

Innovation drives brand success at shelf

By  Danette Breitenbach

9 Nov 2018

Lindt is a premium brand growing in a declining market. A luxury product generally bought as a gift, the brand launched a cheaper version catering to personal indulgence. Not only did this expand and grow their range, but it also grew the category, bringing new users into the category.



© hxdyl via [123RF.com](https://www.123RF.com)

Brands are finding it difficult to break through the clutter and as a result, often the decision to buy is made at shelf. "This is led by promo and price, and while price promo is an easy route, it is a risky one. The more you price promo, the less consumers will pay the regular product for your brand. It is a sacrifice of long-term profits for short-term gains," Esti Prinsloo, innovation practice director, Nielsen SA warns.

Innovation is about meeting an unmet expectation

Differentiation through innovation, although also risky - it has been shown that 95% of innovations fail with the first five years - is a better option. Shea says knowing what innovation is will increase your odds of success. "Innovation is about meeting an unmet expectation of the consumer. If an innovation does this, it will grow your brand and increase sales."



#ShopperInsights2019: I love you, but...

Danette Breitenbach 8 Nov 2018



The gin category is a good demonstration of this. "Gin is a premium, not a mainstream category that is driving growth through innovation that has increased the category offering to consumers, offering brands over a range of cost from cheap to very expensive, bringing new customers into the category," she says.

“In addition, the growth in the gin category has dragged the tonic category with it and grown it. You can buy a cheap gin and enhance it with a premium tonic water,” she adds.

She expands further by saying that innovation is not only about volumes gained; it is also about gaining additional volumes to your franchise. “To think incrementality first you need to understand what the unmet need is and then you need to address it. Dragon Energy drink is an example of an energy drink for the lower end of the market, a segment whose needs had not previously been met by the category,” she says.

Innovate with very effective packaging

A great place to innovate that is very effective is packaging. She says:

“I urge you to invest in pack design. This is not an element that should be left to chance as 64% of consumers try a new product because the packaging catches their eye. Refreshed packaging can reinvigorate a brand.”

She also stresses that brands should use the pack to let the product speak for itself and let the design communicate the product benefits.

“The pack can speak to emerging trends. Woolies does this very well on its products to tell consumers the product’s journey. The pack can also eliminate barriers created by the pack, such as the jam example earlier and it can be used to expand usage occasions, such as Coca-Cola has done with its 330ml size bottle.”



#ShopperInsights: Zero moment of truth - future of marketing

Alistair Duff 19 Oct 2018



Further advice for brands to succeed in today’s challenging climate includes:

- Leverage existing equities to enter adjacent categories.
- Overcome category barriers (inhibitors). For example, a brand that packaged its jam in a squeeze bottle instead of a tin brought in new users into the category.
- Innovate by changing the way consumers engage with a category, for example using apps and digital experiences, for example, an app for cosmetics that allows the user to see what they will look like with a shade of lipstick. South Africa is behind here.
- Trade consumers up to a more premium offering. Lindt has done this successfully by expanding their range and the category.
- Extensively enhance your product performance to give the consumer added benefits.
- Apply across category learning.

This is part of a presentation “Growing your category through creating an innovative mindset at shelf” by Prinsloo at the recent Marketing Mix Shopper Insights SA 2019 Conference held in Bryanston, Gauteng.

ABOUT DANETTE BREITENBACH

Danette Breitenbach is a marketing & media editor at Bizcommunity.com. Previously she freelanced in the marketing and media sector, including for Bizcommunity. She was editor and publisher of AdVantage, the publication that served the marketing, media and advertising industry in southern Africa. She has worked extensively in print media, mainly B2B. She has a Masters in Financial Journalism from Wits.

- Wild Space: The gamification of grocery shopping - 18 Jul 2023
- Aspartame under the spotlight as WHO declares it a "possible carcinogenic to humans" - 3 Jul 2023
- Checkers trials Xtra Savings Plus - 23 Jun 2023
- Woolies, there's a mouse in my chicken... - 5 May 2023
- Ackermans' #YouBuy1WeGift1 donates over 30,000 sanitary pads - 30 Sep 2022

[View my profile and articles...](#)

For more, visit: <https://www.bizcommunity.com>