



Optimal Strategix Group

Creating an Innovation Pipeline by Understanding Consumer Needs Gap for Facial Skin Care Segment

How OSG helped a leading CPG company build a pipeline of new products in existing and new markets, by providing a deep understanding of their consumers' needs, gaps, motivational triggers, and behaviors of their target segment, Segment X, to drive global growth objectives through successful innovation launches

EXECUTIVE SUMMARY

The client wanted to understand how the key target segment, Segment X, goes about choosing their facial skin care products, and what new innovations would help increase their adoption. Using primary data and OSG's powerful behavioral analytics platform ASEMAP™, OSG helped understand the customer segments, their behavioral drivers, and preferences, and defined a global innovation strategy for the client.

OBJECTIVES

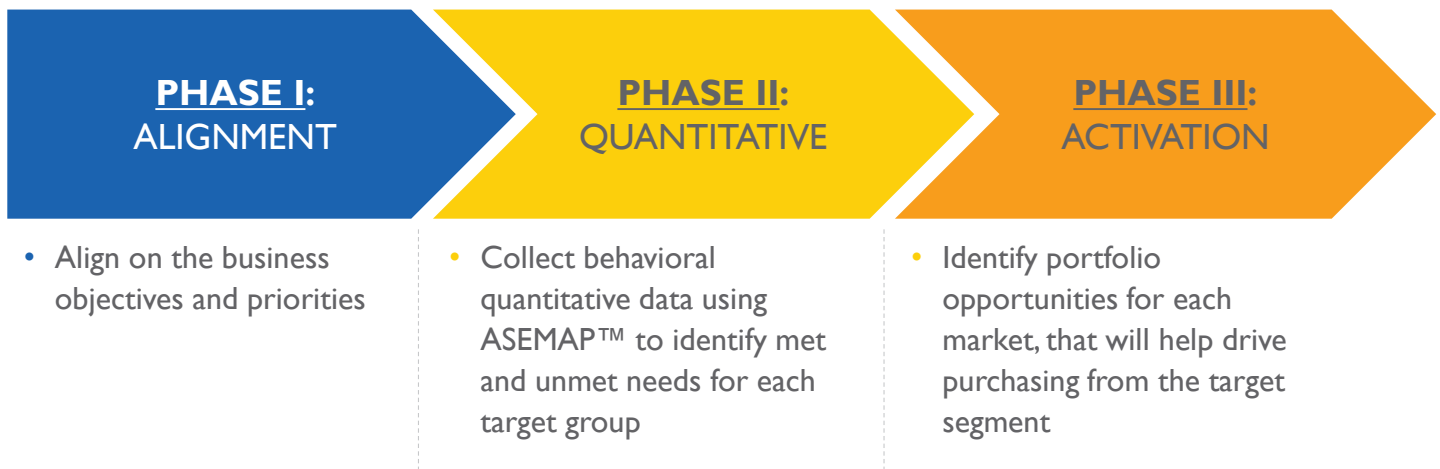
The objective of our engagement was to develop a portfolio of new innovations for our client, by assessing current usage and perception of major facial skin care products and services used for moisturization. This included assessing brand-level awareness, consideration and usage, as well as consumer benefits, needs, jobs and outcomes that would drive consumption of new innovations.

Specifically, we identified which jobs, outcomes, and needs are priorities for Segment X, what brands she uses today, and how needs and opportunities differ for Segment X as compared to other segments.

It was also important to identify the need gaps in the facial moisturizer market. Questions to be answered were:

- How can opportunities for current brands be optimized?
- What are potential future innovations valued by the target customer?
- How do they differ for Segment X vs. Non-Targets?
- How do they vary by market?

APPROACH



APPROACH (cont'd)

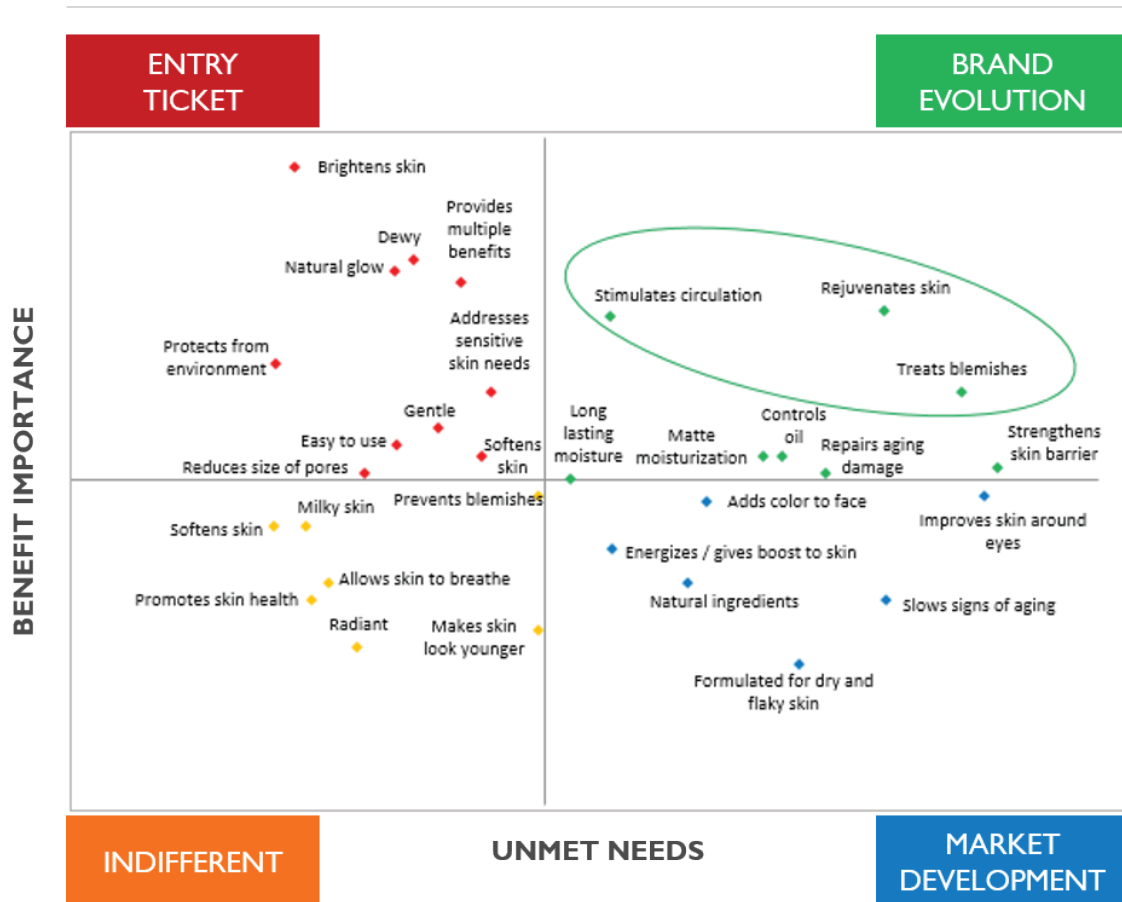
We used OSG's powerful behavioral analytics platform ASEMAP™ to identify and quantify the needs of different segments, and their motivational drivers for purchasing facial skincare products. By also measuring their behavior, expectations, and satisfaction, we were able to map these back to their greatest needs, and identify where gaps and opportunities exist for our client to delight Segment X. This was done in multiple markets, providing invaluable insight into messaging, positioning, and innovation opportunities in existing markets, as well as launch strategies for new markets.

Our analytics demonstrated not only where the client has opportunities to win, but also exactly how they can win. Our powerful methodology and online tools allow us to dynamically test new product ideas, messaging, and platform launch sequences for them on an ongoing basis.

RESULTS

OSG successfully identified need gaps of Segment X across multiple markets. Our opportunity maps helped understand these need gaps and began providing direction for concept creation and new innovations.

SEGMENT X – TOTAL



Our competitive analysis identified the extent to which these need gaps exist across all market offerings, as well as highlighted areas where our client is currently performing strongly.

Who Is Winning in the U.S.? Where Can We Raise the Bar?

There are clear spaces for Brand A to raise the bar in the following areas.

	SKIN GLOW					BRIGHT & EVEN			
	Dewy	Improves Skin Around Eyes	Rejuvenates My Skin	Anti-aging	Supple Skin	Smooth Skin	Radiant	Even Complexion	Brightens Pigments
CLIENT BRAND			✓			✓		✓✓✓	✓
Competitor A	✓✓✓	NEED GAP	✓✓✓					✓✓✓	✓
Competitor B			✓			✓		✓	✓
Competitor C	✓	✓	✓✓✓			✓	NEED GAP	✓✓✓	✓
Competitor D	✓		✓✓✓			✓	NEED GAP	✓✓✓	✓
Competitor E								✓✓✓	
Competitor F			✓✓✓					✓	✓
Competitor G			✓					✓	

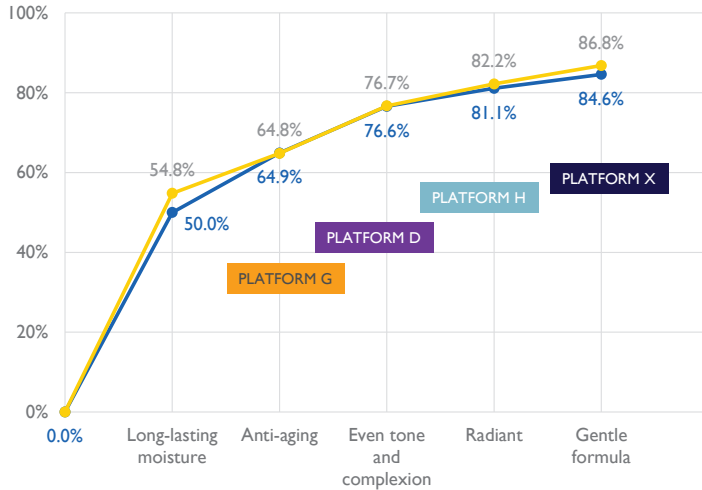
✓✓✓	Best Performance
✓	High Performance

NB: Performance calculated within these 8 brands on drivers > 100 in U.S.

Finally, we demonstrated how the innovation and positioning of the brand’s portfolio could win these need gaps, and identified a step-by-step launch strategy in new markets. This analysis has provided a strategic foundation of insights, to help make many business decisions ranging from innovation and messaging, to product launch order.

Our client lead described OSG’s work as creating an “embarrassment of riches” for them

New Market Launch Strategy – Potential Reach



This is recommended as the best strategy for building the global brand platform, as it has optimal reach (85 – 87%) with similar trajectories in both markets.

NB – Platforms are interchangeable in order, and will achieve a very similar result.

How Can Brand A Products Better Address Unmet Needs?

USA						China					
ANTI-AGING		FLAWLESS		RESET			BRIGHT & EVEN	BRIGHT & EVEN	MOISTURIZATION		
Prevent Signs of Aging	Younger-Looking Skin	Reduces Spots	Reduces Appearance of Pores	Soften Skin	Restore Skin pH	Accelerate Skin Repair	Even Complexion	Radiant Skin	Intense	Long-Lasting	
PLATFORM G											
		Sun spots/Sun damage	?	Hydrating skin; dark circles	?		Smoother complexion	Even complexion & texture	✓	✓	
PLATFORM D											
					?						
PLATFORM H											
Subline	✓	Age spots		Prevents crow's feet	?	?					
PLATFORM X											
			?			?					

✓ Platform currently providing but could expand ? Possible provide in the future