We started this journey three years ago, with Nielsen's first Breakthrough Innovation Report. We were seeking to recognize significant new product successes and share best practices. We have now logged thousands of hours of analysis, winner interviews, marketer work sessions, and industry leader conversations.

WHAT BEGAN AS A REPORT ON HIGH ACHIEVEMENT HAS BECOME A MISSION TO TRANSFORM CONSUMER PRODUCT INNOVATION.

We have studied over 17,000 new products launched from 2008-2012 and analyzed the approaches of the 62 winners. We are confident that by applying the validated learning of this study, breakthrough success can be achieved with greater frequency, and in a regular and scalable way.
Of a starting field of 3,463 launches in 2012, 14 met the criteria for Distinctiveness, Relevance, and Endurance that earned them the elite distinction of Breakthrough Winner.

The hallmark of this report is the Spotlight section presenting the stories of many of the Winners in their own words. They are so compelling and insightful that you may want to read them first – it’s not cheating.

In addition to finding and sharing great lessons, the Breakthrough Innovation Project has sought to build a Breakthrough Innovation Community. Peer learning is powerful stuff, and we are engaging as an industry to share and apply the key success principles.

**OUR HOPE IS TO OPEN THE DOOR TO AN INNOVATION FUTURE THAT IS MUCH MORE MANAGEABLE AND REWARDING THAN PREDOMINATING PRACTICES ALLOW. WE SHOULD ALL UNDERSTAND THAT BETTER INNOVATION IS A CHOICE.**

High new-product failure rates lead some to believe that success is random and unpredictable. But innovation is far more science than magic. The pages that follow offer approaches that promise dramatically improved innovation outcomes.

We share the lessons of Breakthrough Winners — as well as the perspective we’ve gained from the study of thousands of less successful launches — to encourage adoption of the principles and practices that enable consistent success, fuel sustained growth, and increase organizational confidence.

We believe the insights contained in this report offer great value, and look forward to hearing from you.
CONGRATULATIONS TO THE 2014 BREAKTHROUGH INNOVATION WINNERS

3,463 CONSUMER PRODUCTS LAUNCHED IN 2012

14 MET THE REQUIREMENTS TO EARN THE TITLE

THIS IS THEIR REPORT AND THEIR STORY.

ANGRY ORCHARD™ HARD CIDER

BUD LIGHT LIME RITAS

BARCEL TAKIS CORN CHIPS

DEPEND® SILHOUETTE® BRIEFS FOR WOMEN
DEPEND® REAL FIT® BRIEFS FOR MEN

= See Winner Spotlights
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 $50 million in year-one U.S. sales.

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.
OUR PURPOSE

TO CELEBRATE HIGH ACHIEVEMENT

The first purpose of this report is to celebrate high achievement. It is a privilege to work alongside many of the Winners in the trenches – from the earliest, exploratory days through the demanding trials of development, launch, and growth.

This work has improved our understanding in the most important respect – revealing the requirements for successful innovation in the real, messy world in which actual decisions are made and substantial funds invested.
Our second purpose is to give back – to share with ambitious innovation practitioners the lessons that they have helped us learn – in the interest of improving innovation outcomes. While the roster of lessons learned is extensive, the Breakthrough Innovation Project – an ongoing study of 2-6 years in-market performance of 17,000+ launches – reveals a few myth-busting headlines:

1. Game-changing innovation is possible in any company or category

2. Managers offer many definitions of “innovation;” consumers use just one: a new offering that resolves a circumstance of struggle and fulfills an unmet aspiration

3. Breakthrough Winners overwhelmingly make Category Expansion a criteria for innovation ideas

4. Demand Driven Innovation is *lean innovation* in that waste, risk, and time are relentlessly and systematically removed from the system

5. Innovation success has very little to do with luck or genius – and even less to do with magic

**Virtually every organization can perform much better than current levels.**
In short, Demand Driven Innovation offers to innovation what the Total Quality Movement promised for manufacturing: transformation.

SUCCESS IS NEVER CERTAIN, BUT MARKETERS CAN PREDICTABLY AND CONSISTENTLY FLIP HISTORICAL PERFORMANCE FROM 85% FAILURE TO 85% SUCCESS.

Furthermore, the Winner Spotlights in this report reveal what every athlete knows: nothing fuels success like success. In 2007, it seemed as though beer’s better days lay in the past, as young adults shifted away from the “pleasantly bitter” taste of beer in favor of sweeter, lighter alcoholic beverages such as flavored vodkas and new twists on tea and lemonade. Yet in the face of such headwinds, Anheuser Busch’s Bud Light brand has launched not one but three major successes and two Breakthrough Winners.

Over a similar time frame, Big Heart Pet Brands (formerly part of Del Monte) reinvented itself from a staid stable of traditional brands into an innovation powerhouse – making double-digit contributions to corporate growth. Milo’s Kitchen was launched in 2011: the first new brand from the company in over a century and a Breakthrough Winner. In 2012, Meow Mix Tender Centers resolved the tradeoff between the wet food that cats love and dry food favored by cat owners – delivering a back-to-back Breakthrough success.
DEFINING INNOVATION

WHAT IS INNOVATION?
ARE YOU CONFIDENT THAT YOU KNOW IT WHEN YOU SEE IT?
ARE YOU SURE?

Getting this right is a precursor to sustained innovation success.

Try this experiment: write down your definition of innovation. Then, review the list of this year’s Breakthrough Winners, or the longer list of all 62 winners and see how many fit your definition of innovation. Can you explain their success? Is your definition predictive?

If you’re like most, you’ll find yourself struggling for a workable definition – or simply denying the “innovativeness” of some of the winners. And yet based on sales levels alone, these new offerings were in the top 3% of all launches. Challenging the innovativeness of Breakthrough Winners is arguing with the millions of consumers who have spoken with billions of dollars from their wallets.

We have found a consumer-centered behavioral definition of innovation turns out to be the only really reliable one when establishing criteria, beliefs, and mental models about what is and what is not “innovation.” The right question and the trustworthy guide is “does the brand offer a benefit bundle that brilliantly performs an important job in consumers’ lives for circumstances in which previously available solutions were unsatisfactory or nonexistent?” When consumers discover brands that reliably perform important jobs for them, they pull these brands into their lives again and again.

HOW DIFFERENT A PRODUCT LOOKS TURNS OUT TO BE A VERY POOR PREDICTOR OF SUCCESS AND “DIFFERENTIATION” IN GENERAL TO BE A HIGHLY UNRELIABLE GUIDE IN PURSUIT OF WINNING INNOVATION.

MARKETERS DON’T DEFINE INNOVATION, CONSUMERS DO.
One could dismiss Nabisco’s belVita as “just a cookie.” WhiteWave’s International Delight Iced Coffee is “just flavored coffee in half-gallon jug.” Barcel Takis are “just another salty snack.” Nature Valley Protein Bar is simply a “granola bar with more nuts.”...and on and on...

In fact, one could dismiss the majority of Breakthrough Winners with aloof dispatch. But consumer behavior suggests a decidedly different assessment. Of the 3,463 products launched in 2012, only 71 sold more than $50 million. In short, consumers found extraordinary relevance in these products.

What the Breakthrough set reveals is that the differences that matter – the ones that drive trial, adoption, category expansion, and sustained profitability – are not revealed in surface-level attributes. Consumers’ behavior offers a more potent definition of innovation — their struggles and aspirations reveal innovation opportunities and their behaviors of repeated purchase and use affirm innovation success.

Embrace the humility principle of innovation: Marketers don’t define innovation, consumers do.

Marketers who impose their own definitions, because of past results or peers’ practices deny themselves the opportunity to learn the truly transferable lessons from past commercial outcomes. Consequently:

1. THEY INTRODUCE SOLUTIONS WHERE NO UNMET CONSUMER JOB EXISTS

2. AND MISS THE REAL OPPORTUNITIES TO INNOVATE AND GROW

We have found this notion of consumer-defined innovation to be one of the most helpful takeaways from the Breakthrough Innovation Project. We also realize that adopting new definitions is hard. Inevitably, each of us develops a mental model of what innovation looks like. Breaking with deeply embedded beliefs and biases is extremely difficult. By bringing a degree of self-awareness to these judgments, we can begin to learn the lessons that winning brands teach and sharpen our understanding of the true nature of innovation.

WHAT IS A JOB?

A circumstance of consumer struggle, tradeoff, or aspiration. Context is CRITICAL – understand context to identify opportunities.

FUNCTIONAL DIMENSION

EMOTIONAL DIMENSION

SOCIAL DIMENSION

“How will I be regarded?”

Comprised of functional, emotional, and social dimensions

A specification for innovation (the characteristics of an ideal solution)
CATEGORY EXPANSION

THE LITTLE ACORN OF BREAKTHROUGH INNOVATION

So how exactly does consumer-defined innovation translate into practice? The “difference maker” between the organizations that have launched a Breakthrough Winner and those that have not is that category expansion is a strategic input to the innovation process. In terms of outcomes, Breakthrough Winners generate an impressive 45% of dollar sales, on average, from category expansion. This means that nearly half of the revenue comes from:

1. ATTRACTING NEW BUYERS TO THE CATEGORY
2. ADDRESSING NEW CIRCUMSTANCES OF CONSUMPTION RESULTING IN BUYERS PURCHASING THE NEW BRAND IN ADDITION TO OTHER CATEGORY PURCHASES
3. OFFERING A NEW BENEFIT BUNDLE THAT MOTIVATES EXISTING CATEGORY BUYERS TO PAY A PREMIUM PRICE

In last year’s report, Hershey’s Mike DePanfilis spoke about the role of category expansion criteria in the successful launch of Reese’s Minis: “At the earliest idea evaluation phase, we look for ideas that will bring new users to the category and address new circumstances of consumption.” And, when marketers place category expansion on a pedestal – and stay true to it throughout the development and launch process – important decisions and exciting consequences follow.

PREMIUM PRICING

Two-thirds of Breakthrough Winners introduce offerings that command premium prices and premium pricing plays an important part in Category Expansion.

Introducing products that motivate customers to pay “more for more” is not easy, but we limit a detailed discussion of pricing in this discussion for three reasons:

1. It’s a natural act for almost all organizations. Capabilities and incentives usually align with sustaining improvements – more profitable offerings to current customers.
2. In our experience, and perhaps because of its inherent attractiveness, companies overinvest in sustaining improvements while underinvesting in solutions addressing new user groups or circumstances of consumption.
3. Innovations that address new users and new circumstances often command premium prices as a consequence.
UNPACKING CATEGORY EXPANSION

Our work with clients has surfaced some truths about innovation success, which often challenge accepted wisdom.
DEMAND DRIVEN INSIGHTS: FRUSTRATIONS AND ASPIRATIONS

Prioritizing category expansion provides a clear focus for opportunity seeking: circumstances in which consumers make tradeoffs, adopt compensating behaviors, feel stress, encounter nuisances. These are the signals of innovation opportunity: circumstances in which consumers have jobs to be done and available solutions are suboptimal. We call discoveries of these struggles and aspirations Demand Driven Insights.

The beauty of Demand Driven Insights is that they are intuitive – expressing in simple terms what the consumer is trying to achieve, what current behaviors are, and the benefits comprising an ideal solution. The Spotlights in this Report provide numerous illustrations. Consider the case of Kimberly-Clark’s Depend Silhouette and Real Fit Briefs: the insight went far beyond the functional desire for a more “underwear-like” product. The team built a rich “job spec” based on the compensating behaviors that many people were adopting. These behaviors provided a comprehensive innovation blueprint featuring powerful emotional and social aspects in addition to specific functional requirements. As with most successful innovations, physical product attributes comprise just one of multiple dimensions of development.

FEWER, BIGGER, BETTER

While many organizations champion this high-impact, high-efficiency mantra, few organizations are actually structured to convert words into actions. Demand Driven Insights are the essential ingredient: their clarity allows organizations to kill bad ideas quickly and pursue good ideas relentlessly.

Killing bad ideas quickly is a fundamental tenet of Demand Driven Innovation and must be a high priority. Bad ideas not only consume resources directly but they starve the high potential concepts of the dollars and attention they require. Demand Driven Innovation practitioners spend less time and money generating fewer, bigger, better ideas.
CONTEXT IS KING

Because Demand Driven Insights are embedded in consumers’ recurring experiences, needs, and desires, the relevant unit of analysis is the circumstance in which the job occurs. Too many marketers focus on attributes of the individual consumer – such as demographics or psychographics – or attributes of the product – such as color, flavor, size, or price point – which may or may not prove relevant and are therefore unreliable guides for the purpose of crafting successful new offerings. These attributes and other descriptors capture pieces too often confused for the whole. The key is to understand the context, the emotions, and the desired outcome. These are the essential ingredients of a complete innovation job spec.

CATEGORIES DISSOLVE AND REASSEMBLE - LOOKING VERY DIFFERENT

When organizations identify poorly performed jobs in consumers’ lives, an interesting thing happens to traditional category definitions: they lose much of their meaning, and marketers see the world with clear, fresh perspective. This shift is liberating and empowering because “categories” get much bigger and opportunities for growth become much clearer. One powerful implication is that “non-consumption” is often revealed to be a huge opportunity. Another benefit is a more accurate image of the marketplace: the competitive set gets reframed and in many cases dramatically broadened.

By focusing on compensating behaviors of non-consumers, Kimberly Clark’s Depend Silhouettes and Real Fit briefs dramatically expanded the category.

Bud Light Lime Ritas success was predicated on ignoring industry-accepted boundaries of both beer and margaritas.

When WhiteWave discovered that iced coffee was much more about flavor added to coffee than coffee itself, managers realized that they did not have to build or buy a coffee brand. Instead, they effectively leveraged their strong International Delight flavor credentials.
UNPACKING CATEGORY EXPANSION

LIKE OBJECTS IN THE REAR VIEW MIRROR, OPPORTUNITIES ARE CLOSER THAN YOU THINK

Almost always the demand-driven reframing of “categories” around consumer jobs reveals growth opportunities that are close at hand. While category expansion does occur outside the established core user groups and circumstances of consumption, it is not a Lewis and Clark expedition into the hinterland. As one marketer joked, “It’s outside the box but not totally off the reservation.” Because the search for unmet consumer demand compels marketers to look at the world in a new way, it enables them to see opportunities that others do not see. In the words of colleague Erich Joachimsthaler, many great ideas are “hidden in plain sight.”

As illustrated in the Spotlight section, when the innovation team at Anheuser-Busch was confronted with flat growth in beer, their response was to transform the category by focusing on poorly addressed demand. Note two things they did not do: 1) clutter the category with empty offerings or 2) pursue shiny growth segments outside of Light Beer.

RISK AND RETURN ARE NOT CORRELATED

Category expansion underscores what many innovators have known for a long time: levels of risk and potential return simply are not correlated. We assess thousands of product launches a year and see plenty of extremely risky close-in offerings. Well-constructed Breakthroughs, on the other hand, often feel like relatively sure things with extraordinary potential. In short, “bigger” is only riskier when the model is broken – when the innovation process accepts high risk and builds it into the process. One of the exciting paradoxes of Demand Driven Innovation is that by reframing markets through the lens of consumer jobs, even the largest opportunities appear in clear focus. A quick review of Breakthrough Winners underscores this truth. There are no “Hail Marys” on the list.

Too many organizations design risk (and waste) into their processes by listening to innovation pundits who proclaim that bold leaps of faith are required, that true innovators embrace risk. This is bad advice. Successful innovators do not have supernatural risk tolerances. Quite to the contrary: they are systematic risk minimizers. Successful innovation is about minimizing, not embracing, risk. As management guru Peter Drucker wrote 30 years ago when asked about the entrepreneurial “type”: “I, too, know a good many successful innovators and entrepreneurs. Not one of them has a propensity for risk taking.”
DEMAND DRIVEN INSIGHT IS THE BEACON THROUGHOUT

Demand Driven Insights provide a bright beacon to guide the development process. Demand Driven Insights provide crisp demarcation for the successful course and extremely limited scope for deviation. The grounding in explicit customer circumstances – i.e., real life – makes it very difficult to omit key benefits, hide behind averages, or force-fit solutions. In Demand Driven Development, stage gate action standards verify alignment and course correct deviations from the core Demand Driven Insight.

DEMAND DRIVEN INSIGHT SPECIFIES REQUIRED CAPABILITIES

Demand Driven Insights make it inescapably plain whether the organization’s existing resources, processes, rules, and incentives align with the innovation spec or not. In the event that alignment is poor, leaders face a defining choice: develop the required capabilities or dismiss the opportunity as non-strategic. A third option is not a viable path but is one too often taken: force-fit the concept into existing capabilities. We see this very often, and the result is rarely good.

Based on our field work, the prior point deserves highlighting, because, when we have surveyed marketers about areas of relative strength and weakness in their innovation processes, most see themselves as relatively good at the development process and relatively less good at upfront idea generation and downstream activation. And while there’s unquestionably room for improvements at both ends of the process, we think companies have an equally significant opportunity in the central, development stage.
FROM BEGINNING TO END,

the innovation team must pursue the Demand Driven Insight faithfully and fully. The concept, product, and go-to-market execution must all align – free of the constraints of established processes, existing resources, or marketplace assumptions – in order to realize a breakthrough proposition. Breakthrough Winners expand and transform categories, but they don’t just challenge established category structures externally, they also challenge entrenched organizational development capabilities internally.

Most stage gates, timelines, and incentives are designed to guide initiatives that build incrementally on the established offerings. When Demand Driven Insights conflict with companies’ processes and resource allocation criteria, managers often yield to these powerful forces that compel conformity.

However it is the relentless, uncompromising, often uncelebrated toil of Demand Driven Development that makes the difference between Breakthrough Winners and forgettable might-have-beens. In pursuit of breakthrough innovation, do not mistake speed for progress or an efficient process for an effective one.

THREE THINGS THAT MAKE DEMAND DRIVEN DEVELOPMENT HARD

THE OVERWHELMING MAJORITY OF INNOVATION WORK IS SUSTAINING IN NATURE.
Incremental innovations improve existing offerings in familiar ways. Consequently, when those rare transformational opportunities emerge, it’s all too easy to overlook the very different capabilities required to fully, faithfully fulfill.

THE FORCES OF CONFORMITY ARE UNBELIEVABLY STRONG.
Asset utilization, established expertise, familiar channel strategies, proven brand equities, financial hurdle rates, managers’ incentives and other forces work visibly and invisibly to maintain the status quo.

THE MARGIN FOR ERROR IN BREAKTHROUGHS IS MADDENINGLY SMALL.
Consumers tend to have a surplus of mediocre ways to deal with nuisances or tradeoffs in their lives, so only perfect solutions break through. A few small compromises often doom potential hits.
DEMAND DRIVEN INNOVATION IS LEAN INNOVATION

Category Expansion can be the catalyst, but if we want to change our innovation outcomes, we need to change our core beliefs about the innovation process, because it turns out to be a discipline that can be managed with precision, confidence — and consistent results.

Ultimately, what unfolds is a virtuous cycle: Demand Driven Insights clarify those dimensions of benefit which add value, as well as those that do not. At a process level, managers are able to allocate resources to concepts that perform jobs brilliantly and reject concepts that do not. Innovation process productivity improves.

In the development phase, when each stage of the process can be clearly evaluated for its contribution to value that consumers will pay for, waste is much easier to identify and remove. There is a lot of waste in most companies’ innovation processes. Importantly, when the causes of waste are identified, they can be engineered out of the process: action standards can be changed, timelines streamlined, tasks simplified. This is lean innovation.

Opportunities for productivity gains extend into activation and in-market execution as well. When new commercial offerings are tied to specific circumstances of consumer need, creative, media, and in-store activities all have a clear North Star for guidance.

This image of Demand Driven Innovation in action looks awfully similar

“THE CONSUMER IS THE MOST IMPORTANT PART OF THE PRODUCTION LINE.”
to the quality revolution in the manufacturing industry that generated orders-of-magnitude improvements in efficiencies and productivity. No individual is more associated with the quality revolution than W. Edwards Deming, and this most-celebrated manufacturing revolutionary reminded leaders that “the consumer is the most important part of the production line.”Absent the consumer’s job to be done as the guiding force, it is all too easy for organizations to get extremely efficient at creating products that offer little value.

Demand Driven Innovation is lean innovation, and a fundamental tenet of “lean” is that if process outcomes are inconsistent, then the process needs fixing. In other words, highly variable innovation outputs are products of a flawed process. It is logically inconsistent to believe that poor outcomes flow from a good process. Somehow, in the realm of innovation and in the name of “efficiency,” far too many great ideas emerge from development in a highly compromised state. As Yogi Berra quipped, “We're lost but we're making good time.”

TOO OFTEN AN EFFICIENT, STAGE-GATE CONTROLLED DEVELOPMENT PROCESS IS MISTAKEN FOR AN EFFECTIVE PROCESS. SUPPLY CHAIN MODELS FOR PRECISION PROCESS CONTROL ARE APPLIED BUT OFTEN DON’T TRANSLATE TO THE WORLD OF COMMERCIAL INNOVATION.

Kraft Breakthrough Innovation VP Barry Calpino explained, “we abandoned our legacy innovation process designed by outside engineers. We replaced it with a process that,

1. Is designed by the process heavy users – including the Marketers - who actually live with it, manage innovation projects and,
2. Has the appropriate innovation action standards - that keep us true to the driving insight and are aligned with the desired outcomes.”

Just as was the case in manufacturing, waste, risk, and inefficiency are not inherent to innovation, but they are definitely part of the pervasive innovation mental model.

Because waste, inefficiency, and defects were assumed to be inherent
to the manufacturing process, they were incorporated into the process in the form of wide tolerances, high inventories, extensive inspection, costly rework, and recurring quality issues. As Deming reminded, “Every process is perfectly designed to generate the output it produces.” And so it goes with innovation.

COMMON GROUND: DEMAND DRIVEN INNOVATION AND TOTAL QUALITY MANAGEMENT

• FUNCTION AS MANAGEABLE, PREDICTABLE SYSTEMS THAT ARE NEITHER RANDOM NOR DEFECT-PRONE

• MAKE CUSTOMER REQUIREMENTS THE MOST IMPORTANT PIECE OF THE SYSTEM

• SYSTEMATICALLY REMOVE WASTE

• ACCELERATE CYCLE TIMES

• ENABLE PROFITABILITY AT LOWER LEVELS OF VOLUME

• UNLEASH CREATIVITY BY GIVING IT A CLEAR FOCUS AND ASSIGNMENT

• LIMIT MEASUREMENT TO WHAT MATTERS MOST

• PRIORITIZE SIMPLICITY AND VISIBILITY – SO ERRORS CAN BE QUICKLY IDENTIFIED AND FIXED

• BUILD CONTINUOUS LEARNING AND IMPROVEMENT INTO THE SYSTEM

The cottage industry of innovation publishing and commentary generally exacerbates the problem. The reason that there are so many books about innovation is the same as for dieting and parenting: demand is massive and very few of them actually work. Moreover, they fail for the same reasons: they frame the solution in terms of mastering a set of tools, tips, and tricks. The problem is that if the underlying set of beliefs is fundamentally flawed, the best that practitioners can hope for is efficient mediocrity.
WHAT WINNERS DO

What we have attempted to share in this year’s report are the executive management disciplines and practices that separate Breakthrough Winners from the mainstream so that the tremendous number of marketing leaders who aspire to Breakthrough can close the gap and make it real.

In last year’s Breakthrough Innovation Report, we introduced the Demand Driven Innovation framework that underpins the success of winners. We have been applying this framework and related capabilities to the task of improving client innovation outcomes. Through this work, we have learned a great deal. Perhaps the biggest surprise has been just how significant the improvement can be from shifting to a demand-driven mindset. We underestimated the virtuous effect of transforming innovation processes from one in which waste and risk were designed into the process to one in which waste and risk are systematically removed from the process. As noted at the outset of this report, the application of Demand Driven Innovation opens the prospect of flipping traditional innovation success rates on their heads – from 85% failure to 85% success.

Some of the most encouraging news is also one of the most striking findings: Breakthrough Success is possible in any category, in any company, at any time. Consider the number of Breakthrough Winners launched into categories generally deemed to have been mature or stagnant. It’s not “some”—almost all Breakthrough Winners were launched into crowded, developed sectors. Consumers’ dynamic lives create a flow of recurring struggles and unfulfilled aspirations – touchstones of innovation opportunity.

Believing that innovation is a management discipline similar to manufacturing, finance, or HR is the first step. It is a discipline with a robust body of theory that managers can leverage to reduce risk and waste relentlessly, while improving success rates, boosting innovation ROI, and increasing the absolute dollar value contribution of innovation. This is the promise of Demand Driven Innovation.

It’s not easy, but nor does it rely on luck, genius, or magic.

Second, Winners loosen their grip on certainty when it comes to what innovation is, isn’t, or looks like. That is a job for consumers. As noted at the outset, managers offer many definitions of innovation while consumers use just one: a new offering that resolves a circumstance of
struggle and fulfills an unmet aspiration. Innovations do work. They perform jobs. They offer improvements that matter.

Third, when innovation opportunities are defined as jobs, all products are actually services. Framing products as services is not only a more accurate characterization of the way consumers weave products into the fabric of their lives but it also guards against an overly narrow focus on the physical product attribute dimensions of innovations. Innovation and context are inseparable. Indeed, circumstance is the essential unit for innovation. Understand the circumstance of need in all of its dimensions, and the innovation spec is clear.

Fourth, Winners make category expansion a strategic input to their innovation process. By seeking opportunities that bring new users into the category and or address new circumstances of use — or both. Winners, implicitly or explicitly, anchor innovation in poorly performed jobs in consumers’ lives. In other words, innovations that valuably perform jobs expand categories.

Fifth, Winners are clear-eyed about the challenge of aligning capabilities with the development spec: do existing organizational capabilities align with the Demand Driven Insight or will existing capabilities bend, warp, and distort the insight to conform to established processes and rules? This is the hard work of Demand Driven Development and the unique challenge that Breakthrough poses to established firms. Breakthrough Winners rise to the challenge.

Sixth, Breakthrough Winners sustain focus well beyond launch. Regardless of any organizational handoffs, energy, focus, and spending support continue well into year 2. But sustained support is only a piece of the commitment. The other is in the metrics. Requiring fast paybacks and prioritizing efficiency ratios such as “return on assets” simply starve the growth engine while opting for a quick margin fix.

Finally, Winners methodically harvest transferable lessons from their innovation efforts — from failures and successes. No successes are flawless, no failures are meritless, and they all offer lessons for those determined to learn and improve. Too many organizations leave hard-won lessons in the field. As a consequence, despite transformational initiatives, few companies have fully transformed their innovation systems. This is another instance where lean principles can dramatically improve innovation outcomes.
CONCLUSION

BREAKTHROUGHS SUCCEED BY CHANGING CATEGORY DYNAMICS RATHER THAN CONFORMING TO THEM.

As discussed, this is a result of the Demand Driven Innovation approach and the focus on consumer circumstances as the unit of analysis — rather than on the product attributes or consumer characteristics that attract so much attention. Breakthrough Leaders are looking at the same consumers and the same markets, but the way they look enables them to see things that others miss. This explains their ability to unleash huge successes in “mature markets.”

WE CELEBRATE THEIR “IMPOSSIBLE” ACHIEVEMENTS.

Congratulations to this year’s Winners. We salute your success and thank you for your leadership — both in the marketplace and in your willingness to share lessons learned in the interest of improving the practice of innovation. This is what leaders do. In the Spotlight section that follows, a number of 2014 Winners — as well as one featured 2012 Winner — share their stories in their own words. As students of innovation, we owe them a debt of gratitude. Their accounts offer invaluable, inside accounts of the hard work and high promise of Demand Driven Innovation.

As an industry, we have a long way to go, but the path has never been clearer nor the tools more robust. We look forward to working with each of you to unleash your next Breakthrough success.
AFTER INVESTING EXTRAORDINARY TIME, MONEY, AND RESOURCES TO DEVELOP A COMPPELLING PROPOSITION, THE OPPORTUNITY IS WON OR LOST WHERE THE RUBBER MEETS THE ROAD – IN THE MARKETPLACE.

Successful activation brings the Demand Driven Insight to life by helping consumers link the new product to their job to be done. And, since the Demand Driven Insights of Breakthrough Winners are wildly different, it follows that their activation strategies are equally varied.

Winners resist the tendency to revert to past practices or common rules of thumb to frame their decision-making. Indeed, if there is one “rule of thumb” for breakthrough activation, it is not to use rules of thumb.

CASE-IN-POINT: DOES THIS MEAN THAT SPENDING $26MM ON MEDIA IS OPTIMAL? NO.

In practice, this means that successful innovation teams don’t just hand new products over the fence for commercializing, rather they create a partnership with the “go-to-market” team to ensure an optimal activation plan is developed and executed. We find four areas in particular where the discipline of Demand Driven Activation stands out.
CREATIVE EXECUTION:

Has this ever happened to you? The innovation team works tirelessly to optimize the product and brand positioning, only to launch under a campaign that connects only loosely to the driving insight? Somehow, somewhere the consumer’s job to be done was lost.

Here’s a suggested remedy, write two things atop the creative brief:

- The consumer job spec that the new product solves for – beginning with the circumstance of struggle and including the functional, emotional, and social dimensions of the job
- How the new product nails each dimension of the job spec and fits seamlessly into the context of consumption

Each of this year’s eight Winner Spotlight provides a real world example of extending the Demand Driven Insight through activation. Consider International Delight Iced Coffee from WhiteWave. For starters, the brand: it’s a little unusual for a coffee brand to be defined by the flavor. However, one of the important findings in the early consumer research was that flavor credentials were more important than coffee credentials for the job that consumers hired iced coffee to perform.

Another discovery: while consumers loved the coffee house experience, many were dissatisfied with the to-go experience – finding it inconvenient, inconsistent, and expensive. This fueled the WhiteWave team’s mantra of “coffee house taste without coffee house hassle.” The consumer context and job spec were front and center in the TV creative, titled “Coffee House Fail.”

PACKAGE DESIGN:

A new product’s presence in-store is a chief source of consumer awareness, and representing the Demand Driven Insight in package design is critical. Great packaging both engages consumers and connects the product with their job in a clear and compelling way. As a result, the product stands out among the sea of choices.

The Depend Silhouette/Real Fit Briefs illustrates:

- First, the images of tight jeans and a red cocktail dress pulls the initial Demand Driven Insight all the way through to store shelf: with Silhouette, you’ll have confidence to wear anything.
- Second, the clear, see-through packaging aligns with typical underwear presentation, allowing consumers to see the product and realize how underwear-like it is.
IN-STORE:

It’s no secret. If consumers can’t find your product, they can’t buy your product. And when your proposition has the potential to reshape category boundaries, it also runs the risk of confusing shoppers to the point where they simply give up trying to find it. “Where will I find liquid water enhancers (MiO), iced coffee (International Delight), or a breakfast biscuit (belVita)?”

As belVita’s Scott Marcus points out, “If we had just launched belVita with standard advertising and promotion, that great product would have been an innovation flop...” Fortunately, if you didn’t know where to find belVita, belVita would have found you. The team had displays throughout the store both introducing the product and reminding shoppers to “find it in the cookie aisle!” There was also an unprecedented sampling campaign, in-store and out, that motivated consumers to try the product.

Bud Light Lime Ritas relied on collaboration between marketer and retailer to generate interest and trial. As detailed in the attached Spotlight, when innovation promises category growth and incremental revenue and margin, retailers are ready partners. In the case of Bud Light Lime Ritas, retail display and word of mouth drove first year sales above $250 million with minimal media support.

New offerings that nail consumer jobs expand categories and generate incremental revenue for marketers and retailers alike, making collaborative efforts to reach consumers via incremental shelf space and display more likely. Successful marketers know that the innovation challenge extends into each store, aisle, and shelf.

THE FIRST 100-DAYS: NO SECOND CHANCES FOR A FIRST IMPRESSION

The data on the ‘First 100 Days’ is striking: trajectories are set which tend to persist and amplify over the course of year one. In fact, the majority of launches achieve almost 40% of their first year trial in this time period. A bad start versus expectations can mean a bad year versus expectations.

Conversely, launches that meet expectations of manufacturers and retailers are energized by the pull of growing demand. This doesn’t mean you need to break sales records in the first 100 days — in fact, many of our winners do not. Instead, it’s about meeting expectations. Remember, no launch plan is perfect: the best are mostly right, and the vast majority are partly right and partly wrong. Identifying and addressing imperfections quickly is what’s vital.

From a tactical perspective, missing distribution goals, disadvantageous shelving, stock-outs, shopper confusion, pricing inconsistencies, and other miscues, can all be closely monitored and addressed in the first 100 days. We find surprising variability in the amount of precision and attention that marketers place on these crucial details. Failing to remedy quickly any misses leaves products and managers playing defense and often in retreat.

Because of the tremendous impact that activation can have on the ultimate success or failure of launches as well as the extreme variability we see in launch management, activation is a priority focus for Nielsen’s current research and collaboration. What’s abundantly clear is that success comes from keeping the Demand Driven Insight as the North Star through all efforts, activation included.
WINNER SPOTLIGHTS

SPOTLIGHT 1: BUD LIGHT LIME RITAS
SPOTLIGHT 2: DEPEND® SILHOUETTE® BRIEFS FOR WOMEN/
              DEPEND® REAL FIT® BRIEFS FOR MEN
SPOTLIGHT 3: INTERNATIONAL DELIGHT® ICED COFFEE
SPOTLIGHT 4: MEOW MIX® TENDER CENTERS
SPOTLIGHT 5: NABISCO BELVITA BREAKFAST BISCUITS
SPOTLIGHT 6: NATURE VALLEY® PROTEIN BARS
SPOTLIGHT 7: SARGENTO® ULTRA THIN SLICES
SPOTLIGHT 8: DOVE® MEN+CARE®
The big idea came from Asia. Senior executives challenged Anheuser Busch’s Innovation VP, Pat McGauley, to find a way to capitalize on a growing Asian trend of pouring beer over ice – allowing the cooling of beer during widespread power outages as well as treating the beverage more like a cocktail than a beer.

That was a Friday. Saturday, Brewmaster Jill Vaughn quickly created some beer prototypes. Sunday afternoon, Pat and three members of his team: Valerie Toothman, Colleen Lucas, and intern Joe Lennon set-up an experiment in the St. Louis brewery tour center tasting room. They assembled a range of existing and prototype beers and invited folks on the brewery tour to taste beer on the rocks. The feedback was clear: everyone hated it. As one participant shared, “you’re messing with my beer way too much.”

The idea could have died there, but several of the team’s guiding principles encouraged more thought. Specifically:

- Seek opportunities to expand and transform categories – and this ‘beer-as-cocktail’ idea felt promising
- Introduce new rituals – and this act of pouring beer over ice suggested an opportunity to innovate around experience not just product
“If beer over ice is a bad idea, what’s good over ice?” McGauley recalled the progression of the team’s thinking. “Cocktails,” of course. And the most popular cocktail? “Margarita.” But a margarita from Anheuser Busch? “We look at our share of throat across all alcoholic beverage consumption, not just within beer,” McGauley explained, “so a hypothesis that points across category lines is actually exciting rather than problematic.” So, four days after the challenge was issued, McGauley and team took the proposal back to senior management, and they eagerly approved moving the project forward.

As is often the case in large firms with extensive innovation activity, a seemingly similar idea had been tried before. Specifically, Anheuser Busch had tried to enter the pre-mixed margarita business and flopped. What’s notable in this story is that past failure didn’t kill the subsequent exploration, it guided it. “What we had done before was to introduce a product that offered nothing new to the category – same product attributes, packaging concept, and messaging as everybody else.” McGauley critiqued. “We learn from our failures. If you’re not failing some of the time, you’re not pushing the limits. Failure is no fun, but it’s necessary – and valuable if you learn from it. The disappointment of a me-too experience led to one of the first, important tests we apply to working concepts: how will this change the category? No category impact, no point.”

“The question then wasn’t whether a Bud Light Lime take on the margarita would sell. The question was whether there was latent demand: could we innovate around this Bud Light Lime Margarita idea in a way that would bring new consumers into the category and also take beer into occasions where it was typically absent? You do that and you transform categories and generate commercial success.”

The Demand Driven Insight: “What we discovered,” McGauley recounted, “is that for many beer drinkers, Bud Light Lime made a margarita more approachable, more co-ed, and more refreshing. Conversely, for many non-beer drinkers – especially women – the margarita dimension made beer more appealing. The carbonation and refreshment Bud Light Lime delivers found widespread appeal. While beer is only about 35% female, Lime-a-Rita is 50% female.”

“We spent a lot of time – and many iterations – getting the product right, but the product was just the beginning,” McGauley recalled. “The ritual of the cocktail – the glass, the 8oz serving size, pouring over ice, a distinctive package, the social experience – were all part of our innovation spec. Neither the innovation team nor senior management ever lost sight of the fact that we were innovating around experience at least as much as product.”

THE FIRST 90 PERCENT OF INNOVATION IS EASY, BUT ALL THE PAYOFF IS IN NAILING THAT LAST 10 PERCENT.
“Focusing on consumer experiences contextualizes your thinking: it forces you to consider the circumstances of consumption. Because we look at demand across all alcoholic beverages, we are acutely aware of circumstances of non-consumption. As popular as margaritas were and are, they have generally been the purview of higher-end bars and specialty restaurants. By creating a margarita-like ritual, Lime-a-Rita removed those barriers and took the margarita to many other occasions – from barbecues, to tailgate parties, to casual get-togethers.”

New rituals. New consumer groups. New circumstances of consumption. Bud Light Lime Ritas not only sold over half-a-billion dollars in two years, it generated over 70% of that revenue through category expansion – a staggering statistic.

“To pull this off – and this goes for all of our innovation work – we put as much thought into how we launch as to what we launch,” McGauley explained. “In this case, we really believed we had a remarkable product and that word of mouth would spread awareness as long as we worked with our retail partners to get visibility and trial. Product form – in the distinctive 8oz can and packaging, with the ice-filled glass image – was key to attract consumers. The launch strategy succeeded, and minimal mass media was used. “Then we turned on the TV spend, and it was like gasoline on the fire.” Year two sales more than doubled year one.

Product pricing, which was line-priced with the 12oz Bud Light Lime, provided a compelling proposition for retailers in addition to the incremental volume that the brand drove. Furthermore, the single-serve 25oz can powered growth through distinct channels, not only fueling trial but addressing totally different circumstances of consumption.

“Category expansion is huge,” McGauley underscored. “Share shifting does not help retailers and is bad for our economics, so we work relentlessly to drive it out of our innovation.”

In recent years, the Bud Light mega brand has been an innovation machine with Bud Light Lime, Bud Light Platinum, and Bud Light Lime Ritas achieving enormous success – not only generating high-margin revenue but expanding and transforming the light beer category and beverage world. It’s not luck or magic but hard work against very clear principles. “We know what the Bud Light brand stands for. It’s fun, approachable, and highly drinkable. We stay true to the brand and never alienate the base.”

And relentless hard work: “The first 90 percent of innovation is easy,” McGauley concluded, “but all the payoff is in nailing that last 10 percent.” In the context of Breakthrough Winners, truer words were never spoken.
“We have a very strong commitment to innovation,” Depend Director Liz Metz began, “and that means that sitting still is never an option, even when we’re the market leader. Second, everything we do is grounded in what we call the ‘consumer truth,’ and the simple truth was that even the best adult undergarments were not good enough to induce many potential customers to purchase.”

That said, where does an organization find the motivation to invent a new material and invest in a totally new manufacturing process when it is already the dominant category player? This is where the remarkable story of Kimberly-Clark’s Depend Silhouette/Real Fit Breakthrough Winner begins.

“Nearly 40 percent of adults over 50 suffer from incontinence, and with aging populations and longer life expectancies, this was clearly an area of growing need,” explained Giuseppina Buonfantino, Kimberly-Clark President Baby and Child Care NA (and Global Marketing Leader of Adult and Fem Care at the time of the Silhouette/Real Fit launch). “The market data gave us a sense of the opportunity, but our sense of mission came from our understanding of our customer and the way they experience incontinence, specifically.”
“The stigma and anxiety exact enormous quality-of-life toll on sufferers. It varies around the world but people typically suffer for 6 months to two years before buying an incontinence product. In the interim, Buonfantino shared, “people adopt any number of compensating behaviors – from using feminine hygiene products to wads of toilet paper to changing clothes multiple times daily. But most poignantly, many people simply disengage socially: they don’t travel, they spend less time with their grandkids, they avoid social occasions, they stop going to restaurants and shows. Incontinence takes half their life away.”

“In short,” Buonfantino summarized, “this understanding of the ‘consumer truth’ galvanized our innovation mission. This initiative was about breaking the stigma – not merely introducing a new product. If you look at every aspect of this initiative, the focus is on giving people back what incontinence had taken away and replacing anxiety with confidence.”

While the innovation challenge was clear, it was also daunting:

• From a product development level, the not-so-simple truth was that in order to develop a more “underwear-like” experience, they’d have to develop new materials and technologies. “If we were going to fulfill the very clear desires from our customers,” Metz explained, “then we had to provide a solution that they could wear in their tight jeans or cocktail dress. Consumers needed a revolutionary product, and the technology simply did not exist.”

• From a brand communications perspective, the hurdles were equally high: to connect with consumers in a way that motivated them to:

  • Overcome their anxiety about purchasing and wearing an adult undergarment
  • Break with their established habits and compensating behaviors

• “We were clear-eyed about the nature of the emotional barriers to entry,” Buonfantino shared, “quite literally, we had to transform the emotional experience of putting on underwear from anxiety and fear to happiness and confidence. This challenge both focused our development effort and inspired our organization.”

• The in-store dynamics weren’t easy either: it can be an aisle shopped on auto-pilot and not a place where consumers eagerly browse. For that reason, the team knew it was critical to make the package something that would stay in consumers’ minds, help consumers immediately see the benefit, and be easy to connect from the pre-store communication to what people saw in the aisle.
Finally, it required investment in long term profitable growth ahead of more immediately attractive cash flow that could be drawn from their established positions. And the Kimberly-Clark leadership leaned forward and invested where others in similar circumstances have pulled back. “It’s what leaders do. It’s our commitment to our customers. This is what innovation is all about,” Buonfantino summarized.

Through extensive iterations and consumer prototype testing, the Silhouette/Real Fit team landed on a solution that delivered on the very high consumer expectations. “What we were hearing back from customers was truly emotional,” Metz recalled. “I still remember many of the verbatims: a woman asking if she could have just one more test product to wear at her grandson’s wedding, for example. These products were transformational for many people.”

The cross functional Silhouette/Real Fit team succeeded in developing a manufacturing process to produce at scale and cost to make the economics work for customer and company alike.

Stepping back, Silhouette/Real Fit highlights a central Breakthrough finding: risk and return are not correlated. In Nielsen’s new product advisory work, there are hundreds of close-in launches every year that are projected as highly risky. By contrast, Breakthrough Winners applying principles of Demand Driven Innovation launch outsized successes with relatively low risk. Kimberly Clark made a bold commitment to innovation and to its customers but never embraced high-wire risk taking.

“Part of changing both the internal and external energy around incontinence was to walk the talk. Everyone in the organization from the CEO down ‘changed their underwear.’ Yup, we all wore the new product,” Buonfantino said. “And when our salespeople called on retail customers, they wore them too. If we were going to be the evangelists for changing culture and mindset, this was critical. This was no gimmick and it really worked and energized our launch effort.”

“In taking this product to market,” Metz continued, “we knew we had a major communications challenge. Even though there was pervasive dissatisfaction among consumers with current solutions and options, we knew there would be a high hurdle to overcoming entrenched habits and anxieties.”
THE APPROACH WAS MULTI-PRONGED:

The package had a see-through window, which made it look like underwear packages everywhere, and it allowed the consumers to see that the product itself really looked like real underwear.

- Imagery on the package showed the jeans and the cocktail dress, linking the product to the context of consumer use. Again, the initial Demand Driven Insight endured through the development and into the launch.
- 3-pack trial sizes made it easy for consumers to try.
- A massive sampling program was rolled out using direct mail and retail channels. The team knew that, based on their research, if customers tried the product, they’d be highly likely to adopt it.
- A major media campaign tackled the emotional and social barriers to purchase head-on. Featuring football stars (Wes Welker/Demarcus Ware/Clay Matthews) and actors (Lisa Rinna) in tight uniforms and dresses, respectively, the creative execution underscored both the underwear-like experience and de-stigmatized the category and experience. The “Great American Try On,” as the campaign was called, was conversational and upbeat. This didn’t make consumers feel like they had a problem. The focus was squarely on how great every day can be when you don’t have to deal with these worries. In other words, cause to celebrate.

“Benefit visualization was a central marketing theme,” Buonfantino elaborated. “In our advertising and package design and all consumer touch points we focused on outcomes: how much fuller life can be when you’re confident, not anxious. Furthermore, we wanted to bury the stigma in the past. The message throughout was ‘this is just changing your underwear, no big deal,’ but we were also promising to change their lives.”

- Finally, the package was a very visible part of the media communications…it shone through so that when the consumer went to the store, they’d be able to immediately find the product. That it would stand out to them not only for what it was, but because they linked it to a resonant and relevant media campaign.

“Even folks who don’t need it are trying it. That’s how great this product is.” This was the tone and substance of the “Great American Try On” messaging to drive Silhouette/Real Fit trial. And the product delivered: over $60M in year one sales and 30 percent growth in year two. This success in the US has led to subsequent international launches and a rapidly growing growth brand. Kimberly-Clark’s Depend Silhouette/Real Fit team generated a big Breakthrough Win, global success, and a remarkable study in the power of Demand Driven Innovation. This is the power to change a business, a category, an organization and improve the lives of millions of consumers worldwide.
“We had the iced coffee idea for awhile,” Chris Strauss, the WhiteWave manager who led the successful launch, recalled. “The away-from-home iced coffee business is an $8B market with 98 percent at coffee houses or quick-service restaurants, so growing the tiny grocery channel share always felt like a promising idea.”

“We started studying the coffee house experience and pretty quickly uncovered something which, in retrospect, seems pretty obvious. Coffee houses sell an experience – not just coffee – hence the hefty premium price tag. But how does this value proposition hold up for the take-out customer? It doesn’t. In fact, we found widespread and passionate dissatisfaction with the coffee house ‘to-go’ experience. The trip or detour to the store, the waiting, the possibility of the barista confusing the order, which you discover when you’re a block away, and the
expense.” In short, customers were hiring coffee houses for two very different jobs, and they were doing one of these jobs brilliantly and the other not very well. Few things signal an innovation opportunity like a struggling moment, and that’s just what the WhiteWave researchers had found.

**“SO DISSATISFACTION WITH THE COFFEE HOUSE TO-GO EXPERIENCE WAS ONE ANCHOR,” STRAUSS CONTINUED, “THE OTHER BIG DISCOVERY WAS THAT ICED COFFEE HAS VERY LITTLE TO DO WITH COFFEE.”**

“In fact, most of the customers who were loading up their coffee with milk, sugar, syrups, and flavors don’t even like coffee. At a functional level, it’s about the flavor – sweet, creamy deliciousness – and a caffeine pick-me-up. At a deeper, emotional level, iced coffee is about a delightful experience.”

“So, think about it,” Strauss continued, “here are these consumers who aren’t really that interested in coffee, going to coffee houses to pay high prices for a mediocre experience. They must really love the stuff to put up with all that, so we knew we had something.”

“From an International Delight perspective, these insights were exciting not only because we could tap into consumer demand, but we didn’t need a great coffee brand to do it. We needed a great flavor brand, and we had that with International Delight.”

Strauss explained the evolution in the team’s thinking: “The insight work was so clear: iced coffee doesn’t compete with coffee but with sodas, energy drinks and lots of non-coffee items. We dropped any concern with coffee credentials – they just weren’t relevant. Once we were clear on what we were solving for, we were able to move very quickly: coffee house taste without coffee house hassle. That phrase really became our guiding mantra. We focused on developing a product that consumers loved and a go-to-market strategy that would blow it out.”
Where do you shelve a half-gallon carton of iced coffee? “Because we were creating a new category – refrigerated, multi-serve iced coffee – we weren’t totally surprised that our preliminary forecasting work revealed some challenges around where consumers expected to find the product. Most chains shelved it with flavored milks, and we were able to cue consumers on this in our early TV ads – which were our key drivers of trial. Interestingly, when the brand caught fire, many retailers replaced low velocity juices with our product, and we were a little skeptical of how we’d do amongst the juices, but it’s been great. Bottom line is people love the product and are seeking it out.”

International Delight Iced Coffee highlights an unsurprising Breakthrough Winner characteristic: energize an aisle, increase velocity, add incremental volume and retailers will be ready partners. “Retailers are very supportive of the launch because it’s all incremental for them. You hear so many marketers complain about limited shelf space, but the problem isn’t with the shelf, it’s with the products. Great products get space. It’s not complicated,” Strauss summarized.

“What made this successful and has us accelerating into year three is that we had this great consumer insight and didn’t complicate it. We focused and executed.” Strauss called out the consistency in the TV spots: “look at our early TV ads, they were called the ‘Coffee House Fail’ and made some fun out of lousy coffee house experiences. We basically made an ad out of our initial insight. The ads are also pretty funny which makes sense: iced coffee is about fun times. It made sense to be a little irreverent so this was very purposeful humor. Not only did this content resonate and entertain, it drove trial and fueled social media amplification.”

Demand Driven Innovation is never easy, but it’s rarely complicated: a powerful insight faithfully developed all the way through launch and beyond. “There’s every reason to think this will be a billion-dollar business,” Strauss concludes. “We just need to focus and execute.” Success can be sweet.

“ICED COFFEE DOESN’T COMPETE WITH COFFEE BUT WITH SODAS, ENERGY DRINKS AND LOTS OF NON-COFFEE ITEMS”
“Great innovators ask impossible questions,” Big Heart Pet Brands VP of Marketing, Geoff Tanner began. From Ryanair – “what if the price of tickets went to zero?” – to Costco and Amazon – “how could we be profitable if margins from merchandise were zero?” – to Zipcar – “what if there was no rental car office?”, seemingly irresolvable questions have led to transformational innovation ideas.

“In our case,” Tanner continued, “the question was ‘how can we get wet food in a dry format?’” To most this would seem to be a contradiction, but for the innovation team at Big Heart Pet Brands (formerly Del Monte Foods before the company sold its consumer food portfolio in February, 2014), it was motivation. To quote Courtney Moore, VP Strategy and Insights, “The question itself came from spending time with cat owners – understanding their rituals and exploring their relationships – and amongst the learnings, a few things really stood out. We found that cat parents are on an endless quest to form connections with their cats. Cats are famously independent, which is part of their attraction, but those who love them are constantly seeking connection.” It turns out that the feeding ritual is a very important emotional experience for owners. “They are keenly aware of the pet response. When it comes to the food they love, cats can be extremely expressive.”
“And herein lies the tension,” Tanner continued, “cats love the taste of wet food, but their parents overwhelmingly prefer feeding dry food – no mess, no fuss, no smell. Dry is fast, clean, and easy. You can leave it out for the day, no problem. So the tension, the tradeoff – and the opportunity – were all crystal clear. Hence the ‘impossible question’, which really framed and guided our innovation: how can we deliver the best of both wet and dry in one format?”

Stepping back to offer some important strategic context, Tanner clarified, “Tender Centers was a pretty bold idea, but it was very much a product of our structured approach to innovation. First, we actively manage a balanced portfolio of three types of innovation: continuous improvements that keep brands fresh, strategic line extensions to stay ahead of consumer demand, and new to the world breakthroughs. This idea clearly held breakthrough potential. Second, Big Heart Pet Brands has iconic and loved pet food and treat brands – such as Milk-Bone®, Natural Balance®, Meow Mix®, Pup-Peroni®, 9Lives®, and Kibbles ‘n Bits® – and continually innovating around these brands, so that they stay relevant to consumers, is a strategic priority. Third, like most folks, we’re always seeking to expand categories. If we’re just churning share, what’s the point?”

“Why this is relevant,” Tanner explained, “is that in resolving the tradeoffs between wet and dry we thought we could generate a breakthrough innovation that would update our Meow Mix brand, and be highly incremental to the business – a trifecta.”

“Meow Mix is all about tasty food cats love combined with the nutrition pet owners demand so it was a perfect fit with the concept,” Tanner explained.

“If we could combine the benefits of dry and wet – essentially resolve this historic tradeoff, we could create something that would not only transform the category, but really energize the Meow Mix brand.”

“If you go back to the ‘impossible question’, Moore elaborated, “not only did it lead us to an exciting innovation idea, but it compelled us to challenge the established category structure. Specifically, and for reasons fundamentally rooted in the supply chain rather than consumer demand, the dog and cat food industries were both split into ‘wet food’
and ‘dry food’. Innovation was pursued in parallel in these independent silos. One of the really exciting things about the Tender Centers concept is that it completely disrupted this established separation.

“We realized that the historic wet-dry separation was an efficient convenience for manufacturers and retailers that was not particularly important to consumers. In fact, what consumers wanted was the best of both worlds rather than a tradeoff between the two.”

And then the really hard work for Big Heart began. It was one thing to have the insight. It was another to test and refine the concept, which came back with very strong consumer support. But these hurdles were modest compared to the technical challenge of developing a product with a crunchy outside and moist, meaty center.

In our work with Breakthrough Winners, this is the primary point of separation: where the Winners faithfully adhere to the full measure of the Demand Driven Insight throughout the development process, while the majority of “might have beens” yield to the powerful pressure of established organizational capabilities to conform. Time pressure, resource constraints, compensation incentives, existing production assets, brand equities, distribution channels, and accumulated expertise can all exert extreme pressure to bend insights to their established ways. Resisting, staying true to the core insight, is the hard work of Demand Driven Development, the uncelebrated heavy lifting that separates Breakthrough from mediocre.

“Rapid prototyping is an idea much more associated with the software and tech industries than with CPG,” Tanner reflected.

“Over the past few years, we have incorporated the principles of design thinking into our innovation approach: a model we call Disciplined Entrepreneurship. Being located in downtown San Francisco has certainly helped us leverage and borrow approaches and tools from the tech and start-up world. In the case of Tender Centers, we knew the level of technical challenge to produce a dual texture product, at scale, at an acceptable cost would require many iterations and rapid prototyping: testing, failing, learning, and improving.”

“In the end,” Tanner joked, “things went according to expectations. Early prototypes were far from the mark – just as expected, but the goal wasn’t perfection at that stage, it was learning and rapid improvement. This work was neither quick nor easy, but we got there.”
And one of the really great things about an insight so firmly rooted in unmet consumer demand, is that when you develop the offering that nails the job, it's much easier to develop simple, effective and compelling consumer communication.

“The proposition to consumers is really straightforward. We had such a clear understanding of the tradeoff that existed in cat lovers’ lives that our launch strategy spoke directly to that circumstance and need. It was simple and very effective.”

“Technically, there's a handoff from innovation to the brand group,” Carrie Schliemann, Business Director on Meow Mix, explained, “but it's a very integrated transition. When it comes to package design, advertising copy, and in-market activities, we want to fully execute on the driving insight and customer promise.”

“We not only developed compelling consumer communication,” Schliemann elaborated, “we deployed a fully integrated marketing campaign focused on the ‘best of both worlds’ crunchy and meaty benefits that the product provides.”

In textbook Breakthrough fashion, the team was thinking long term from the launch. Schliemann shared, “we committed to investing in year two to ensure longevity of the proposition and to help set the foundation for Tender Centers Vitality Bursts, the next generation Tender Centers innovation, which has just launched.” And the growth continues.

In the past five years, there have only been three pet food launches that have sold greater than $100M in cumulative first two years’ sales. All three have come from Big Heart Pet Brands and two of them have been Breakthrough Innovation Winners. “Four years ago, we made a strategic bet to win with innovation. Our goal was for our consumers and customers to see us as the innovators in the category,” stated Tanner. Based on results, Big Heart Brands is delivering on the pledge: multiple breakthrough winners and a stunning organizational transformation rooted in a strong commitment to innovation.
Unlocking new growth in the U.S. breakfast market? Hard to imagine. Changing consumer habits around the morning meal have attracted innovations in yogurt, juice, cereals, bars, frozen, bakery, shakes, energy drinks, and produce – not to mention quick-serve chains and smoothie shops – all clamoring for consumer attention and preference. People are getting busier with more demands on them each day and – despite the widely held belief that breakfast is the most important meal of the day – the morning often leaves little time for a proper breakfast.

But, as is often the case of Breakthrough Winners, the belVita team within Mondelēz International’s business observed the same phenomena as competitors – but saw things others were missing. “We saw an opportunity in breakfast, with an understanding of what people need for a successful morning, and still get a great breakfast,” shared Scott Marcus, Senior Brand Manager, belVita, Mondelēz Global, LLC, “and we had a terrific, delicious solution which we could adapt from within our global portfolio.”
A nutritious, convenient breakfast option certainly made sense – but was far from a new idea. Crunchy belVita Breakfast Biscuits, however, offered something unique in this space – a sustained energy benefit. With energy product segments growing, this combination of product attributes had the makings of a fit for Americans’ morning routines. No other product on the U.S. market provided this benefit in a biscuit bundle that – with whole grain, fiber and great taste – could be part of a nutritious breakfast.

The Mondelēz International team had a great product bundle in belVita overseas and had identified a market opportunity in the U.S. But bringing those together would be no easy feat. Identifying the opportunity and adapting for success in the U.S. took innovative thinking and execution.

NO SHORTAGE OF CHALLENGES.

WHAT’S A BREAKFAST BISCUIT?

belVita was a biscuit brand that performed well in Europe, but, in the U.S., a “biscuit” was something to be served with chicken and gravy—not exactly great or relevant associations. Marcus expanded, “On the one hand, then, the idea of a breakfast biscuit in the U.S. felt pretty risky but, on the other hand, it held the promise of potentially truly transforming a category. One of the reasons belVita has been a success is that we balanced optimism and commitment with a clear-eyed assessment and management of risk factors.”

DIFFERENT KIND OF ENERGY – FROM CARBS?

Energy in the U.S. is often associated with caffeine. Nutritious, sustained energy – which is the belVita offering – is different. An important distinction emerges between the idea of energy as a jolt or pick-me-up versus energy as fuel. The former has associations with stimulants, such as caffeine, while the latter is much more about nutrients in food. One of the unique benefits of belVita Breakfast Biscuits is the nutritious sustained energy they provide. The delicious, crunchy biscuits are made with a combination of grains that are carefully baked to release energy regularly and continuously to fuel your body throughout the morning.
BREAKFAST FROM THE COOKIE AISLE?

The Nabisco brands of Mondelēz have both strong heritage and strength in the cookie aisle, and belVita had the opportunity to bring distinct nutrition credentials – and a new usage occasion — to that part of the store. But would consumers find it? “In-store was critical,” explained Marcus. “Shoppers seeking more nutritious offerings had sometimes bypassed the cookie aisle, so we knew we had to stand out in the aisle – but also get consumers’ attention outside the aisle. We focused on additional in-store locations: places where shoppers were looking for breakfast options – such as cereal and yogurt sections. Our displays and communication clearly informed shoppers to look for us in the cookie aisle. All of this required investment and deep partnership with our sales organization and our retail partners.”

“While we were really excited to be redefining what a biscuit could be, introducing a new brand to the U.S. and innovating around the demand for nutritious morning energy, we were acutely aware of the inherent communications challenges with which we would be faced,” Marcus shared.

WOULD AMERICANS THINK IT TASTES GOOD?

A successful product in Europe doesn’t guarantee success in other markets globally, and it was critical that the U.S. team found appropriate ways to overlay a distinct, consumer insights lens over each potential flavor variety. Palates in the U.S. are quite different than in Europe, so they needed to get the right varieties and taste, while ensuring that the products met key nutritional requirements important to the belVita platform. Not only have the belVita products been received well in the U.S., but this success even spurred national recognition for one of the lead product developers on the team, Tiffany Sepanski, who was named one of Forbes Magazine’s 10 Rising Stars at the Most Innovative Companies for her work on belVita.
Even with great flavors, like Blueberry, Golden Oat and Cinnamon Brown Sugar, developed for the U.S. market, visually, the product has a plain appearance compared to many packaged breakfast products, so the team needed to overcome skepticism to drive trial. To tackle this challenge belVita distributed well over 10-million samples upon launch – the largest sampling in the company’s history. “We wanted people to try it, love it, and talk about it, so we gave people plenty to talk about. As a team, we believe a large driver of the belVita success came from the innovative and integrated launch platform, going beyond traditional marketing and strategy. Having a great-tasting consumer offering, paired with strong distribution, in-store visibility and consumer trial were all critical to generating the cut-through and buzz for this outstanding product,” shared Marcus.

BEYOND A NEW PRODUCT INNOVATION – LAUNCHING A BRAND, BENEFIT AND CATEGORY

“This was not a rushed launch.” Marcus continued. “We took the time to assess the opportunity and get this right. We had a great global idea that we believed in, saw an opportunity in the U.S. to innovate, and seized that moment. For the U.S. we were pursuing a new brand, new category, and new product benefits. All of these dimensions of innovation guided our approach to flavors, package design, and communications strategy.”

Marcus explained, “The insight work and the product development were not without their challenges, but with a great product that met a true opportunity, we knew we could overcome all the hurdles.” Impressively, the Mondelēz International team took a global success and adapted it for the U.S. marketplace – a tasty combination that ultimately led to this great achievement.

With year one sales in excess of $70M and better than 50 percent growth in year two, it’s safe to say that consumers “ate it up!” In fact, last fall the brand sold its one-billionth crunchy biscuit in the U.S. and even launched a separate Soft Baked product for consumers who prefer a different texture for their breakfast biscuit.
"One of the interesting aspects of the protein bar is that we didn’t set out with a protein bar in mind," Nature Valley Global Insight Manager, Heidi Keefe explained. “We were interested in understanding how the trend of ‘better for you snacking’ was manifest in consumers’ behaviors.”

Marketing Manager, Doug Martin added, “What we were learning through our research revealed a real opportunity at the retail level. Specifically, while consumer comments about protein had broadened both in terms of who was interested in protein as well as the benefits they were seeking, protein bars were generally narrowly targeted – such as for muscle building or to Atkins dieters.”

“Furthermore,” Martin continued, “we found that while many consumers appreciated the benefits of the existing protein bars, they didn’t love the often chalky taste and texture. These insights really crystallized our innovation spec: deliver protein bar benefits with better taste and value.” Martin noted, “The opportunity was clear and compelling but how do we do this to do this in a Nature Valley way?”
“The ways consumers think about bars are interesting and diverse,” Keefe explained. “Some people are benefit focused and don’t much care about the ingredients. Another group of consumers care deeply about the ingredients, and this group was the focus of our innovation work on Nature Valley. The brand stands for energy, great taste, real ingredients, and simple processing. When we saw the strong consumer interest in protein in the context of healthy snacking, we really felt like this might be a big opportunity for the brand.”

“Once we fully grasped the magnitude of the opportunity, we wanted to make sure that’d we’d be first to market with anything remotely similar,” Keefe recalled. “Specifically, for strategic reasons we wanted to cut six months off of our normal launch timeline.”

“Taking 6-months out of the development cycle is not something you just wave a wand and make happen,” Keefe joked. “There were four keys to pulling this off. First, our research base was so solid, that it gave everyone confidence that the opportunity was real and big. Second, senior management support. At any big company, there is so much process that it would be totally impossible without an executive mandate. Third, planning the development timeline with a blank sheet of paper. If you start with the existing process and try to scratch out six months, you’ll never get there. We basically had to put the launch date stake in the ground and collectively asked, ‘how do we make this happen?’ Fourth, incredible alignment across numerous functional areas. When you’re doing something this radical, you need finance, R&D, manufacturing, packaging, sales – a lot of folks who aren’t necessarily part of the innovation function to come together as a team. This was probably the key to everything.”

“Our launch – from package design to TV creative – was basically our initial insight brought to life,” Keefe recalled.

Nearly $100M in year one and better than 25 percent growth in year two. Nature Valley Protein Bar is textbook Demand Driven Innovation: powerful insight into unmet consumer demand, a development process in which clarity of insight fueled unprecedented speed, faithful fulfillment of the identified opportunity, a launch that brought the insight to life, and leadership at all levels and all functions that fueled Breakthrough success.
“Sandwiches are the most popular food people eat,” Sargento Director - Insights Katharine Richards began, “so it’s no wonder that the ethnography of sandwich making offers an interesting view into an important consumer ritual. Combined with other qualitative techniques, we were able to create a rich picture both on a behavioral level - what consumers were doing and not doing - as well as on an emotional level - the desires and challenges of making sandwiches.”

“For many consumers, sandwiches play important roles in their lives. Sandwiches do a number of jobs extremely well, and cheese is a key ingredient,” VP New Platform Development Rod Hogan explained. “In fact, cheese was not only important but increasingly so. In an exercise that proved both fun for consumers and useful for us, we asked consumers to describe their sandwich ingredients as cast members in a movie. Cheese was becoming more of a star - up from its traditional supporting role. Some consumers were cutting back on meat and others found that their ham and turkey staples weren’t terribly exciting. Cheese was providing the flavor signature for the sandwich.”
“That said,” Hogan added, “it wasn’t a perfect ingredient. Consumers loved cheese, but they didn’t love the fat and the calories associated with the cheese they crave. What we found was that consumers were adopting a number of compensating behaviors to manage the tradeoffs. Sometimes they’d have cheese one day but not the next. Sometimes they’d keep the cheese on the sandwich but feel like they needed to ‘make it up elsewhere’ in their meal. Finally, some consumers would add the cheese but feel guilty.”

“Although reduced fat and low calorie options work great for some people,” Richards explained, “others really aren’t satisfied with them. Our insights work uncovered a benefit bundle that no currently available cheese was delivering:

• The full-flavor taste experience they loved
• ‘Healthier for me’ options
• Real, natural cheese

CONSUMERS WANTED THE CHEESE THEY LOVED BUT WITHOUT ANY COMPROMISES.

Similar to many Breakthrough Winners, Sargento Ultra Thin may seem to the outsider to be some mix of obvious, easy, and insignificant: “what’s the big deal with thin sliced cheese?” But when viewed through the lens of consumers’ jobs to be done - and evaluated through the reality of Sargento’s existing capabilities, these judgments prove hollow. It turns out that delivering the desired benefit bundle without compromises is indeed a big deal to sandwich eaters. Similarly, high-volume and high-speed production of thin-sliced cheese is far more complex than simply adjusting a few dials on various machines.

“It’s not just the cheese production that makes this difficult,” Hogan recalled. “There were a number of packaging complexities including ‘interleaving’ the slips of paper between each slice. However, when we spoke to our production experts on the manufacturing floor, they were confident it was doable and embraced the challenge. So, we formed a cross-functional team and went to work figuring it out. It was neither easy nor quick. We had a very clear innovation direction based on our insight work, so we persevered and didn’t cut corners.”
“There were other elements of the innovation and the launch that were critically important,” Richards added. “For example, lower-calorie messaging – a little goes a long way. Make a big deal of it, and consumers start to wonder if the cheese is a real, natural product or if it will taste good. Getting the labeling and messaging on this right required subtlety and testing.”

“Our insight work also identified that the biggest question that prospective buyers held was whether the thinner slice would deliver the full flavor experience they were looking for - 45 calories is compelling, but if you need two slices, there's no point. This finding helped focus our creative brief: we heavily weighted the terrific taste experience and went much lighter on the low-calorie benefit. This was the balance that resonated with consumers and cued the successful purchase interest.”

Getting the product attributes and consumer messaging right are critical steps to delivering a Breakthrough win, and so is dedication to ongoing support. “When we assessed our own launch history as well as that of historic Breakthrough Innovation successes,” explained SVP Marketing Chip Schuman, “we knew how important the go-to-market phase was and also the necessity of a multi-year time horizon for supporting the launch. From the outset, we built a two year support plan, and we’ve continued into year three. We have continued our investment in media and trade, and we leveraged the success of our initial four varieties to add two more in year-two and year-three. The sustained focus and investment has really paid off.”

“Finally, it wasn’t just about consumer communication,” Schuman commented, “we made a big deal out of Ultra Thin with our sales force and engaged our retail partners in the story. Internally, we created a high-energy video for our national sales meeting with a ‘thin is in’ theme. We developed outstanding sales materials, and gave our sales folks ultrathin laptops to use for their customer meetings. They loved it. Many showed up in their skinny jeans – adding to the enthusiasm.”

“There was a great retailer story, as well,” Schuman continued. “A key filter for all our new product efforts is our ability to drive category growth. Our insights around the tradeoffs that cheese imposed on consumers, and the compensating behaviors people adopted, showed our dairy section buyers how this launch would be incremental for their business.

We achieved 75 percent retail penetration (ACV) in our first year, which is exceptional for the category.” The story made sense for retailers and it made sense to consumers. First year sales cleared $50M and nearly doubled in year two. Ultra Thin drove 6 percent growth in the sliced natural cheese segment – reflecting big wins with consumers and retailers – and delivered an impressive Breakthrough success for Sargento.
Dove was launched for women in 1957 promising “not to dry your skin out like soap.” For nearly six decades, the brand has stayed true to that promise. Over the past decade, Dove's celebrated “campaign for real beauty” epitomized a brand that stood apart – creating a clear identity with a dedicated customer base. So how in the world could you think about taking this decidedly feminine equity and find relevance in a man’s world?

“Our initial insight work drove everything,” recalled Brand Building VP, Rob Candelino.

- "First, men were already using Dove, generally borrowing from their wives because it cared so well for their dry skin.
- Second, dry skin was men’s chief skin-care complaint.
- Third, men were taking a more active and overt interest in grooming.
- Fourth, while men were increasingly engaged in grooming, they felt little connection with the stereotypical depictions of men in advertising."
“From a brand standpoint,” Candelino continued, “these discoveries aligned well with the Dove brand because of our focus on superior care and our history of celebrating real women.”

“The big insight about these men and where they were in their lives,” Candelino summarized, “was that they were, literally, becoming ‘comfortable in their own skin.’ What a perfect metaphor for Dove – skin that feels as comfortable on the outside as you do on the inside.”

Exciting stuff, but at the end of the day Dove had been a women’s brand for 60 years. It’s one thing for a guy to use the soap his wife has in the shower, it’s another for him to buy the Dove brand for himself. Candelino described how the team navigated through these issues: “what we found in our insight work was that one of the ways to connect with men was actually through the women in their lives. This translates both to women buying for men, and men turning to women as trusted experts in this area. As a consequence, having a brand that women trusted for care turned out to be a real positive.”

“That said, this had to be a men’s product from the ground up. We weren’t going to just slap a new label on their wives’ bodywash. Men wanted distinct fragrances, products, and packaging.”

“We knew we had a phenomenal product and package,” said Candelino, “and that was indispensable if we were going to fulfill the full promise of the opportunity: to create a brand that connected with real men in a relevant, authentic way. But this would all be idle aspiration, if we couldn’t motivate men to try. We felt tremendous pressure among the marketing team because the insights and R&D guys had done such an incredible job.”

“Again, execution followed insight,” Candelino explained. “We launched with a TV ad that chronicled, in a light-hearted humorous way, the journey real men go through in life. We then launched the ‘Journey to Comfort’ campaign which featured celebrity sports stars but the surprise was that we didn’t ask them to talk about their on-field heroics or the wonderful benefits of our products. Instead, they spoke about the seminal moments in their lives that ultimately helped shape them as real men, fathers, sons, professionals and husbands. These unexpectedly candid and intimate vignettes proved to be incredibly powerful and resonant with American men.”

Landing on shelves in late 2009, Dove® Men+Care® was a hit right out of the blocks. Year one sales exceeded $85M and grew better than 75 percent in year two. Nothing fuels success like success: bar and body wash paved the way for extensions into deodorant, hair care, and
facial care in years three and four. Continued innovation, steady media support, and increased distribution penetration powered sustained, robust growth.

In classic Breakthrough fashion, the Dove Men+Care team were able to study the same markets and consumers as competitors and see opportunity where others saw saturation. “Ironically, even though Dove was a historically female-oriented brand,” Candelino noted, “it provided us with a unique lens to identify unmet demand among men. We built a brand that delivered what men were looking for in grooming, because we understood where they were in their lives and the broader context of what was important to them.”

The breakthrough elite is already a club of high achievers, yet Dove Men+Care has achieved success like few others. “This is really a story about focus, rigor, execution, and teamwork,” Candelino summarized, crediting Consumer and Market Insights for leadership in discovering the insights that have driven the brand’s growth.

“WE INVESTED HEAVILY TO GET OUR CORE PRODUCTS RIGHT. WE REALLY FOCUSED ON THE BRAND AND DIDN’T CROWD AND CLUTTER WITH ENDLESS VARIATIONS.”

In many ways, Unilever’s Dove Men+Care epitomizes the principles of Demand Driven Innovation and the transformational promise of relentless execution and focus. It’s not easy, but neither does it require genius or outsized appetite for risk. Instead, waste, time, and risk are systematically driven out of the process.

Two years ago we celebrated the achievement of Dove Men+Care as a Breakthrough Winner. Over four years since launch, the brand earns a second salute for performance that continues to enlighten, inspire – and win in the marketplace.
SPECIAL THANKS TO THE 2014 BREAKTHROUGH INNOVATION PROJECT TEAM

Nicole Bryant, Meg Chari, Sam Colalillo, Ben Fiman, Therese Glennon, Coleen Halloran, Lisa Karigan, Kate Kaufman, Leslie Krohn, Matt Linsenberg, Chloe Mark, Eric Newton, Parker Noren, Brian Odeen, Kayo Osaka, Jason Plumton, Courtney Ramirez, Saul Rosenberg, Stefan Stanev, Matt Stark, Dain Van Schoyck, Randy White, Megan Zavalydriga and Kara Zdanowski

FOOTNOTES

1. Nielsen ScanTrack (Food, Drug, Convenience, Dollar, Club, and Mass Merchandise)
2. The “jobs to be done” concept was articulated in Prof. Clayton M. Christensen’s 2003 book, *The Innovator’s Solution* on which Breakthrough Innovation Report author, Taddy Hall, collaborated. Bob Moesta is a Nielsen Innovation Practice collaborator and another “founder” of the “jobs” architecture
3. See 2013 Breakthrough Innovation Report
4. *Hidden in Plain Sight*, Erich Joachimsthaler
5. *Innovation and Entrepreneurship*, PF Drucker, 1985; p. 139 (paperback)
6. *Out of the Crisis* (p. 5) W. Edwards Deming

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 N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence, mobile measurement, trade shows and related properties. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA and Diemen, the Netherlands.

For more information, visit www.nielsen.com.