

THE COURAGE TO GROW

How to drive growth in
Inflationary times



IPSOS SOLUTIONS PLAYBOOK

November 2022

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HOW TO MOVE FORWARD? WE HAVE A **FRAMEWORK** AND **SOLUTIONS** TO SUPPORT YOU AND YOUR BUSINESS THROUGH THESE TIMES...

What?

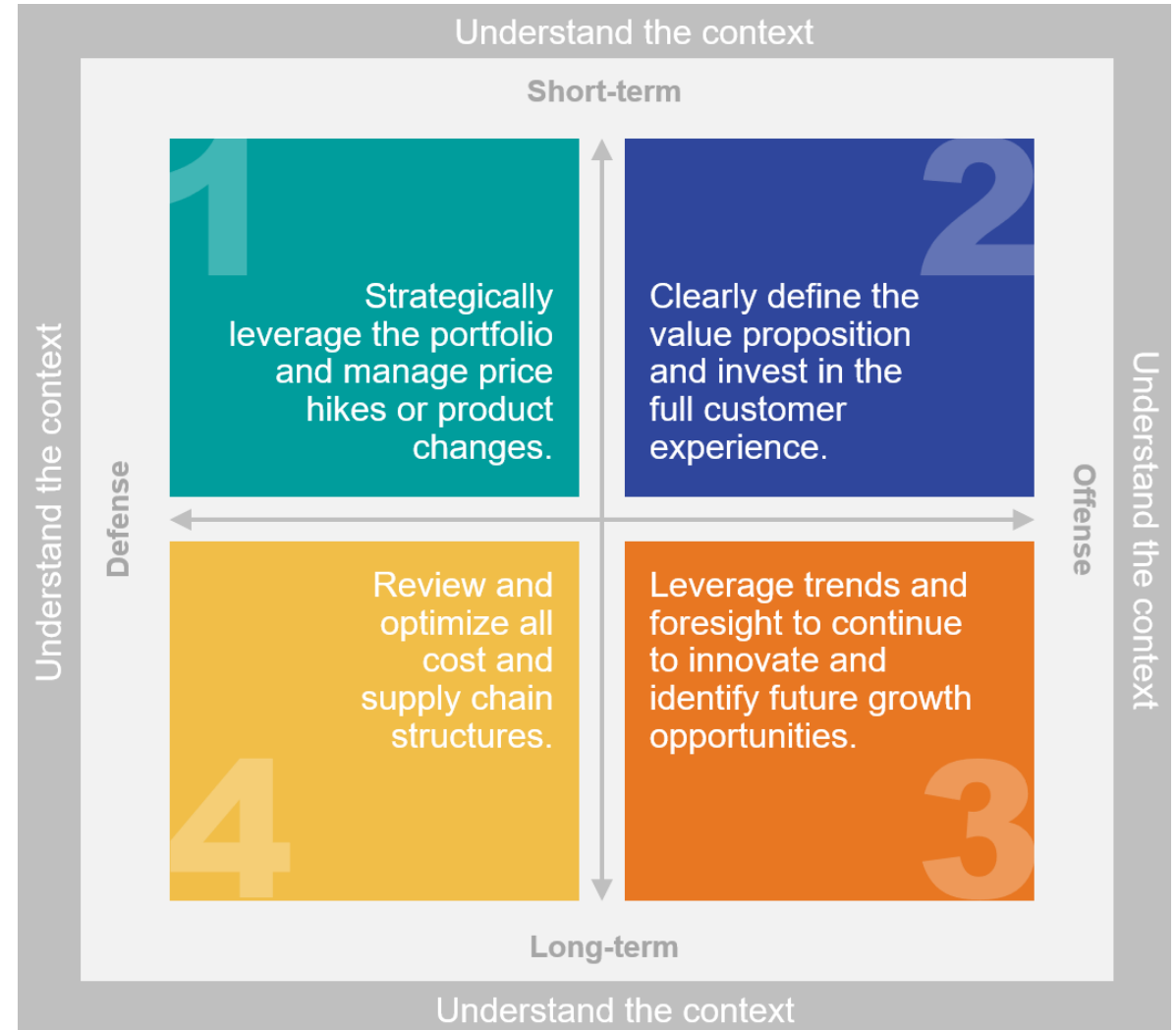
An initial framework that simplifies the complex to guide strategy.

Why?

Channel energy and gain organizational alignment on how you should protect and grow your business.

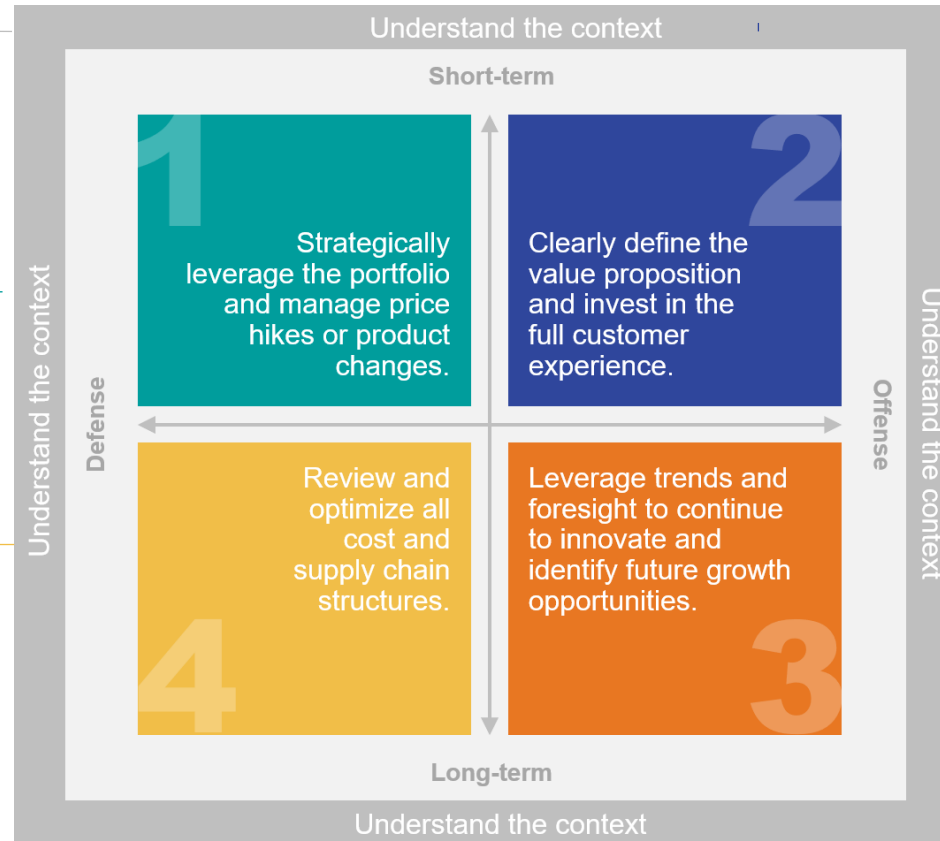
How?

Leverage Ipsos' deep knowledge of society, markets, and people.



HOW TO MOVE FORWARD? SOLUTIONS

- Essentials
 - Ethno
 - Empathy program
 - Communities
 - Social Intelligence
-
- Equity Express Inflation Diagnostics
 - Inflation Product Mix Optimizer
 - Innovation Pricing Resilience Test
 - Permissibility To Pay
 - Inflation Protection (Retail plans)
-
- Cost Reduction Risk Analyzer
 - Product and Pack Optimizer



- MSU Catory Drivers/Brand Development
 - Equity Express Inflation Diagnostics
 - Communication**
 - Inflation Comms Guidance
 - Inflation Comms Elasticity
 - Drive Value**
 - Inno Claim/Concept testing
 - Bsci approach
 - Experience**
 - CX Service Design
 - Mystery Shopper
-
- Scenario Planning for Growth

HOW CAN I BEST UNDERSTAND THE NEW CONSUMER CONTEXT? HOW IS INFLATION IMPACTING CONSUMER BEHAVIORS, ATTITUDES, AND EMOTIONS?

Essentials

Essentials tracks the impact of inflation on consumer behaviors, attitudes and emotions and uncovers the trade-offs people are making.

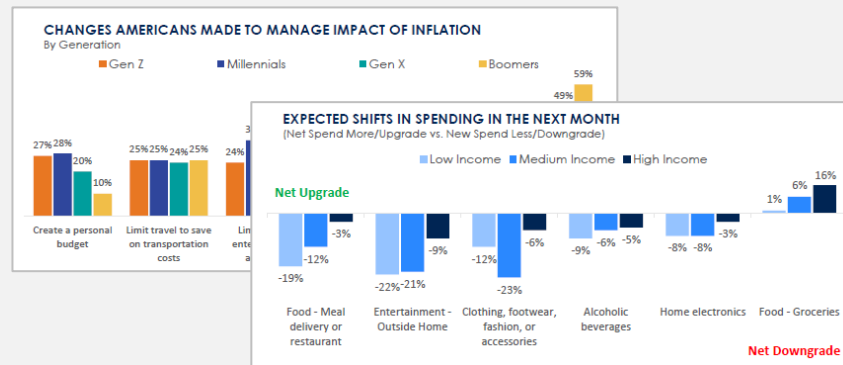
Indicative Investment & Timing

Single Report, 15 countries:
\$10k per month

Deliverables & Outputs

Report in PPT & PDF

Data tables with key demographics (in Excel, with additional data tables available upon request)



Why Ipsos?

We provide a trend analysis of the impact of inflationary forces on consumers over time...

...and help you understand how inflation impacts people differently depending on:



Generation and Life-stage



Household Income



Perceived Personal Risk from Inflation

ESSENTIALS

For more information please contact:

Naumi Haque
Naumi.Haque@ipsos.com



HOW CAN I BEST UNDERSTAND THE NEW CITIZEN/CONSUMER CONTEXT? HOW IS INFLATION IMPACTING ON THE OVERALL OUTLOOK AND PLANS OF CONSUMERS? IS INFLATION SHIFTING OUR ESG RELATED BEHAVIOURS?

Ipsos Context

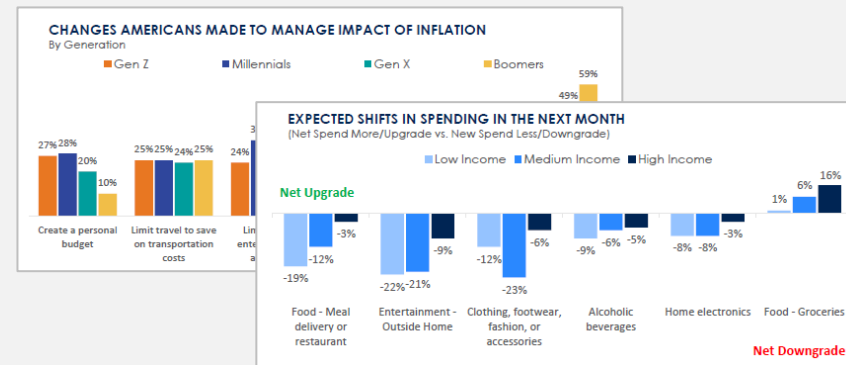
Context tracks overall citizen/consumer sentiment as well as financial health and social purchasing behaviour and investment. Monthly across 28 countries.

Indicative Investment & Timing

Single Report, 1 country
\$30K for 4 quarterly reports

Deliverables & Outputs

Report in PPT & PDF



Why Ipsos?

The pandemic accelerated the evolution of a new socio-economic reality --- a convergence of the citizen and the consumer in economic and purchase behaviours and related socio-political stability. What happens in our social and economic environment shifts citizen and consumer sentiment, changes our wants, needs and expectations of the organizations that serve us/sell to us.

CONTEXT

For more information please contact:

Mike Colledge
Mike.Colledge @ipsos.com



HOW CAN I OBSERVE MY CUSTOMERS/CONSUMERS IN REAL LIFE AS THEY NAVIGATE INFLATIONARY PRESSURES?

Ethnography

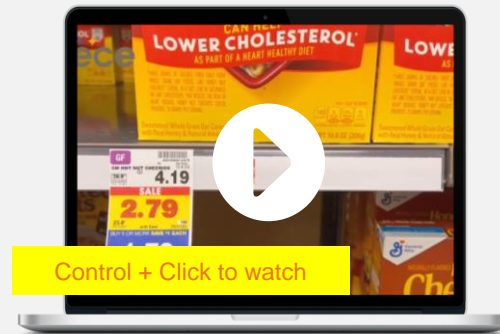
Ethnography allows you to develop relationships with respondents – in-home and/or digitally - probing behaviors, contexts, influences, and decision-making processes to uncover key insights. Digital ethnography leverages these principles longitudinally to better understand people's behavior through 1:1 calls and self-recorded video tasks.

Indicative Investment & Timing

\$40-80K; 6-9 weeks

Deliverables & Outputs

Curated video highlighting real moments of consumer behavior and decision-making. The videos are accompanied by a written report, together communicating key insights and recommended actions in a powerfully engaging way.



[America in Flux: Food and Inflation](#)
(June 2022)

Why Ipsos?

Ipsos uses the fundamental, academic principles of **ethnography** to build relationships via in-home and digital means to better understand people's behavior. Our approach to ethnography is grounded in anthropology, empathy, and observation. Our teams are guided by our Ethnography Center of Excellence, made up of expert researchers, ethnographers, anthropologists and filmmakers grounded in the ethnographic discipline and process.

ETHNOGRAPHY

For more information
please contact:

Brad Griffin
Brad.Griffin@ipsos.com



HOW DO I KEEP MY TEAM CONNECTED TO OUR CUSTOMERS AND CONSUMERS IN ORDER TO DEVELOP AN INTIMATE UNDERSTANDING OF CHOICES THEY ARE MAKING AND THE PAIN POINTS ASSOCIATED WITH THOSE CHOICES.

Empathy Program

4 step end-to-end program combining training, ongoing immersions, workshops and curation.

Indicative Investment & Timing

\$40-75K; 2-4 weeks

Deliverables & Outputs

A half-day training and program of consumer connects, followed by strategic action-oriented workshops and captured in an always-on platform for access to digital assets and resulting insights.



Why Ipsos?

Leverage the strengths of Ipsos UU, the largest qualitative research company in the world, to guide and train client teams and ensure final output of actionable insights. Our team of curators help to make sense of the combined experiences and, disseminate learnings throughout the organization and futureproof your brand with hot topic digests and masterclasses on tackling the emerging challenge.

EMPATHY PROGRAM

For more information please contact:

Brad Griffin
Brad.Griffin@ipsos.com



HOW CAN I GET A DEEPER UNDERSTANDING OF THE IMPACT INFLATION IS HAVING IN PEOPLE'S LIVES, AND ITS IMPLICATIONS FOR BRANDS AND SECTORS?

Two-way Dialogue with Customers

Engage with an on-tap audience in a collaborative online community to get in-depth insights on feelings, concerns, changing needs and behaviors

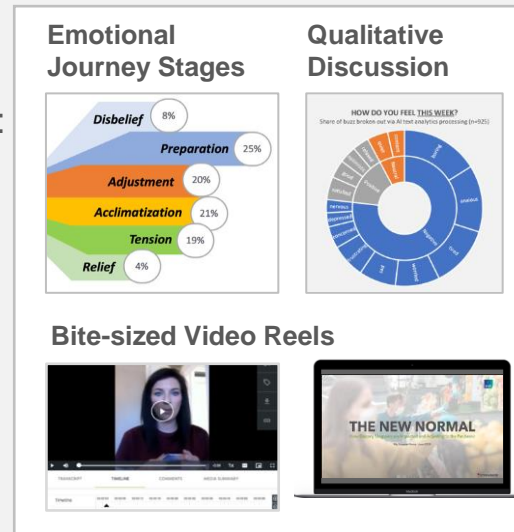
Indicative Investment & Timing

From quick-turn to longitudinal tracking in our syndicated or custom communities, with results as quickly as a few days and starting at \$10K

Deliverables & Outputs

A rich, multi-media report with insights, data & verbatims from:

- Surveys
- Video diaries
- Live chats
- Virtual focus groups
- Discussions
- And more...



Why Ipsos?

Ipsos Communities help you navigate this tumultuous time alongside your customers. Our proven engagement approach fosters a safe and natural space for people to come together and interact with other members and brands.

Combined with our rigorous research methods and qual-quant tools, best-in-class community management, and unparalleled sector expertise, we address the critical questions impacting your business.

Syndicated Inflation Communities available in the US, France, India, Japan, Mexico and China

COMMUNITIES

For more information
please contact:

Robin Seed
Robin.Seed@ipsos.com



HOW TO ORGANICALLY MONITOR HOW INFLATION IMPACTS MY CATEGORY AND BRANDS

Live monitoring

Monitor Social conversations and Search, leveraging AI-analytics to get an organic and accurate picture of the situation in your category. Do not miss out early signals to make fastest consumer centric decisions for your innovation and communication initiatives.

Indicative Investment & Timing

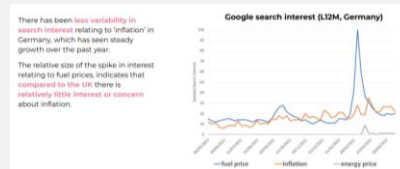
Eg English or French Language

Monthly (6 months subscription)	From 60K€ to 90K€
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On-going Synthesio dashboard capacity pricing on demand

Deliverables & Outputs

Monthly or bi-monthly report (20 pages) : track through consumers social conversations and search the impact of inflation on the people's emotions, challenges, desires and behaviors in your category.



People are frustrated, expressing anger toward supermarkets

People are noticing increasing prices for everyday goods and express anger and frustration at supermarkets, particularly when multipack deals are no longer available.

Products which are often sold at discounted prices have led some to suspect that supermarkets can indeed afford to set prices lower and are making huge profits.



Why Ipsos?

We combine the best machine-human intelligence: unique synergy of best-in class Synthesio Technology, AI-Analytics AND researchers to ensure you identify risks and opportunities from organic consumer generated data



Engaging Topics, emerging concerns Emotional background



Attitudes and behaviors in your category



Early signals



IS MY EQUITY STRONG ENOUGH TO SUPPORT PRICE INCREASES? HOW CAN I BEST PLAY ON DEMAND OR ACTIVATION?

BVC Express inflation diagnostics

A fast & agile equity measurement to diagnose drivers & barriers of consumer demand in inflationary times. Focuses on price/value drivers to disentangle the complex relationship between brand & consumer attitudes.

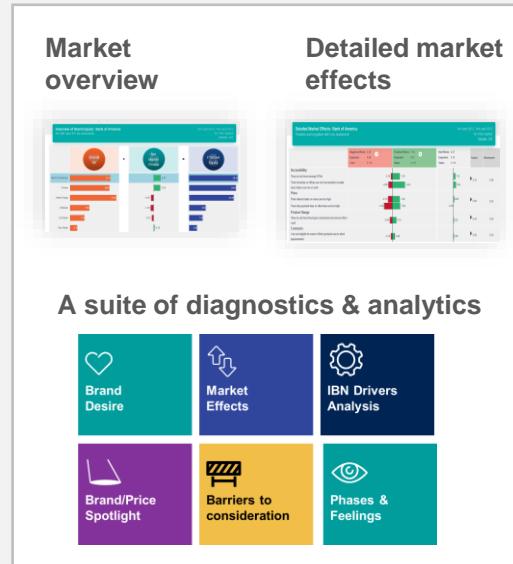
Indicative Investment & Timing

As quickly as a week and starting at \$15K for a custom project

Deliverables & Outputs

Access to data and insights via our secured online portal

PPT report up to 30 pages along with all data and analytics



Why Ipsos?

Faster & better insights to check how your brand can best play on demand or activation an inflationary context.

Using Brand Value Creator, a validated solution with the strongest relationship between brand attitudes and actual sales.

Leverages aggregated data across dozens of categories & historic benchmarks, with meaningful contextual comparisons.

Call-to-action yet strategic, it offers a dynamic & competitive snapshot of brand perceptions

EQUITY EXPRESS INFLATION DIAGNOSTIC

For more information
please contact:

Kyla Nicholls
kyla.nicholls@ipsos.com



HOW SHOULD I OPTIMIZE MY PRODUCT MIX FOR THIS INFLATIONARY CONTEXT? WHAT CHOICE TRADE-OFFS ARE PEOPLE WILLING TO MAKE NOW?

Inflation Product Mix Optimizer

A choice-based approach to identify the ideal product mix between innovation and existing portfolio in response to supply chain issues and purchase behavior changes. Can be conducted at point of sale

Indicative Investment & Timing

Available upon request based on specifics of need

Deliverables & Outputs

Clear visualization of product reach and hits, best mix of products, incrementality, and map of appeal as price/mix varies.

Ability to add a simulator to understand the impact of various scenarios.



Underlying Ipsos Tool: InnoPrice/InnoLine. Or Simstore InnoPrice/InnoLine if the shelf upgrade is chosen. Can be stand alone study but most frequently bundled with other pricing business questions

Why Ipsos?

Offers ability to analyze multiple SKUs, prices, and messaging scenarios against each other and competitors.

Behavioral frameworks to better replicate actual in-market behavior and calibrate results for things like overstatement.

Validated forecast models to predict impact on ROI/sales volume and simulate “what if” inflation scenarios.

INFLATION PRODUCT MIX OPTIMIZER

For more information please contact:

Kelly Becker
Kelly.becker@ipsos.com



HOW TO BUILD A PRICING RESILIENT PRODUCT PORTFOLIO THROUGH INNOVATION?

Innovation pricing resilience test

Examine innovation's pricing resilience on key drivers:

- Elasticity of demand
- Substitutability
- Inflation relativity

Confirms pricing resilience through choice-based pricing tasks.

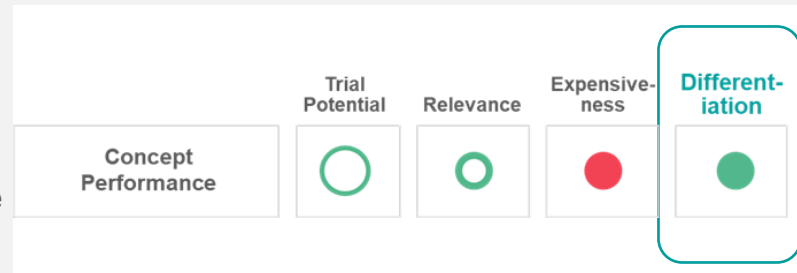
Indicative Investment & Timing

Can be added as module to innovation testing, available upon request

Deliverables & Outputs

Performance on key resilience drives such as Differentiation which help reduce substitutability

Confirmation of pricing resilience through competitive price elasticity analytics



Volume reaction to price increase	Innovation	Category Leader
Price increase 4%	-2%	-11%
Price increase 11%	-5%	-19%

Why Ipsos?

40+ years of innovation pricing research experience

Accuracy **validated** with in-market launch

Scalable globally

Available in Ipsos's **fully automated** research platform

Versatile from nimble module to full study for complex scenarios

Validated forecasting available as additional deliverable

Underlying Ipsos Tool: Concept test such as InnoTest with Mini InnoPrice included as a module. Can also be a full InnoPrice if objectives become complicated

INNOVATION PRICING RESILIENCE TEST

For more information please contact:

Kelly Becker
Kelly.becker@ipsos.com



HOW TO INCREASE PERMISSIBILITY TO PAY AND PREMIUMIZE MY PRODUCTS

Permissibility To Pay

Understand the power different claims carry in supporting price increases without losing volume.

Choice based approach that exposes premiumization options in a competitive environment to observe pricing resilience

Indicative Investment & Timing

Available upon request based on specifics of need

Deliverables & Outputs

Clear ranking of claims and positions that carry the strongest permissibility to pay (license to premiumize)

	% price increase sustained without losing volume
Immunity health benefit claim A	29%
Cognitive health benefit claim B	26%
Natural / organic claim C	14%
Sustainability claim D	9%
Social responsibility claim E	1%

Brand fit in carrying premiumization claims to increase permissibility to pay

Which portfolio brand to carry the winning claim?	% price increase sustained without losing volume
Using Brand A to Carry	30%
Using Brand B to Carry	16%
Using Brand C to Carry	12%

Why Ipsos?

Global and scalable

Validated methodology

Passive and observational behavioral approach

Realistic virtual point of sale



Underlying Ipsos Tool: InnoPrice or Simstore InnoPrice

Permissibility can be observed directly at realistic virtual point of sale

PERMISSIBILITY TO PAY

For more information please contact:

Kelly Becker
Kelly.becker@ipsos.com



WHAT CAN WE DO IMMEDIATELY TO OPTIMIZE OUR RETAIL CATEGORY PLANS; BOTH IN STORE AND ONLINE?

Inflation Protection

Simstore virtual research with conjoint to immediately adapt the category to the inflationary environment:

- How does inflation impact our category sales?
- How has inflation changed the decision tree?
- How should we change our mix for inflation?
- What should the new category pricing strategy be?

Indicative Investment & Timing

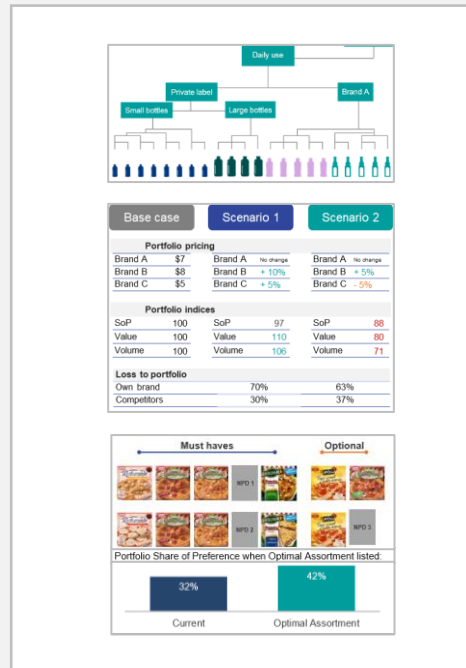
\$50K-\$70K, 6-8 weeks

Deliverables & Outputs

Inflation Protection category recommendations based on new decision tree

Best protection and potential growth opportunities from price changes

Assortment changes – current, new, bundling



Why Ipsos?

Results based on actual behavior reflecting current inflationary mindset, range, price points, & channel dynamics

Application of behavioral science principles illuminating human reactions to inflation

Most advanced marketing science embedded within realistic omnichannel virtual environments

INFLATION PROTECTION (RETAIL PLANS)

For more information please contact:

Kelly Becker
kelly.becker@ipsos.com

Cynthia Pashovski
cynthia.pachovski@ipsos.com



STRATEGIC GUIDANCE & LEARNINGS FOR ADVERTISING AT SCALE IN TIMES OF INFLATION

Inflation Comms Guidance

A creative audit that delivers the strategic guidance to develop meaningful advertising.

To reflect your challenge efficiently, we conduct a meta-analysis over a selection of 10-50+ ads of your brands, competitors, or adjacent inspirational creative styles placing them into one holistic personalized playbook.

Indicative Investment & Timing

Available upon request

Deliverables & Outputs

A personalized playbook for creative excellence:

- Unique creative advisory
- Provide fresh benchmarks
- Deliver category best practices
- Unleash turbocharged insights leveraging Effie & proven Ipsos learning frameworks
- Direct access to every ad's performance via online dashboard

A Strategic working session with marketing, ad agency and CMI

A PLAYBOOK FOR CREATIVE EXCELLENCE

Distinctive Assets make it easy:

Awareness alone is not enough. Award-winning, effective creative goes further.

Effie Winners are more likely to demonstrate revenue gain or new customer acquisition, and less likely to show increases in awareness as the primary result.

2018 Effie Report into Drivers of Effective Creative

Why Ipsos?

Creative | Audit by Ipsos delivers excellence in effective advertising by using our best-in-class approach for maximizing value, insights, and learnings in a personalized playbook so you know how to communicate efficiently in times of inflation

INFLATION COMMS GUIDANCE

For more information please contact:

Ted Doering
Ted.Doering@ipsos.com



COMMUNICATE AROUND PRICE AND VALUE IN TIMES OF INFLATION

Inflation Comms Elasticity

A standardized question module to include in communications research, to assess perceived value and potential acceptance of a price premium.

Indicative Investment & Timing

Included with Creative Spark* / Instant Labs** / Creative In-Market***

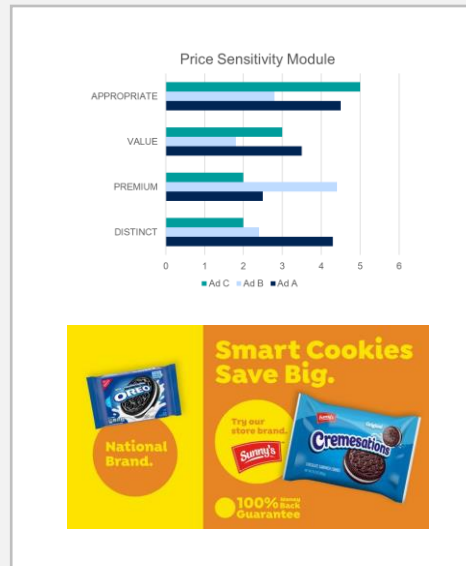
*Creative Spark from \$10,000 CAD for 1 ad (English only) and 24h turnaround. **Instant Labs from \$48,700 CAD for a 1-day live event. ***Creative In-market from \$25,000 CAD.

Deliverables & Outputs

Included in each report:

Easily compare between creative ideas to understand which strikes the right balance and tonality

Learn from how leading brands have been successful



Why Ipsos?

Module can be included in any Creative | Spark, Instant | Lab or Creative | In-market study

Ability to compare to benchmarks and best-in-class examples from our database

Join the dots to existing brand positioning & product innovation.

INFLATION COMMS ELASTICITY

For more information please contact:

Ted Doering
Ted.Doering@ipsos.com



CREATE GREATER VALUE PERCEPTIONS BY APPLYING BSCI PRINCIPLES (1)

Identifying behavioural solutions

We identify the behavioral mechanisms that underpin perceptions of value and identify ways brands can best deliver on these to change behavior

Indicative Investment & Timing

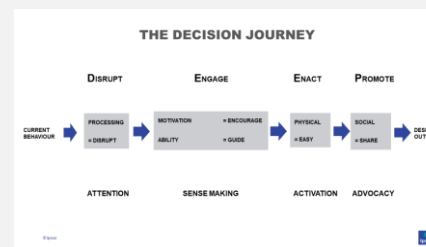
\$80-\$200K, Timing TBD based on Scope of Engagement

Illustrative Deliverables & Outputs

Framework of key behavioral mechanisms that shape perceptions of value

Workshopping to develop design briefs for interventions to combat negative impacts of inflation on consumer behavior

CATEGORY	WHAT THIS LOOKS LIKE	DESIGN GUIDANCE	DETAILED DESIGN GUIDANCE
MOTIVATION	This is not something that I personally want to do	ENCOURAGE	Give positive feedback, feel part of a group making change happen and encourage a sense of personal control
ABILITY	I do not know how to do it	GUIDE	Make sure assistance is meaningful to them (relevant, timely, experiential). Build on existing knowledge and use appropriate language
PROCESSING	I do not think about it / consider alternatives to current behaviour	DISRUPT	Challenge sense of rightness / confidence in current behaviour - encourage curiosity in new behaviour
PHYSICAL	Things are not set up in a way to make the a good choice	SIMPLIFY	Restructure the environment to mitigate any factors that create friction and non-compliance
SOCIAL	Other people around me are not using or recommending it	SHARE	Illustrate prevalence of the behaviour or belief (particularly in key reference groups) - signal choices



Why Ipsos?

We are a leading centre for **behavioral science** applied to the leading challenges faced by organisations.

We use leading academic thinking combined with practitioner expertise to understand the underlying psychology of human behavior and then translate this into activation activity to make change happen.

BSCI APPROACH

For more information please contact:

Carla Flamer
Carla.flamer@ipsos.com



CREATE GREATER VALUE PERCEPTIONS BY APPLYING BSCI PRINCIPLES (2) CASE STUDY

REAL ISSUE

This company's brand team wanted to create differentiation for one of their brands (Brand A) – to stand as premium brand with better ingredients. Business objective in mind: drive trial/penetration of and build basket size.

REAL INSIGHT

1. UNDERSTAND

Stakeholder interviews with key brand team members + Review key documents related to brand value strategy and activations



Discovery & Interviews

2. ASSESS

Collateral assessment of the client's current collateral to assess effectiveness in conveying value beyond price.



B.Sci. Audits & Evaluation

3. REFINE

Joint Ipsos-Client ideation session created 90+ ideas for consciously conveying value. Ideas were screened with **DUEL** and top-26 ideas identified.



Ideation and pre-screening

4. VALIDATE

A monadic quantitative test was conducted on **Ipsos.Digital** platform among rep category shoppers to identify lift in PI, value, and brand associations.



Identification of Winning Ideas

REAL OUTCOME

The client team gained insight into how to boost perceptions of value and build better retail stories. The approach is ready to be rolled out to other brands and markets.

BSCI APPROACH

For more information
please contact:

Carla Flamer
Carla.flamer@ipsos.com



WHAT ARE CUSTOMERS' EXPECTATIONS AND NEEDS OF BRANDS, AS THE COST-OF-LIVING INCREASES? HOW DO WE DESIGN AND DELIVER THE CUSTOMER EXPERIENCE THAT WILL MEET THESE CHANGING EXPECTATIONS?

CX Service Design

Provides an in depth understanding of changed expectations and redesigns experience based on identified needs

Indicative Investment & Timing

\$20K-\$50K+; 4-6 weeks

Deliverables & Outputs

An understanding of which of the forces of CX to dial up/down in your dealings with customers and the redesigned experience based on this



Why Ipsos?

We amplify CX Insights by uncovering the emotional drivers behind customer experience perceptions. We apply a proprietary framework, *CX Forces*, to understand the touchpoints and experience elements that promote strong customer relationships.

As prices rise, sensitivity and elasticity for existing customers change as a function of current satisfaction (NPS, CSAT), demographic realities, and emotional drivers.

We explore these factors to help brands optimize their messaging to current customers, identify at-risk segments who may churn in reaction to rising prices, and develop new ideas for promoting loyalty. We leverage access to over 40 data partnerships, where beneficial, to round out our understanding of your customer.

CX SERVICE DESIGN

For more information
please contact:

Lesley Haibach
Lesley.Haibach@ipsos.com



HOW DO WE KNOW IF WE ARE DELIVERING THE TARGETED STANDARD OF EXPERIENCE AND, IF NOT, TAKE CORRECTIVE ACTION?

Mystery Shopping

Objective feedback from trained 'customers' – mystery shoppers – to measure how you are delivering on your brand promises across every touchpoint and channel

Investment & Timing

Starting at \$8,500

Timing and cost based on scope of engagement

Deliverables & Outputs

An understanding of which aspects of your delivery are underperforming so you can take corrective action both strategically and tactically at unit level



Why Ipsos?

Through mystery shopping/auditing, we'll tell you whether your customer interactions are in line with your expected standards and what you've set as expectations through your brand promise – in your physical locations, contact centres, and digital channels



Are our interactions in line with what we want to deliver?



What needs to change?



How to effect change – strategically/tactically

MYSTERY SHOPPER

For more information please contact:

Becky Harris
Becky.Harris@ipsos.com



HOW DO I ANTICIPATE WHAT WILL HAPPEN IN THE FUTURE AND WHAT CAN I DO NOW TO MITIGATE RISK AND MAXIMIZE POTENTIAL?

Why Ipsos?

Scenario Planning for Growth

Consulting engagement to navigate uncertainty by envisioning multiple potential futures and planning for each of them.

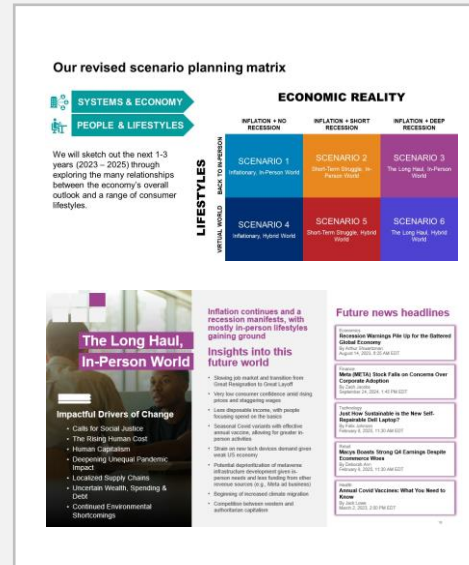
Indicative Investment & Timing

\$100K-\$200K, Timing TBD based on Scope of Engagement

Illustrative Deliverables & Outputs

Framework to plot potential scenarios based on key dimensions (e.g., economic stability, lifestyle, etc.)

Deep-dive into potential scenarios and thought starters on actions to take for each scenario.



We start with the organizational strategy to frame the right business questions and define relevant forces of change.

We analyze change via our “Theory of Change” which includes shifts in People, Markets, and Society.

We focus on Activation against the scenarios to drive strategic decision making.

SCENARIO PLANNING FOR GROWTH

For more information please contact:

Carla Flamer
Carla.flamer@ipsos.com



WILL GAINS FROM COST REDUCTION THROUGH INGREDIENTS CHANGE OUTWEIGH RISKS FROM ALIENATION?

Cost Reduction Risk Analyzer

Product with reformulation tested among current users to quantify alienation risks from cost reduction.

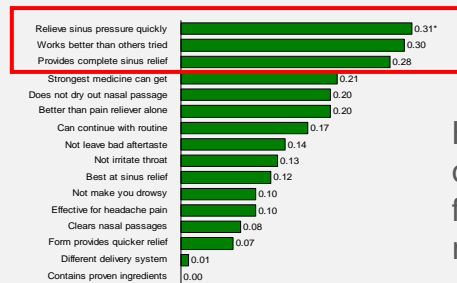
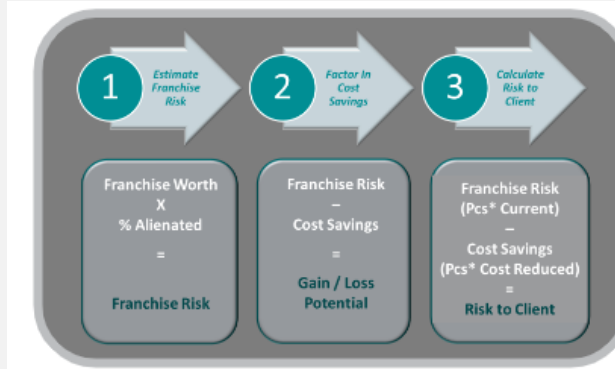
Hedonic Pricing analysis to unveil product attributes most impactful to pricing perception to guide formulation optimization

Indicative Investment & Timing

Available upon request based on specifics of need

Deliverables & Outputs

Product test provides clear assessment and quantification whether the potential gain outweighs the potential loss to one's franchise due to user alienation



Hedonic pricing analysis unveils opportunities to optimize product formulation to increase pricing resilience

Why Ipsos?

World's largest product testing agency

Thousands of cost reduction risk analysis studies done

Results validated by in-market sales

Global and scalable

Connected to Ipsos's validated forecasting model

COST REDUCTION RISK ANALYZER

For more information please contact:

Kelly Becker
Kelly.becker@ipsos.com





How can you inspire your company with the
COURAGE TO GROW?

Ipsos can support you in **prioritizing your focus, protecting your brand(s), and driving growth** through these inflationary times.

SOME KEY CHALLENGES (PRICING/OFFER) AND RELATED SOLUTIONS

Category or cross-elasticity, resilience, portfolio management



How will consumers react to inflationary scenarios in my category/segment?

What is my competitive vulnerability and advantage during inflation?

What is the right portfolio SKU line-up during inflationary times?

(Mini) Price test
Shelf price test
Custom Conjoint

Pricing and feature optimization, premiumization strategy

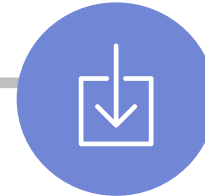


How to increase Permissibility to Pay and premiumize my products?

How to best convey value?

Claim test
Price test
Line optimization test
Custom Conjoint

Product optimization, pack downsizing



How do I increase pricing resilience through packaging?

For existing product, will gains from cost reduction through ingredients change outweigh risks from alienation?

Will downsizing work better for existing products than directly raising price in the short and long term?

Pack test
Product test
Hedonic Pricing

Future planning with actionable volume/revenue KPIs



How to build a pricing resilient product portfolio through innovation?

How to combat rising cost of goods and prepare for future pricing increase?

Concept test
Price test

HOW WILL CONSUMERS REACT TO INFLATIONARY SCENARIOS IN MY CATEGORY/SEGMENT?

Category Elasticity Analyzer

Choice based approach to identify category and segment elasticity under inflationary scenarios. Helps prepare for portfolio and innovation pipeline adaptations

Indicative Investment & Timing

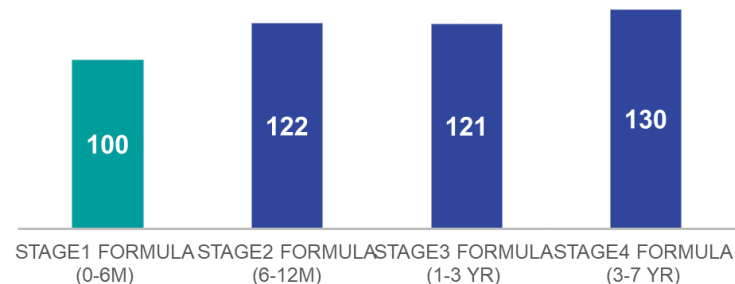
Available upon request based on specifics of need

Deliverables & Outputs

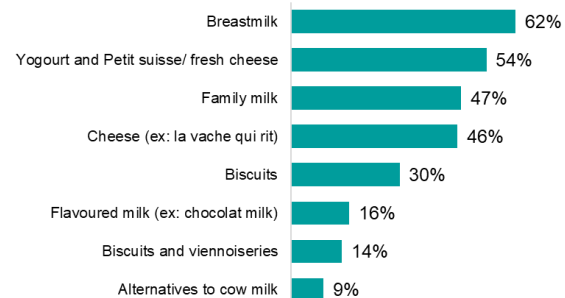
Clear visualization of category and segment elasticity to inflationary scenarios

Uncovers cross-elasticity with adjacent categories for scenario planning

Elasticity Compared Across Segments



Adjacent categories volume move to



Option to conduct this research in realistic point of sale to increase predictability



Underlying Ipsos Tool: InnoPrice or Simstore InnoPrice if the shelf upgrade is chosen. Can be stand alone study but most frequently bundled with other pricing business questions

WHAT IS MY COMPETITIVE VULNERABILITY AND ADVANTAGE DURING INFLATION?

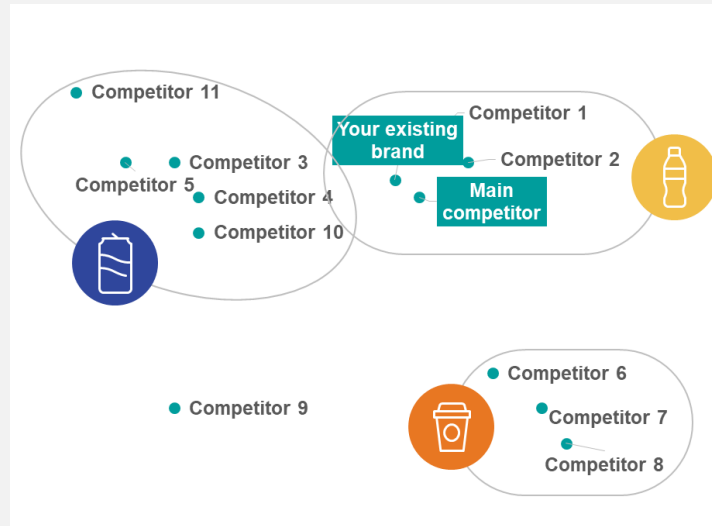
Brands cross-elasticity analyzer

Choice based approach to understand how brands change volume in reaction to one another's price change, helps navigate away from highly pricing-competitive areas, and adapt portfolio to reduce vulnerability and increase resilience

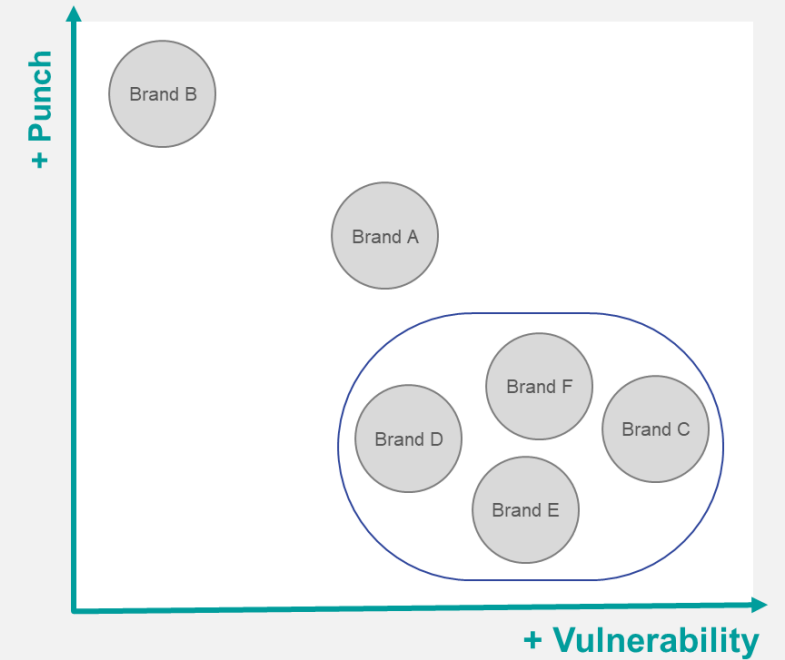
Indicative Investment & Timing

Available upon request based on specifics of need

Deliverables & Outputs



Pricing proximity map reveals clusters of brands with high cross-elasticity within. Highly price-competitive areas often signifies high levels of substitutability. Guides portfolio adaptations.



Punch and Vulnerability map reveals competitors you are vulnerable to when you raise price while they don't, or brands you are able to hit hard when you offer pricing advantages. Leads to positioning or portfolio adaptations

Underlying Ipsos Tool: *InnoPrice*. Can be stand alone study but most frequently bundled with other pricing business questions

HOW TO COMBAT RISING COST OF GOODS AND PREPARE FOR FUTURE PRICING INCREASE

Scenario planning for future price increase due to COG change

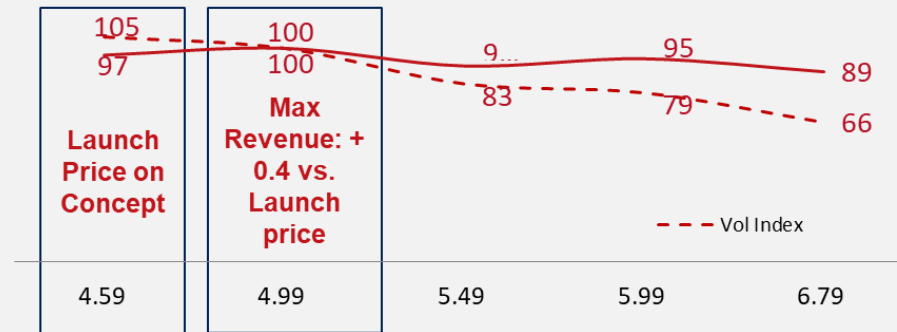
Consumers are exposed to COG driven price increases in a competitive environment to observe behavior change. Results are used to guide business planning on when and how much price increase are possible.

Indicative Investment & Timing

Available upon request based on specifics of need

Deliverables & Outputs

Clear volume and revenue impact from future COG driven price change to help prepare business case. Can be done for individual product or portfolios



Simulator for complex scenario planning for future pricing changes available as add-on.

Drinkable Breakfast Simulator

Name	Package Type	Nutritional Content	Pack Count/Size	Price	Units (in Millions per Unit)	Revenue (in Millions \$)
Client Brand Product A	Bottle	5 grams Protein, 5 grams Fiber, Complex Carbs	4 Pack (10 oz. per Bottle)	\$6.45	1.4	\$9.2
Client Brand Product A	Package	5 grams Protein, 5 grams Fiber, Complex Carbs	10 packages	\$6.45	1.3	\$8.2
Client Brand Product A	Canon	5 grams Protein, 5 grams Fiber, Complex Carbs	4 Canons (8 oz. per Canon)	\$5.45	2.5	\$13.8
Client Brand Product A	Canoner	5 grams Protein, 5 grams Fiber, Complex Carbs	12 Top canones	\$7.25	1.9	\$14.2
Client Brand Product B	Canon	5 grams Protein, 5 grams Fiber	4 Canons (8 oz. per Canon)	\$5.45	3.8	\$19.7
Client Brand Product B	Bottle	5 grams Protein, 5 grams Fiber	4 Pack (10 oz. per Bottle)	\$6.75	2.1	\$14.5
Client Brand Product B	Bottle	5 grams Protein, 5 grams Fiber	4 Pack (10 oz. per Bottle)	\$6.45	2.8	\$15.2
Suppose? Any Breakfast Smoothies	Bottle	10 grams Protein, 10 grams Fiber, 10 grams Sugar	4 Bottle (10 oz. per Bottle)	\$2.75		
Brown K&L Essentials	Canon	7 grams Protein, 24 Vitamins & Minerals	4 Canons (8.25 oz. per Canon)	\$5.39		
Canon Breakfast Essentials	Bottle	10 grams Protein, 10 grams Fiber, 10 grams Sugar	4 Pack (10 oz. per Bottle)	\$5.25		
Canon Breakfast Essentials	Package	10 grams Protein, 10 grams Fiber, 10 grams Sugar	10 Packages	\$5.25		
Canon Breakfast Essentials	Canoner	10 grams Protein, 10 grams Fiber, 10 grams Sugar	12 Top Canones	\$6.25		
Chocolate Smoothie Drinkable Yogurt	Bottle	10 grams Protein, 10 grams Fiber, 10 grams Sugar	4 Pack (5 Top. per Bottle)	\$2.75		
Yogurt	Bottle	10 grams Protein	10 Pack (10 oz. per Bottle)	\$1.25		
Muscle Milk	Canon	20 grams Protein	4 Canons (10 oz. per Canon)	\$7.39		
ProCulture Tablets	Bottle	10 grams Protein, 10 grams Fiber, 10 grams Sugar	4 Pack (10 oz. per Bottle)	\$10.59		
One of Four	Bottle	10 grams Protein, 5 grams Fiber	4 Pack (10 oz. per Bottle)	\$5.75		
None						
				Total Client Brand	14.4	\$85.8

Brand's Best Volume (in million packs)

Total Brand: 13.3

Total Product A (SMT): 7.3

Total Product B (SMT): 6.2

Brand's Best Revenue (in million \$)

Total Brand: \$76.4

Total Product A (SMT): \$41.4

Total Product B (SMT): \$35.2

Underlying Ipsos Tool: Mini InnoPrice or InnoPrice

WILL DOWNSIZING EXISTING PRODUCT WORK BETTER THAN DIRECTLY RAISING PRICE IN THE SHORT AND LONG TERM?

Downsizing gain vs. risk analysis at short and long term

Choice based exercise to observe consumer reaction to size change: noticeability and alienation risks, usually conducted at point of sale

Product test to understand long term impact to loyalty and brand image through product usage

Indicative Investment & Timing

Available upon request based on specifics of need

Deliverables & Outputs

Short term: Clear comparison of price elasticity from downsizing vs. direct price increase, as well as anticipated short term share change. Using observation from shelf

Longer term: product test reveals alienation risks through usage, clear analysis between cost savings and alienation risks provided

From observation		
Price Elasticity		
	Direct Price Increase	Indirect Price Increase Through Downsize
	-1.2	-0.3
	Current	Relaunch
Size	18 oz	→ 16.9 oz
Market Share	9.4%	→ 9.0%



Cost of goods saving	5%
Franchise alienation risk lower bound	0.9%
Franchise alienation risk higher bound	2.7%
Recommended action	Proceed with downsizing relaunch

Underlying Ipsos Tool: Simstore InnoPrice, Product Testing

HOW DO I INCREASE PRICING RESILIENCE THROUGH PACKAGING

Pricing resilience through packaging

Shelf based test to understand ability for product to withstand price increase through packaging renovation, by bringing

- premium visual cues such as matte finish, artisanal materials (ex. Raffia), etc.
- packaging functionalities such as reseal-ability, etc
- sustainability features such as refill-ability, re-useability, etc

Indicative Investment & Timing

Available upon request based on specifics of need

Underlying Ipsos Tool: Simstore Pack & Simsore Pack +

Deliverables & Outputs

Clear comparison of current vs. new preimmunized package in driving noticeability, engagement, and purchase at shelf. Most importantly, confirm the new package's ability to withstand price increase



Packaging with premium cues or other upgrades to increase price resilience

