

News Release

Nielsen analysis of 8,500+ FMCG launches reveals just 18 'breakthrough' innovation successes

Report reveals the DNA of the most successful product launches in Europe in the last two years – showing that innovation is a science, not down to luck

London, 3 December 2015. Nivea, Robinsons, Strongbow, Vanish and Volvic are among a select group of brands to have successfully launched products classed as 'breakthrough innovation winners' this year – according to Nielsen's *2015 Breakthrough Innovation Report*, which analysed 8,650 FMCG product launches – nearly 24,500 new SKUs – across Western Europe.

To be classed a breakthrough innovation winner, product launches had to meet three criteria: deliver a new proposition (not just a refinement); generate at least £10/€10 million sales in their first year of trading; and maintain at least 90% of their sales in the second year. Only 18 product launches did.

The Breakthrough Innovation Winners for 2015 are:

- Ariel: 3-In-1 Pods (detergent)
- Cadbury: Dairy Milk Marvellous Creations (chocolate)
- Die Limo: Von Granini (beverage)
- Dompé: (headache remedy)
- Garnier: Fructis Schadelnöscher (hair care)
- Garnier: Ultimate Blends (hair care)
- Nivea: Cellular Anti-Age (face cream)
- L'Oréal Paris: Elvive Fibrology (hair care)
- Lay's: Xtra (salty snacks/crisps)
- Robinsons: Squash'd (beverage)
- Scholl: Velvet Smooth Express Pedi (foot care)
- Strongbow: Dark Fruit (beverage)
- Sure: Compressed (deodorant)
- Tchibo: Barista (coffee)
- Tropicana: in Turkey (beverage)
- Vanish: Gold Oxi Action (detergent)
- Volvic: Juicy (beverage)
- Yatekomo: (food)

“Three out of four new SKUs fail to generate even £100,000 sales in their first year of trading and are often delisted by retailers,” explains Marcin Penconek, VP of Nielsen's innovation practice in Europe, and co-author of the report. *“Breakthrough innovation is extremely rare but, despite perceptions amongst some, it's neither random, nor down to luck, nor magic. There are clear patterns behind why consumers pull some products and not others into their lives.”*

The report explains why launches succeed or fail, using an approach called “Jobs Theory” – the idea that what causes a person to consume something is not related to that consumer's identifiable qualities – such as demographics – nor the product attributes, but to the specific circumstances around the job to be done.

Penconek explains Jobs Theory: *“It's the idea that people don't so much buy products as hire them to perform jobs in their lives. Successful innovators display empathy – they clearly identify the circumstance where consumers struggle or have unmet aspirations and innovate around these.*

“Breakthrough innovations are products that solve these issues in a distinctive and compelling way. They communicate it to consumers in a simple way, allowing them to make a clear link between their need and the new product – winners can easily explain their solution to an eight-year old child.”

A selection of winners below illustrates how Breakthrough Innovation was achieved this year:

- **Robinsons Squash’D** identified a massive growth opportunity by changing consumer habits around the mature squash category, producing a new portable format so people could flavour their water out of the home. It generated over £11 million sales in 2014.
- **Scholl’s Velvet Smooth Express Pedi** came about after listening to women’s unmet needs around their foot care routine. The solution to ‘hard skin’ had hardly changed in 100 years and led to consumers creating their own – potentially harmful – solutions. Scholl found a manufacturer producing electronic foot files in small quantities and, after positive testing results, ended up launching in 48 countries.
- **Sure** compressed deodorant cans are a new disruptive technology, the biggest sustainable innovation the aerosol category has seen in over 30 years. Unilever global VP Mariano Sampietro explains: *“We identified the biggest areas where, as a category or brand, we had an impact on the environment and society. This turned out to be waste, and within waste, the biggest contributor was aluminium from cans.”* The new product contains 50% less gas and 25% less aluminium. The technology was applied to all Unilever deodorant brands and Unilever aren’t seeking to protect their innovation but to share it as wide as possible with other manufacturers.

Mark Schulzig, responsible for innovation management at Beiersdorf – the maker of Nivea’s winning launch - explains: *“The ‘magic’ behind big innovations lays firstly in strong insight: find it, activate it and don’t change it. Secondly, you need to deliver a perceivable benefit with the product and not just a story. Thirdly, focus on fewer innovations and sustainably support them for a longer period to finally make them big - no innovation is born big. Lastly, the people behind the innovations make the real difference – with us, innovation always starts and ends with the consumer.”*

The full Nielsen Breakthrough Innovation Report for Europe is available for [free download here](#).

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About the Nielsen Breakthrough Innovation Report

Nielsen’s European Breakthrough Innovation Report provides facts, insights and thought leadership on innovation for marketers, based on real observations of impactful launches since 2013. The report is designed to help improve innovation outcomes, and to make every penny invested in innovation go further. The report is based on findings from the launch of 24,353 SKUs, representing more than 8,650 initiatives, from Nielsen’s proprietary ScanTrack Innovation platform, across five key western European markets: UK, France, Germany, Spain and Italy. Breakthrough innovations in other markets, particularly Turkey, have also been reviewed and form part of the overall findings.

About Nielsen

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