



Optimal Strategix Group

## Continuous Innovation: Jobs Segmentation, Social Listening, Behavioral Analytics

*How OSG helped a leading CPG client to identify new innovations  
and develop the perfect marketing strategy for bottled water to  
overcome market challenges*

## EXECUTIVE SUMMARY

A leading CPG company was facing significant market challenges in the form of increasing competition and limited shelf space. The influx of private label brands and increasing reliance on promotions, as well as new “enhanced” products in the category of bottled water, made it tough to improve market share. OSG was tasked with identifying the drivers of consumer jobs and their choices using our behavioral analytics platform ASEMAP™ and continuous social listening to come up with the right product marketing strategy, promotions and messaging framework. The client successfully redesigned packaging, communication and pricing and promotions. By demonstrating the size and value for the premium buyer, the company prevented the loss of shelf space to a store brand.

## OBJECTIVES

- Identify new product innovations, customer segments, value propositions, and mix of visual assets that best bring to life the brand vision
  - Identify which existing product and promotional assets are mandatory for the brand
  - Evaluate assets that require modification to fit the new vision
  - Explore new visual assets that fill in the gaps of the new brand story
- Analyze the current brand architecture and determine an optimized approach
- Identify the right communication hierarchy in line with consumer jobs, in combination with their social comments and the link to drivers of behavior choice
- Include bottle design/structure among the assets along with new innovations for product and promotions

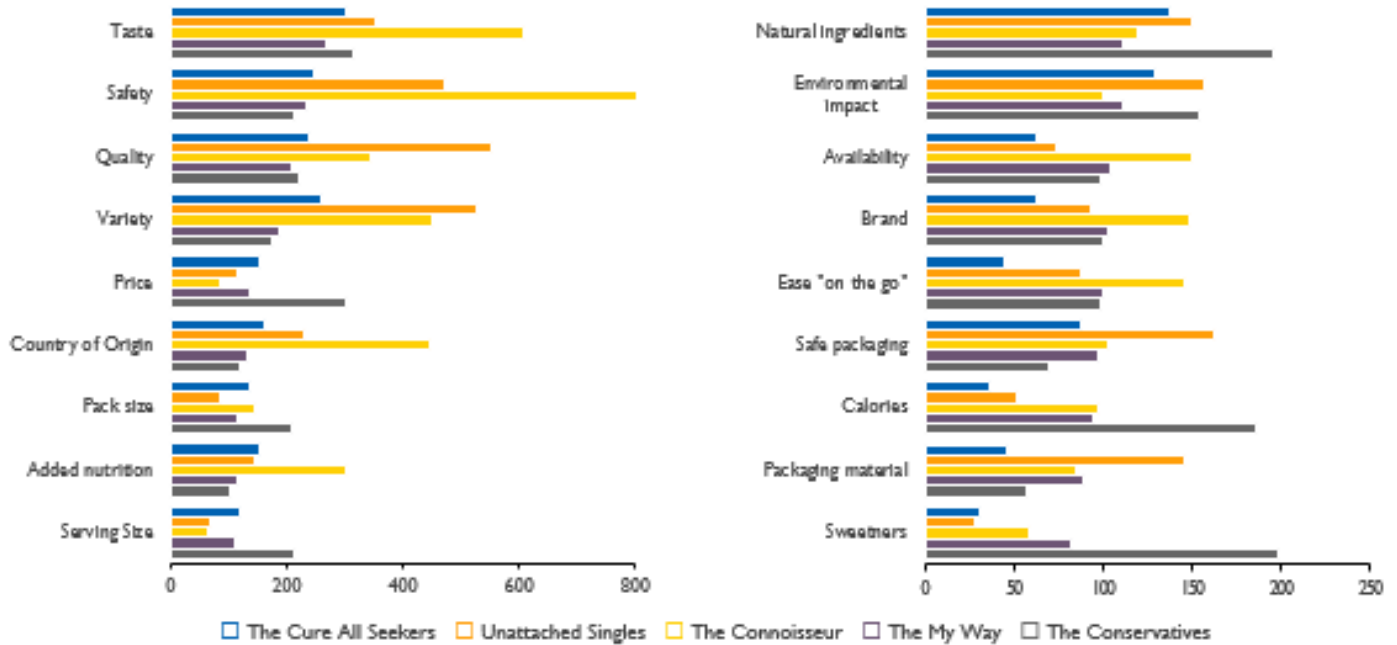
## STRATEGY

We used a four-phase approach to address our objectives.

	Assessment Phase	Segmentation	Value Proposition	Activation
Information Objective	Assess the existing state of the business and develop a consistent fact base.	Understanding the drivers of value in the category and brand perceptions on performance	Create value proposition(s) using key drivers and attributes as a base	Convert learnings into communication and product development action plans
Tools Used	In-depth interviews with key internal stake holders / review of all existing research.	Output from Phase I provides inputs into a 30 minute online survey leveraging Optimal Strategix's ASEMAP™ Methodology		Cross-functional workshops and Optimal Strategix OSMPs™ on-line simulator
Resource Requirement	Key Internal Managers from Marketing, Sales and Consumer Insights	A representative sample of current, lapsed and competitive consumers as well as syndicated sales and panel data.		Consumer Insights, Brand Management, Creative Services and Agencies

A sample of approximately 5,000 category users were surveyed online. Because these shoppers were part of the Nielsen panel, OSG obtained unstructured data from social media, as well as individual shopper purchase behaviors over a three-year period. 33 drivers of consumer jobs were identified from social listening and other qualitative research and evaluated using OSG's proprietary behavioral analytics platform ASEMAP™. Of these 33 drivers evaluated, the 18 below were shown to be key to explaining the drivers of choice and market structure.

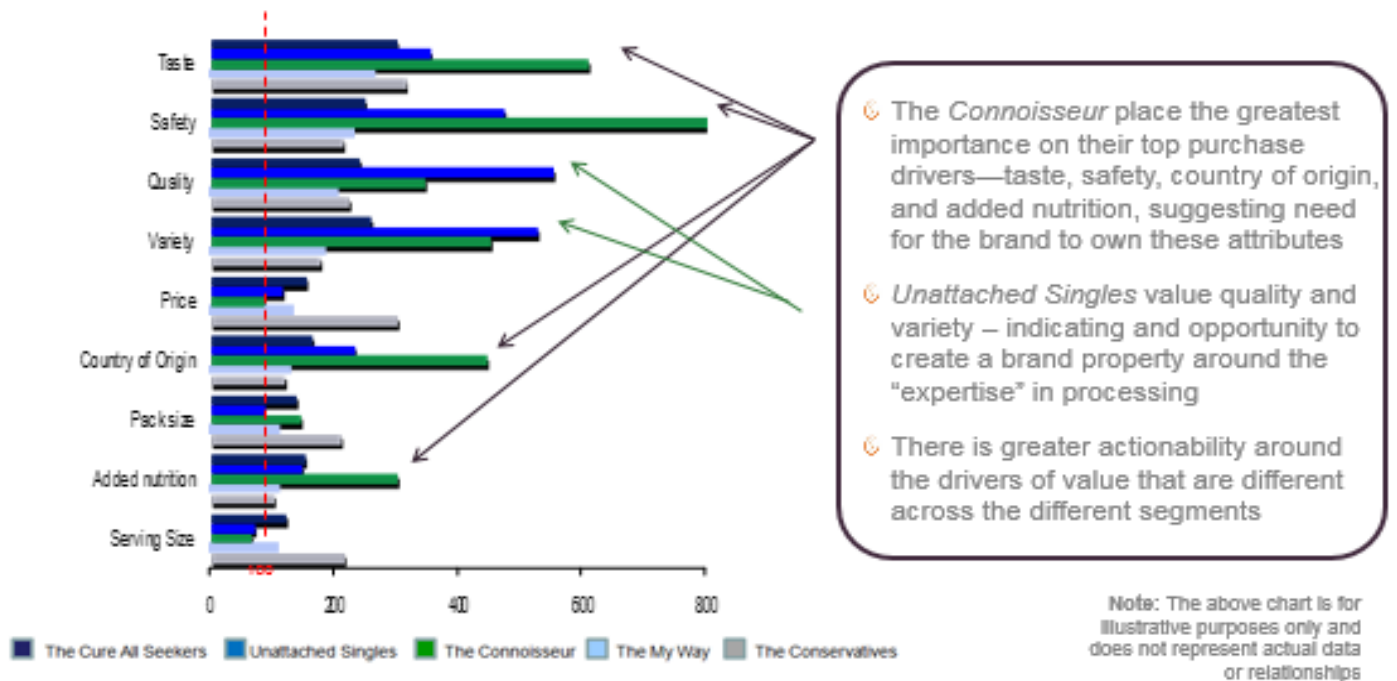
MAGNITUDE OF IMPORTANCE OF KEY VALUE DRIVERS\*



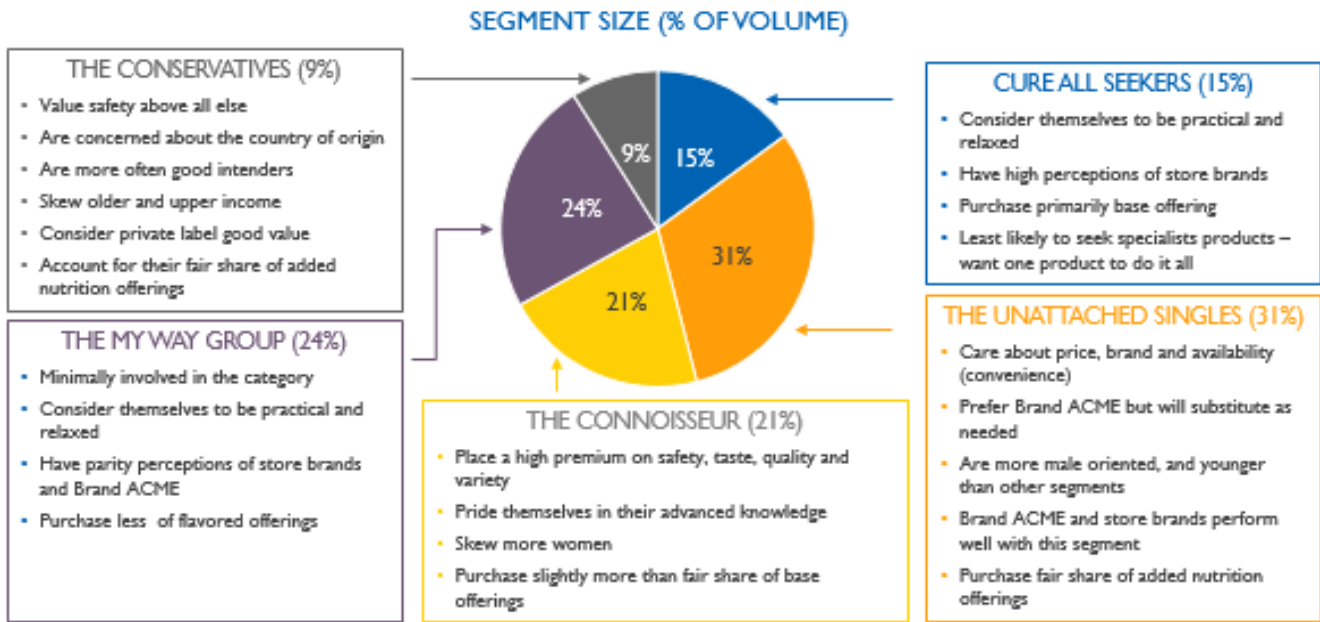
A score of 200 is twice as important as a 100; meaning a consumer is twice as likely to base their decision on that attribute

Note: The above chart is for illustrative purposes only and does not represent actual data or relationships. All data has been masked to protect confidentiality

Consumers were grouped based on their Jobs and their similar preferences for drivers of value.



Consumers were classified into five unique segments, each with distinct behaviors, attitudes, and mindsets.



**NB: Data can be analyzed around existing segmentation models**

Note: The above chart is for illustrative purposes only and does not represent actual data or relationships.

Key attributes of consumer jobs were analyzed using predictive analytic techniques and unstructured data approaches to form the pillars for the Value Proposition.






Maps for competing brands were also analyzed for key attributes

Note: The above chart is for illustrative purposes only and does not represent actual data or relationships.

# RESULTS

Consumer Segment and Innovation identified gaps that existing products were not addressing. This led to successfully designing new promotions. Additionally, by demonstrating that substantial shoppers would abandon the brand if removed from the shelf and were willing to pay a premium, as it addressed their jobs and needs, a large retailer using these analytics and decided not to remove the brand from their shelves but provided additional space for the new innovations.

<p><b>PROMOTIONAL ACTIVITIES</b></p>  <p>Healthy hydration for all your family</p>	<p><b>PRICE PROMOTIONS</b></p>  <p>SAVE \$1.00 Brand X Water Water \$1.00 per gallon</p>	<p><b>PACKAGING REDESIGN</b></p> 
<p><b>KEY MESSAGING</b></p> <p><b>First we make it pure...</b></p> <p>Every drop of water in every bottle of Nestlé Pure Life® Purified Water goes through a multi-step process of filtration that involves reverse osmosis and/or distillation. We then enhance the water with a unique blend of minerals for great taste.</p> <p>Learn about the advanced filtration process that ensures the high quality of Nestlé Pure Life.</p>		

