fun and that mothers couldn’t deny. After all, the product’s success would depend on earning the approval of *both* kids and mothers. To get their young audience excited, the team aimed to create a new brand that would exude fun in all respects—

distribute cold snacks. As Breakthrough Innovators do, Eti adapted its process to fit the innovation, instead of forcing the innovation to work within the parameters of its existing capabilities. That is, rather than abandoning the pursuit of a refrigerated product, they established a new distribution system, including an investment in refrigerated vehicles.

“Next, to show consumers that Eti was entering the refrigerated snacking market, we focused on intense in-store communication aimed at both mothers and children. During the first eight weeks of launch, we had a strong presence in 115 stores, where samples were given to more than 100,000 individuals and prizes were distributed to more than 13,000 children. Those efforts drove sales of more than 37,700 units. This earned us an award for Best Promotional Marketing from the Direct Marketing Association.”

Alongside their in-store efforts, Eti invested in TV and outdoor advertising, as well as media relations. Their messaging focused on the concept of “milk-full entertainment”—the convergence of healthfulness and fun—while also reminding consumers that Süt Burger could be found in the refrigerated section of stores. For example, their TV advertisements featured an excited child searching countertops and kitchen cabinets for a Süt Burger until his mother directed him to the refrigerator. For outdoor advertising, they adopted the tagline “New taste from Eti in the refrigerator.”

Sales of Süt Burger grew by nearly 50% in its second year. In 2015, Süt Burger won Golden Effie Awards in Turkey for Best Launch and Best Refrigerated Snack. Additionally, Süt Burger expanded the Turkish cold snacking category by 37%—a large increase for a newly established market where consumption was low.\*

“While we were enlarging the market, new entrants emerged, and existing competitors amped up their communications, in-store support and promotional activities. Despite this, Eti succeeded in sourcing both value and volume share from established players.” Eti credits the uniqueness of Süt Burger for its resilience. “We’re differentiated from competitors in three important areas: the shape of the product, the fun packaging and the positioning of the product with equal emphasis on both mothers and children.”

Süt Burger’s story reminds innovators that Breakthrough wins require going “all in”—fully committing to an initiative and its driving insight, even when that means rejiggering established processes, acquiring new R&D capabilities or making new investments in manufacturing and distribution. ■

“WE’RE  
DIFFERENTIATED  
FROM COMPETITORS  
IN THREE IMPORTANT  
AREAS: THE SHAPE OF  
THE PRODUCT, THE  
FUN PACKAGING AND  
THE POSITIONING OF  
THE PRODUCT WITH  
EQUAL EMPHASIS ON  
BOTH MOTHERS AND  
CHILDREN.”

\*The cold snacking category is defined here as refrigerated cakes.

## SPOTLIGHT #9

## WHISKAS® DRY CAT FOOD

BUILDING A BETTER WORLD FOR PETS DELIVERS  
A BIG WIN FOR MARS PETCARE



WHILE IT'S EASY TO REASON THAT BREAKTHROUGH Innovations aren't possible in fixed-consumption categories such as pet food, Whiskas is one more in a long line of success stories that prove otherwise.

In 2013, Mars Petcare began looking for new ways to grow the Whiskas brand and reinforce its stronghold in the pet food category. They observed that while pet parents care deeply for their animals, many pets still aren't receiving the right nutrients at each life stage.

"Approximately 50% of the cats in the United Kingdom are more than 7 years old. They need a completely different nutritional profile than cats that are 1 to 7 years of age. Likewise, kittens have their own unique nutritional needs," explained Gina Head, senior brand manager at Mars Petcare. "At Mars, everything we do is about making a better world for pets. To do that, we have to deliver the right nutrition at every age."

Building off the success of Whiskas' wet pouch product, the team applied some of the same technology to a dry

offering. “The new dry food product—focused on providing the right nutrition at every age, and labeled with that goal in mind—was not something that existed in the market,” she said.

In addition to providing age-appropriate nutrition, tastiness was a top priority for R&D. “Feeding time is really the key moment of connection between cats and their owners—consumers really value that time, and they want to see that their cats love their food. This is why enjoyment played such a critical part in our value proposition.”

“Once we had identified those key insights, we started with a ground-up approach. We made sure that the product was 100% complete and balanced, and that the nutrition was right for every age. For younger cats, whose digestive systems are still developing, we made smaller kibbles that could safely get through their mouths and digestive tracts. For senior cats, we created a different kibble that could be more easily digested. Little things like that make a real difference to a cat’s happiness and longevity. Lastly, to make it tasty, we made the kibbles crunchy on the outside and smooth on the inside—a very enjoyable feature for cats.”

Next, the team tackled package design, eventually settling on a direction that was a bold departure from existing Whiskas products. “The new package is quite modern compared with where we were, with more vibrant colors, larger fonts, a brighter food shot and a larger cat image. We’re the most trusted pet food brand, so we retained the most distinctive parts of our packaging—our colors and the Whiskas logo. By ensuring that the new package conveys our key equity of trustworthiness, we were able to retain our old customers while also bringing in new buyers, thereby achieving incremental growth.”

The new package design also brought the initiative’s key insight to life, ensuring consumers would select the ideal food variety for their cat’s age range. “At first, we had the word *senior* written on the pack, but we changed this to 7+ to clearly indicate the target age range and to avoid the negative connotation of the word *senior*. Likewise, for kittens, we indicated the age range as *6 to 12 months* on the package. Many pet owners think kittens reach maturity at 6 months, but we know through research that

“THE NEW DRY FOOD PRODUCT—FOCUSED ON PROVIDING THE RIGHT NUTRITION AT EVERY AGE, AND LABELED WITH THAT GOAL IN MIND—WAS NOT SOMETHING THAT EXISTED IN THE MARKET.”

## SPOTLIGHT #9 | WHISKAS® DRY CAT FOOD

this does not happen until 12 months. So if you switch to adult food too early, they don't get enough calcium to help build healthy and strong bones. It may sound simple, but in the split second when consumers make that decision about which food to buy for their pet, it really makes a difference."

"The next step really was to consider how we would bring this insight to life. How would we execute this in the market? We started with a TV advertisement, which was new territory for us in the U.K. dry pet food category. It was important to go broad and educate consumers, and to demonstrate that cats really enjoy this product. This was very impactful."

"We also backed this up with sampling to help bring new shoppers into the brand. We delivered over 2 million samples to cat-owning households in the U.K. so that people could see firsthand how much their cats liked it, then go to the store to purchase it themselves. To build on the momentum of our direct-to-home sampling, we also offered coupons to customers through retailers."

The team complemented this effort with robust in-store communication, including displays and signage telling consumers where to find the product. "We made sure we were available in all the hot spots in stores—on the right shelves and in high-visibility places. We also ensured that all our e-commerce channels had the same support as the brick-and-mortar stores."

Whiskas Dry Cat Food not only addressed an unmet consumer need, but also elevated the role of executional "details" such as package design to bring its core insight to life. Time and again, Breakthrough Innovations like Whiskas demonstrate that the devil is in the details—and that successful innovation is a science. ■

“IT MAY SOUND SIMPLE, BUT IN THE SPLIT SECOND WHEN CONSUMERS MAKE THAT DECISION ABOUT WHICH FOOD TO BUY FOR THEIR PET, IT REALLY MAKES A DIFFERENCE.”

Learn more about the Breakthrough Innovation initiative at [www.nielsen.com/breakthrough](http://www.nielsen.com/breakthrough).  
Explore more content on a variety of innovation topics at [www.nielsen.com/innovation](http://www.nielsen.com/innovation).

## SPECIAL THANKS TO THE 2016 NIELSEN BREAKTHROUGH INNOVATION PROJECT TEAM

Every year, production of a world-class Breakthrough Innovation Report requires the tireless dedication of a small army working together against tight deadlines—all in addition to their day jobs. The authors would like to extend special thanks to Kim Gaskins, Marcin Penconek, Andrew Flavin, Zehra Ball, Gaurav Saharan, Arunas Trakimas, Claire Redel, Maria Galkina, Grigory Maslovskiy, Guillaume Biojout, Shital Mistry and Courtney Gaynier.

## FOOTNOTES

1. Based on an analysis of more than 600 launches in 27 countries from 2005 to 2010.
2. Nielsen, "Packaging Sells," 2015.
3. Nielsen Global Innovation Survey, 2015.
4. Nielsen, "2015 Breakthrough Innovation Report, Europe Edition," December 2015.
5. Nielsen State of Package Design Industry Survey, 2016.
6. Nielsen, "Packaging Sells," 2015.
7. Nielsen State of Package Design Industry Survey, 2016.
8. Nielsen, "Packaging Sells," 2015.
9. Byron Sharp, "How Brands Grow: What Marketers Don't Know" (South Melbourne, Australia: Oxford University Press, 2010).
10. Nielsen, "2016 Breakthrough Innovation Report, U.S. Edition," June 2016.
11. Nielsen, "2016 Breakthrough Innovation Report, U.S. Edition," June 2016.
12. Nielsen Global Trust in Advertising Survey, Q1 2015.
13. David Brandt, "Emotions Give a Lift to Advertising," Nielsen, January 2016.
14. Randall Beard, "Uncommon Sense: The Case for Resonance," Nielsen, April 23, 2015.
15. Nielsen, "2015 Breakthrough Innovation Report, U.S. Edition," June 2015.
16. Nielsen, "Nurturing Innovation: How to Succeed in Years Two and Three," June 2015.
17. Based on a representative subsample of 50 launches from among 300 U.S. product launches.

## DISCLAIMER

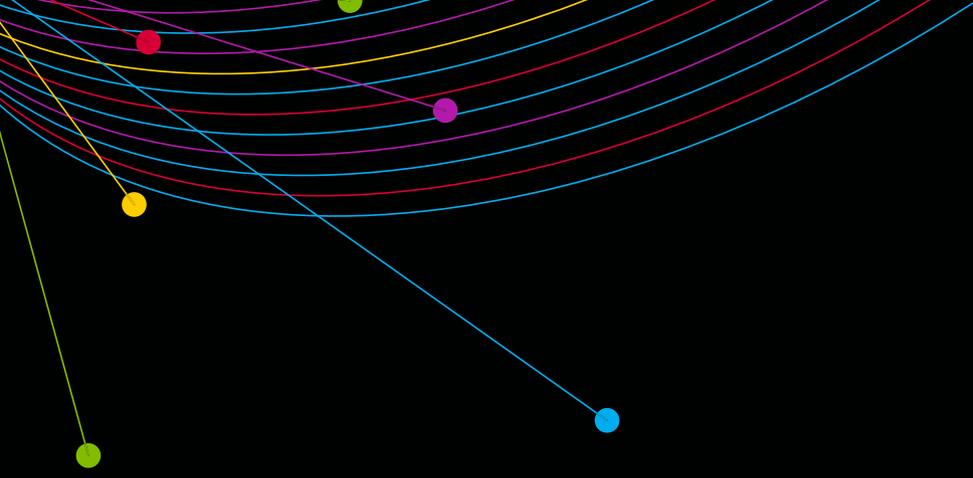
The information contained in this report is based on compilations and/or estimates representing Nielsen's opinion based on its analysis of data and other information, including data from sample households and/or other sources that may not be under Nielsen's control. Nielsen shall not be liable for any use of or reliance on the information contained in this report.

## ABOUT NIELSEN

Nielsen Holdings plc (NYSE: NLSN) is a global performance management company that provides a comprehensive understanding of what consumers watch and buy. Nielsen's Watch segment provides media and advertising clients with Total Audience measurement services for all devices on which content — video, audio and text — is consumed. The Buy segment offers consumer packaged goods manufacturers and retailers the industry's only global view of retail performance measurement. By integrating information from its Watch and Buy segments and other data sources, Nielsen also provides its clients with analytics that help improve performance. Nielsen, an S&P 500 company, has operations in over 100 countries, covering more than 90% of the world's population.

For more information, visit [www.nielsen.com](http://www.nielsen.com).

Copyright © 2016 The Nielsen Company. All rights reserved. Nielsen and the Nielsen logo are trademarks or registered trademarks of CZT/ACN Trademarks, L.L.C. Other product and service names are trademarks or registered trademarks of their respective companies.



nielsen  
.....

AN UNCOMMON SENSE  
OF THE CONSUMER™