



IPSOS INSIGHTS WEBINAR CREATING AND WRITING WINNING INNOVATION IDEAS

October 28th, 2021



On the (virtual) stage today



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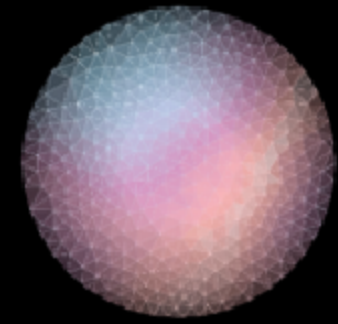
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PHYSICAL WORLD



DIGITAL WORLD



AUGMENTED REALITY

VIRTUAL REALITY



Ipsos, a global market research company ... and so what?



SOCIETY.



MARKETS.



PEOPLE.

**YOU ACT BETTER WHEN
YOU ARE SURE**

BIG AND YET INNOVATIVE – SOMETHING THAT WE ARE PROUD OF!



GRIT TOP 50 MOST INNOVATIVE SUPPLIERS

Over the past eight years, the GRIT Top 50 has become one of the key metrics many companies use to understand their position in the marketplace. At its core, it is a brand tracker using the attributes of "innovation" as the key metric. Each year we measure how market research suppliers and clients are leveraging this brand element through a single question series:

1. Using an unaided awareness verification question, we ask respondents to list the research companies they considered to be most innovative.
2. We then ask them to rank these firms from most to least innovative.
3. Finally, we ask another verification as to why they consider their number one ranked firm to be most innovative.

We've often asked how companies can "get on the list" and our response is always the same: effective marketing. Because of the nature of the question, there is no cap on how many companies can be listed. There are many ways to get there: events, content marketing, educational programs, advertising, word-of-mouth, social media, etc. Regardless of the channels used and marketing tactics employed, every company on the list has become top of mind for many in the industry when they think of innovative companies.

While a company's inclusion and relative position in the GRIT Top 50 rankings mostly reflect successful marketing, we believe the rankings are also a good proxy for business longevity and growth, based on financial performance information – including funding rounds in some cases.

We've also seen that some companies attempt to "game the system" in a variety of ways, but due to our data cleaning process, those efforts are ineffective: we catch them and delete them. On a related note, some have mentioned that the larger companies in the industry have an advantage due to their number of employees who may take the survey. While there might be a correlation of sorts to that in the surface, our analysis looks at IP addresses and email domains and we have never seen evidence that this is a significant factor. If large companies have an advantage, it is through their reach and marketing budgets, not in "stacking votes". This is also borne out by the in-depth demographic and geographic analysis we conduct; the sample is simply too diverse and large on all accounts to be gamed.

For this year, using the aggregate of total mentions, we developed a list of over 1,100 unique companies, slightly down from last year's total of over 1,200, which is significantly more companies than in prior years due to an almost doubling in sample size.

Only companies that received at least one mention made it on to the list, which is a higher threshold than in the past. This is a reflection of the vast number of companies mentioned and the very competitive environment for companies trying to be identified with the "innovative" brand attribute.

As always, a note on our process is warranted. Because the rankings are based on unaided verification, it's messy. We utilize text analysis (via Grit Events) to help streamline the initial process, but a significant amount of human intervention is needed due to name changes, M&A activity, variations, spelling, translations, etc. It's as much an art as a science.

2020 TOP 50 INNOVATIVE COMPANY

RANKING OF THE TOP 50 MOST INNOVATIVE SUPPLIERS

RANK	Company	2020 Rank	2019 Rank	Change	RANK	Company	2020 Rank	2019 Rank	Change
1	Nature	583	8	7	26	Reckon	95	37	15
2	Inter	511	2	0	27	2020 Research	53	17	102
3	Spencer Research	372	1	10	28	Maximizt	51	23	10
4	Western	255	3	15	29	Methody-Gaming	50	100/17	100/17
5	Research Now - USA	275	6	1	30	SurfCraze	49	25	15
6	GR	255	7	1	31	TSC Market Research	36	100/17	100/17
7	Vindex Consulting	224	5	10	32	Survey Monkey	35	33	1
8	Helios Inc.	216	16	8	33	Onix Blue Group	35	100/17	100/17
9	Zippin	205	9	0	34	Red and Partners	34	10	16
10	LPI	190	10	0	35	Shutterstock	33	100/17	100/17
11	Source	188	22	9	36	C-Space	30	100/17	100/17
12	Delivert	139	4	16	37	Schmeiser Group	29	11	14
13	Quintus	133	14	1	38	InsightFlow	29	45	9
14	Lum	127	15	0	39	Sentient Decision Science	28	44	5
15	Wolpuck	104	26	0	40	The Federal Agency	27	100/17	100/17
16	Google	95	12	16	41	Wol Corp.	25	34	17
17	SKM Group	80	28	0	42	Manu-Machin	25	46	4
18	On	72	24	6	43	WardC	25	100/17	100/17
19	Shogun-Wy	63	100/17	100/17	44	Avior	25	100/17	100/17
20	Shoos-ID	63	27	7	45	Blackbox Research	25	12	7
21	Past Cycle	62	100/17	100/17	46	Yellon	24	100/17	100/17
22	Water-Critique	61	18	16	47	Worl Wide Research	24	35	16
23	ATTA	60	35	3	48	LivingLabs	24	100/17	100/17
24	Perichon	58	20	16	49	Chlor-M	23	100/17	100/17
25	DG Ingenu	56	13	13	50	Profound	23	100/17	100/17

The background of the slide features a wooden-framed chalkboard. On the chalkboard, the word "TODAY" is written in a light blue, sans-serif font. To the left of the chalkboard is a small, light-colored wooden planter box containing a green succulent plant. The entire scene is set against a solid teal background.

WHY WE'RE HERE TODAY



Businesses are facing an **array of challenges when it comes to their innovation process**



“Early exploration is difficult. Discovery phase is often skipped. **Too many little ideas** in the pipeline. New insights & **disruptive ideas are needed** for business growth.”



“We’re not **effectively collaborating** across different teams”

“We’re struggling to be **truly creative**”

“We need be **agile** and be able to assess many different propositions and **pivot accordingly**”

“We’re not **integrating consumer understanding** effectively into the entire innovation process”

Succeeding with new innovation is difficult

Hyperconnected consumers are so distracted today that predicting their choices is difficult and risky for marketers.

30,000 new products launched every year in the US

Average consumer sees

4,000-10,000 ads/brand stimuli in a single day

When it comes to adopting innovations in today's world of distractions, consumers have adapted by making

fast, intuitive and effortless
decisions.





Why you shouldn't try and innovate like a start-up

Today you'll hear three things

1. Why big companies need to rethink innovation

2. Going from broad to narrow, shallow to deep – a better way to innovate

3. How we do it on the ground

Consumer companies have traditionally used this business model for winning growth



**Relationships
with mass
retailers**



Mass market

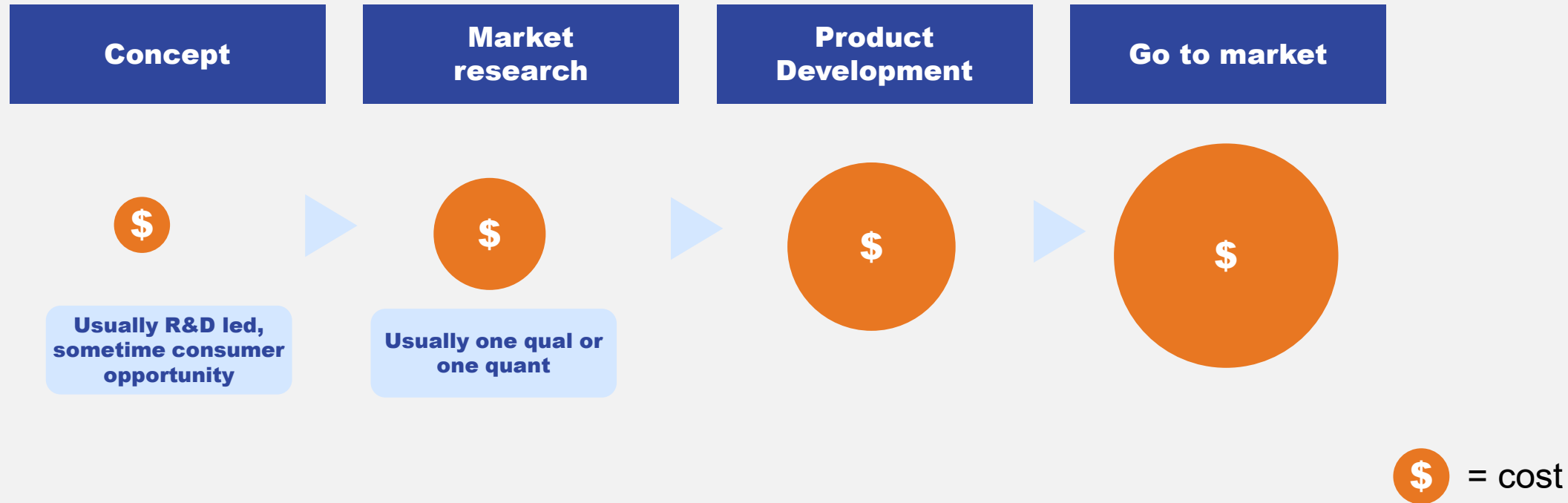


**Early entry into
developing
markets**



**Centralised to
push costs
down**

This has been fueled by a very linear stage gated process, (still present in many companies today)



However, the World changed

1. Cheaper start-up costs

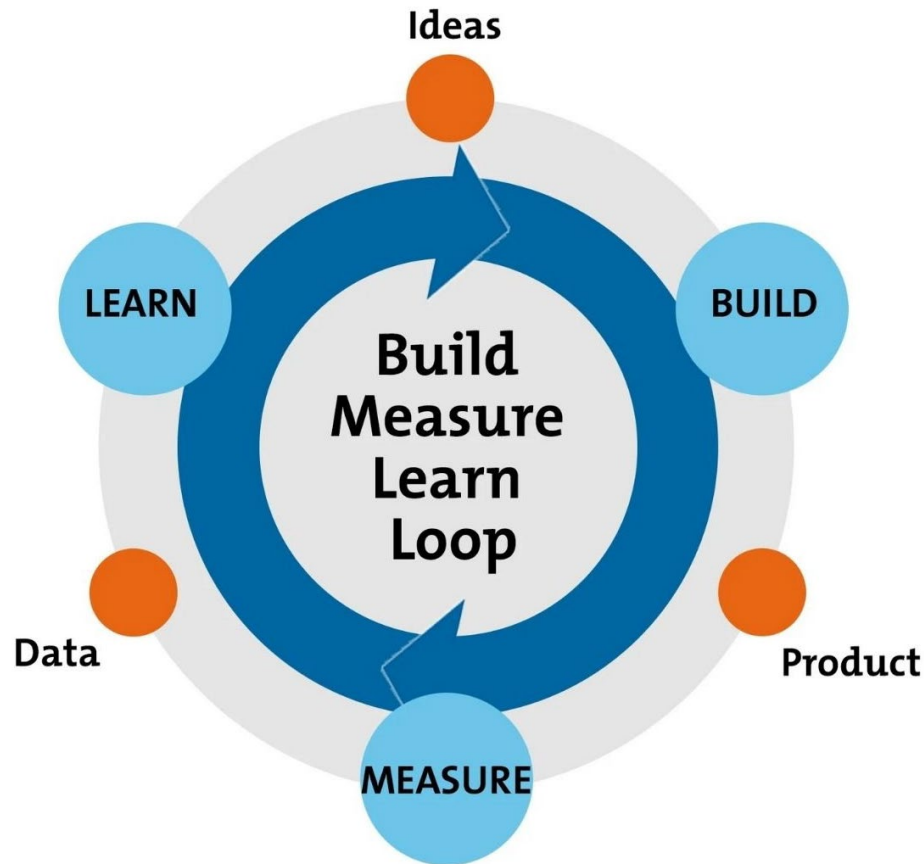


2. Ability to avoid key distributors and go D2C

3. Lower investment methods to initiate and scale marketing

4. Greater viability of 'nicheified' business models

This spawned lean start-up approach to innovation, focused on iterative in-market experimentation



The scientific approach to innovation:

1. Opportunity for iteration and course correction
2. Human centred

This has led many large companies to feel they should follow a similar approach



**P&G – time to market =
1yr (vs. 3 standard)**



**GE fast works ('poster child'
for Lean start-up at scale)**



**Incubator type
ventures**

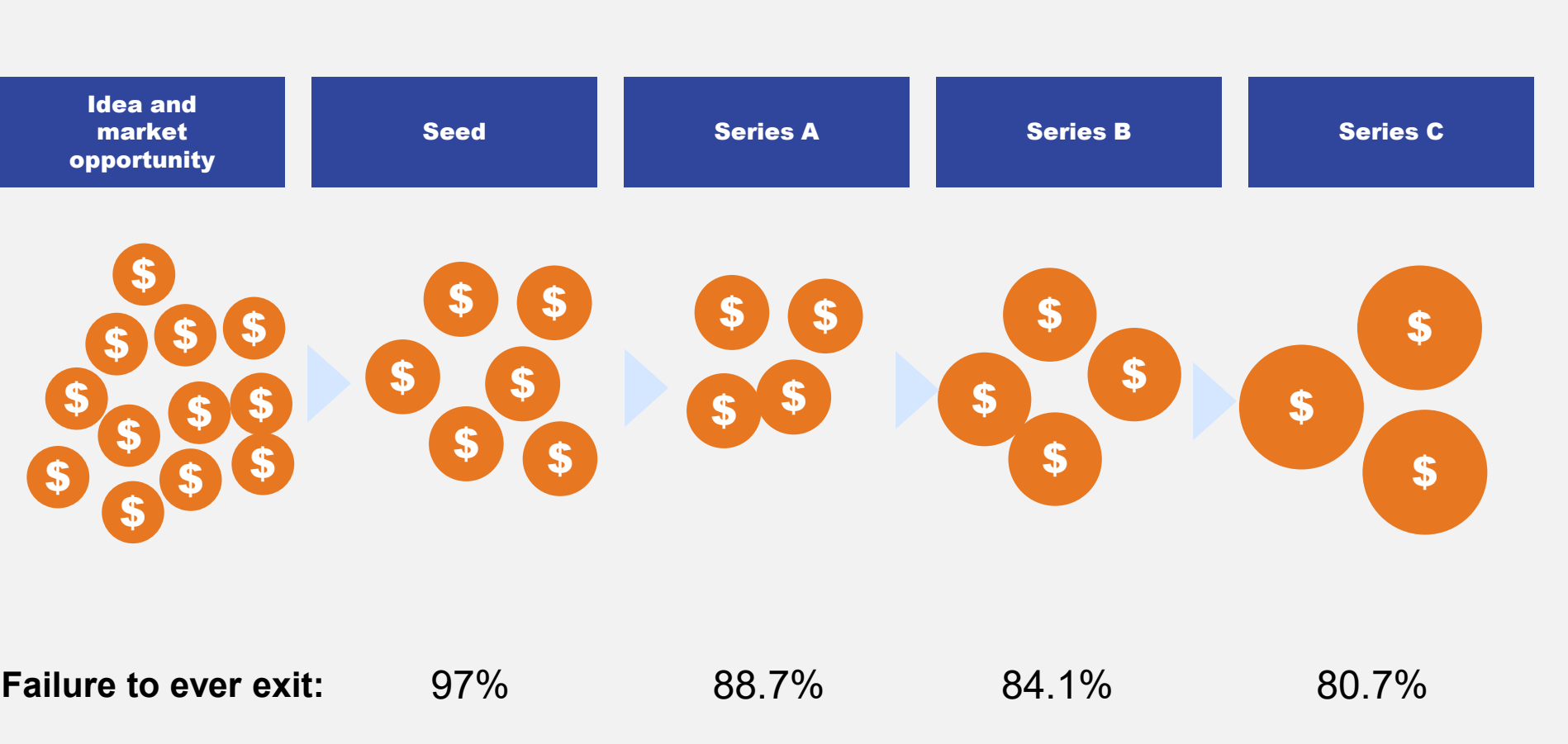
Despite the obvious advantages, there are fundamental issues with this approach for large companies

**Need to factor in
that lean start-up
is an eco-system**

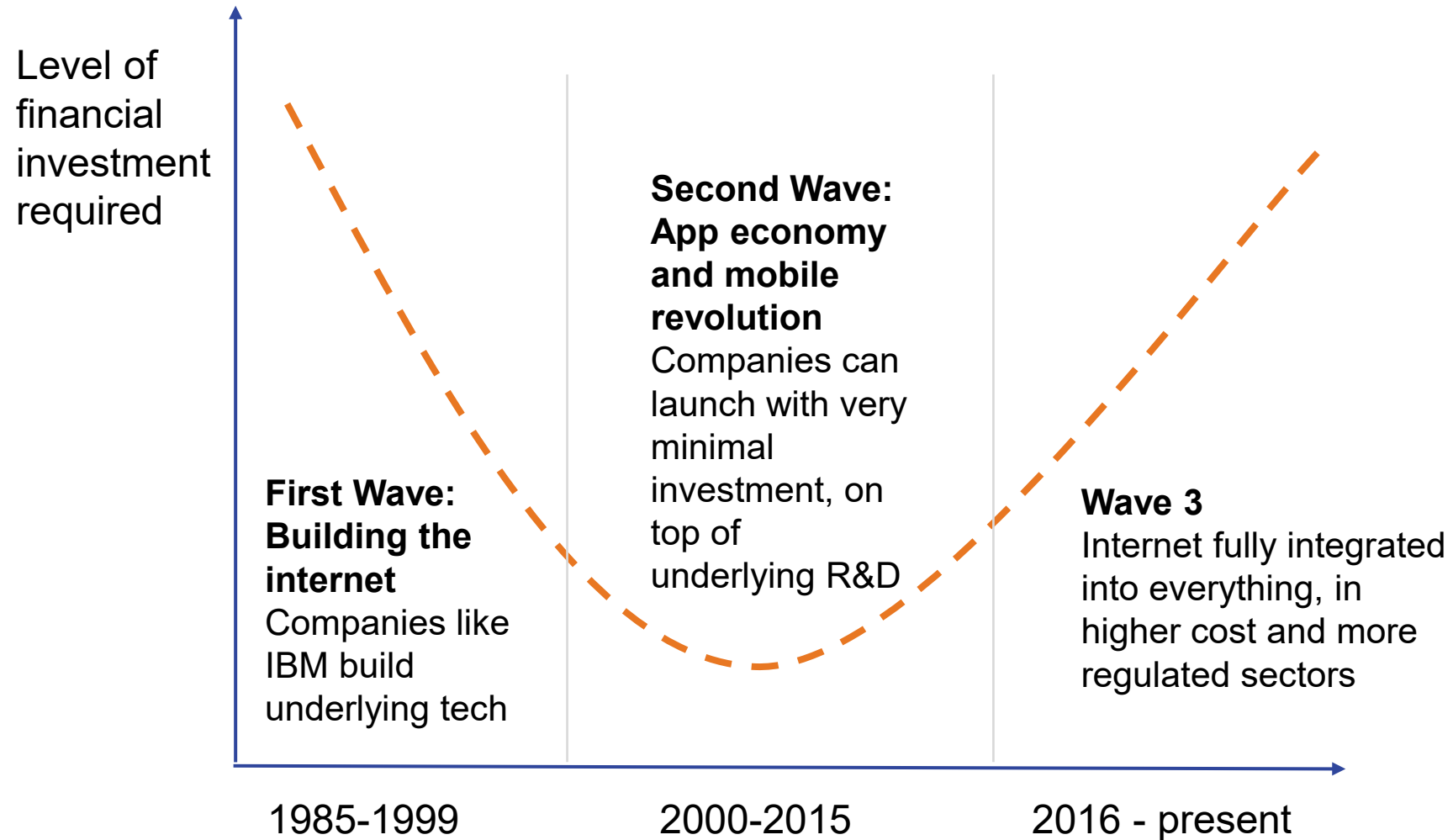
**Lean start-up isn't
applicable to many
challenges**

**Lean methodology
harnesses
benefits of small
companies not big
ones**

1. The majority of start-ups fail. Iterating can only get you so far - a large company should not jump to ‘eggs in one entity’



2. Challenges that require high up-front investment are the future



“What’s becoming increasingly clear is that the breakthrough applications of the future will not be based on a single technology like a digital microchip”

3. Lean methodology harnesses benefits of small companies not big ones



**'In market'
experimentation can
carry large levels of
reputational risk for
large companies**

**Large companies are
typically not 'able' to
move as fast**

**Big companies can
afford and have
capabilities for large
investment in front end
understanding**

**So, how to do
a human centered
approach designed for
scale?**

Therefore we have developed an approach to leverage the benefits of iteration and consumer feedback – an iterative approach in an early stage and ‘safe’ environment





Through benchmark testing we see that this approach delivers results

Innovations with early concept validation had a trial index of 107 vs. 96 for concepts that skipped this step.

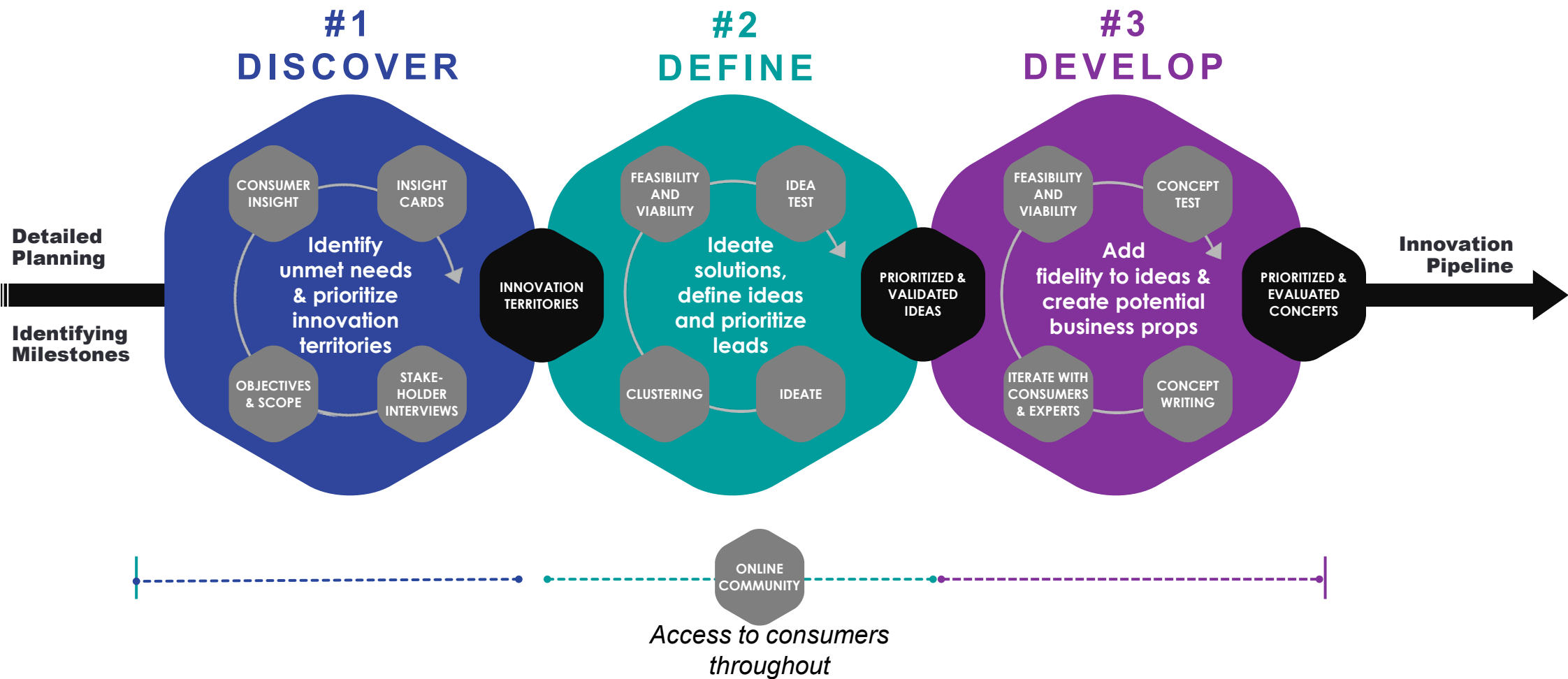
For a large tech client, we saw number of failing ideas go down from 21% to 13%.

The Ipsos process - 3 Sprints, with iteration at each phase



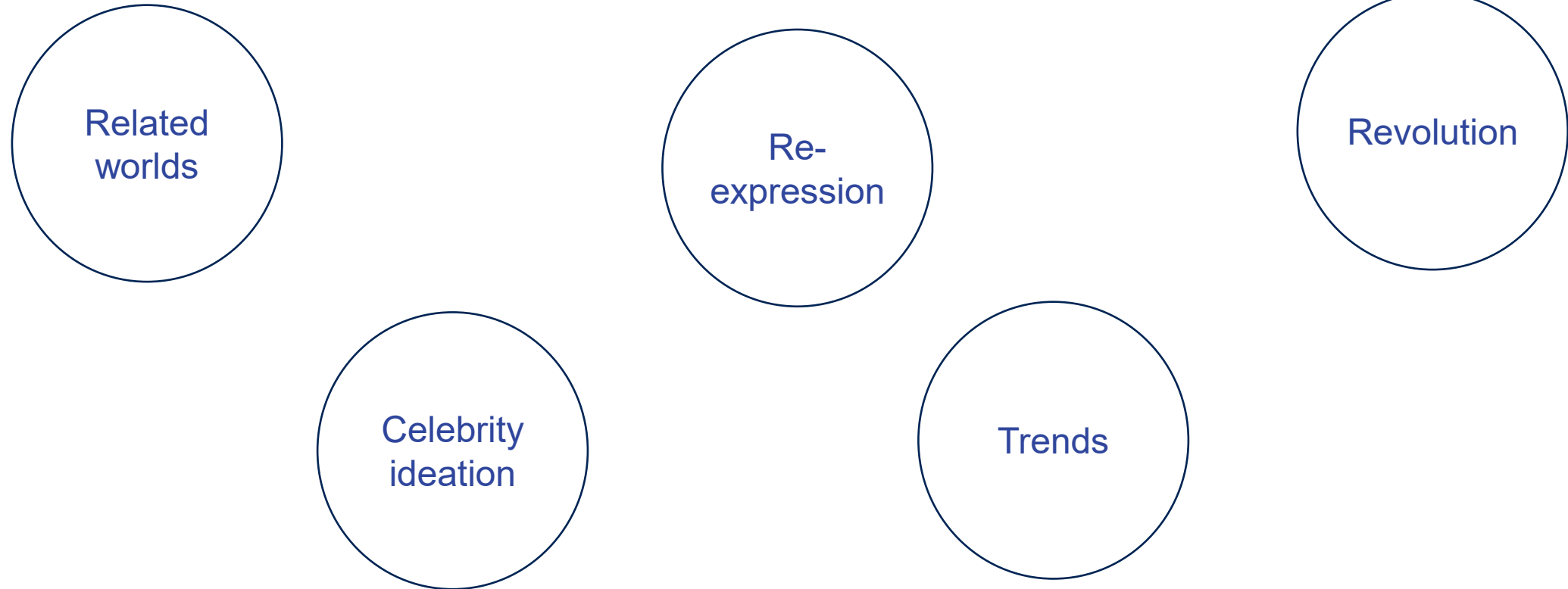
A COMPLETE INNOVATION SPRINT

We draw from a comprehensive protocol that we can customize to the exact challenge



How do we do on the ground

Ensuring good ideas go into the funnel is key – we have a lot of creative exercises





Let's try and example with a trends exercise



CLIMATE EMERGENCY

Recent events, such as heatwaves, fires and extreme weather, Polar Bears wandering into human habitats, School Strikes organised by Greta Thunberg and news that the Arctic Permafrost is thawing decades earlier than predicted, are probably some of the reasons that we see Climate Emergency being our biggest global value in 2019 – it is the value that is most likely to unite us globally. The past decade has seen a huge increase of pressure on our global ecosystems, and in turn people have started to become more active in scrutinising what other individuals and organisations are or are not doing to actively improve our damaged planet. The conversation has shifted from climate change to climate emergency. People now expect organisations to actively promote sustainability initiatives and 'greenwashing' will not fly. People are increasingly aware and educated – and expect organisations to be transparent in their behaviours. As such, people are more likely to ask for renewable energy, reduced plastic, reduced meat consumption, shorter supply chains and reforestation – but there is a very long way to go until sentiments here actually see mass behaviour change on a big enough scale to make a difference.

Correlating Questions	2019 charts	Agree (T28)	Disagree (B26)
We are heading for environmental disaster unless we change our habits quickly	Page 98	80%	13%
The climate change we are currently seeing is largely the result of human activity	Page 101	82%	12%
It is important that people in [COUNTRY] switch to electric motors in cars	Page 103	66%	22%
Companies do not pay enough attention to the environment	Page 99	79%	14%

3 wave trend charts	2 wave trend charts
Pages: 58-59, 66-67, 80-81	Pages: 52, 56, 53



TRUST IN MEDICINE

Doctors remain one of the most trusted professionals globally. The old British maxim "trust me, I'm a doctor" describes the outlook of this value well. Those close to this value respect the position of healthcare professionals with a near-religious level of faith, believing in what doctors say on more controversial topics such as vaccines. They are also less likely to trust themselves to research around health conditions, with eight-in-ten preferring to take the expertise of a doctor over their own research.

Correlating Questions	2019 charts	Agree (T28)	Disagree (B26)
I believe all recommended vaccines are beneficial for me and my family	Page 184	73%	19%
It is always best to follow the doctor's advice	Page 182	80%	14%

3 wave trend charts	2 wave trend charts
Pages: 103-104	Pages: 94



TECHNOPHILIA

Technology connects and empowers us. It gives us access to music, films, art and information in volumes never before imaginable. It allows us to order pizza from our bedrooms, and digitally track the delivery. It will let us take, on average, 75,000 photos across each of our lives. The 'Technophilia' value is about total technological immersion, and it has two distinct dimensions. The first is a belief in technology as a tool to improve lives, solve problems, and raise humanity from the mud. The second is addition to that same technology. The people who adhere to this perspective are the 'what was life like before the internet?' sort and may well engage in two-or three-screen behaviour. They can probably do almost anything on their smartphone, except for find the 'off' button.

Correlating Questions	2019 charts	Agree (T28)	Disagree (B26)
I cannot imagine life without the internet	Page 265	69%	24%
I cannot imagine life without a smartphone	Page 270	57%	36%
I am constantly looking at screens these days	Page 270	63%	31%
Technology generally makes life better	Page 272	77%	15%
We need modern technology because only this can help to solve future problems	Page 271	66%	23%

3 wave trend charts	2 wave trend charts
Pages: 131-132, 141-142, 145-146, 143-144	Pages: 120, 125, 127, 129



LOCAL SHOPPING

Local shopping does what it says on the tin; it is about valuing locally grown products and brands. This may speak to the pleasures of a Farmer's Market – a small snatch of greenery, quality produce, and personal touches – or to the desire to support the diminished number of local food shops, the high street butchers and greengrocers. However, it also captures local brands and products – whether that's enjoying a local speciality or craftsmanship, or the belief that one's own country is capable of making superior products.

Correlating Questions	2019 charts	Agree (T28)	Disagree (B26)
I prefer to buy products from [COUNTRY] rather than products from abroad	Page 202	65%	26%
I prefer local brands made in a specific region or city	Page 200	55%	34%
I am more likely to buy products that are locally grown than those that are grown elsewhere	Page 163	70%	22%

3 wave trend charts	2 wave trend charts
Pages: N/A	Pages: 84



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3 wave trend charts	2 wave trend charts
Pages: N/A	Pages: 84



HEDONISM

This value speaks to the spirit of #YOLO (you only live once). Pleasure-seeking and self-indulgence are the name of the game: the important thing is to enjoy life today, while tomorrow will take care of itself. This translates into a strong feeling that a work-life balance is more important than having a successful career and the need to just 'see what happens' rather than worrying about an uncertain future.

Correlating Questions	2019 charts	Agree (T28)	Disagree (B26)
The important thing is to enjoy life today, tomorrow will take care of itself	Page 10	54%	36%
I feel that I have done everything in life I am capable of	Page 9	39%	56%
It is more important to have a good work-life balance than to have a successful career	Page 13	83%	13%

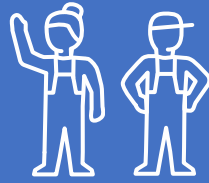
3 wave trend charts	2 wave trend charts
Pages: 16-17, 14-15, 22-23	Pages: 10, 9, 13



Arla & Plant-based



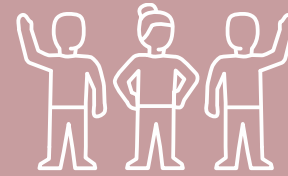
About arla



9,406
OWNERS



THE 4TH
LARGEST



20,020
COLLEAGUES



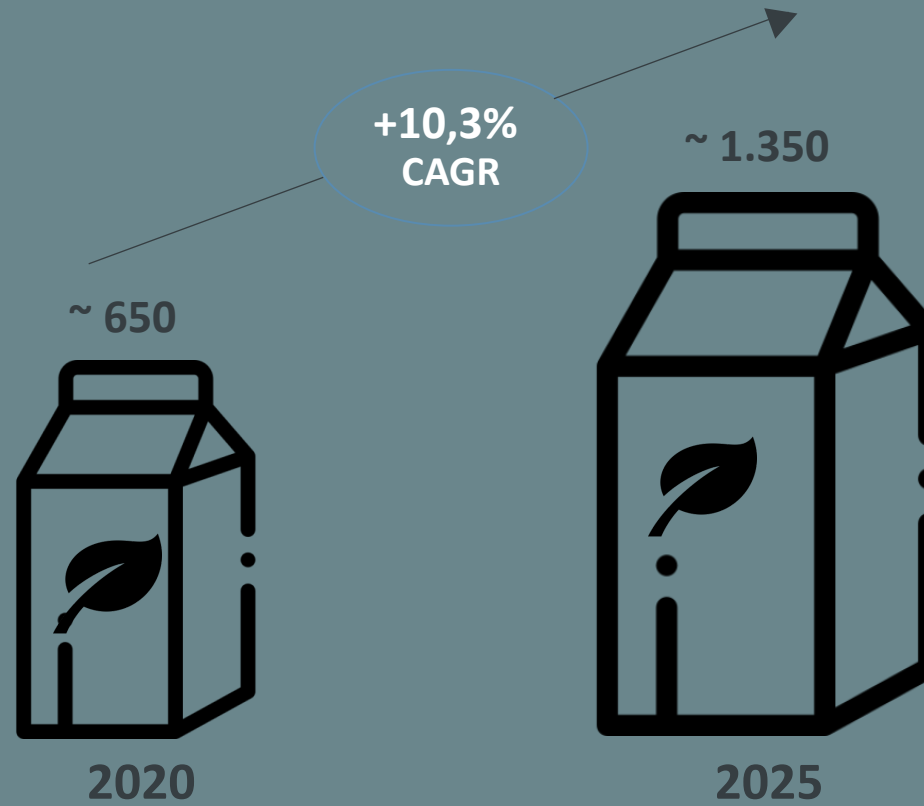
4 GLOBAL
BRANDS



LARGEST ORGANIC
DAIRY PRODUCER
IN THE WORLD



Milk Alternatives Category Value (mnEUR)



Why Arla?

95%

of Plant based consumers
also buy milk



OUR FARMERS live
with THE nature



The board of directors gave arla the
mandate to enter plant-based...

... with a new stand-alone brand

LOTS OF
PRODUCTS,
FEW TRUE
BRANDS



NEW
HEALTHY
SUSTAINABLE



Any successful brand...



Functionality



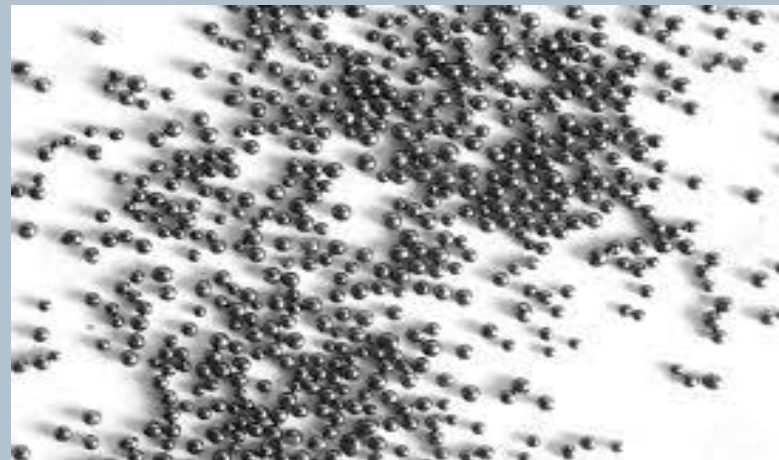
Aspiration



Trustworthiness







A third way?

Craft learning plan



- **Qual immersion & iterative screening**
- **Concept**
- **Product & Pack**



- **Positioning immersion**
- **VI immersion & screening**
- **Comms**

A woman with long brown hair, wearing a brown jacket, is seen from the back, looking out over a vast field of tall, golden-brown grass. The sky is overcast with grey clouds. The image has a soft, artistic feel with a slight vignette effect.

Learnings

Maximize consumer immersion at the beginning of the journey

Take a calculated risk on the later stages - not over-research

Research informs - not validate

The art of writing consumer-centric concepts

DEVELOP



Add fidelity to ideas and create potential business propositions

Add meat to the bones and turn ideas into fully considered concepts with consumer validation to identify and refine the largest business opportunities

The role of the 'concept'



To explain the product to consumers clearly and realistically so that we might understand their likelihood to buy in the future



For a consumer it must answer the question

“What’s in it for me and why should I believe it?”

For a successful concept: BE CONSUMER CENTRIC



Commercial aim

Consumer aim
(what will they be thinking?)

HEADLINE – The one thing you want people to remember

INSIGHT - WHY? This is important to you [consumer] because ...

SOLUTION /BENEFIT – WHAT? I promise you

SUPPORT/RTB – HOW – And you can believe me because

SUPPORTING INFORMATION: RANGE, PACK SIZE, CHANNELS + PRICING

Range/ variants, pack size, channels + Pricing

Anything else

Good Insights

You know you have it right when you get the universal head nod and flow of personal examples.

Great insights should:

1. Make him/her feel something,
2. Compel him/her to act,
3. Be competitive- something the competition doesn't already know or leverage

“ THAT’S
SOOOO
TRUE! ”

“ THAT’S
SOMETHING
I COULD
HAVE SAID! ”

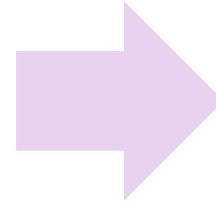
“ YOU
OBVIOUSLY
UNDERSTAND
ME. ”

From insightsTo sticky insights



Little Boost - Not Heavy

When I reach for a snack it's often as a little boost rather than through hunger. I need something that is delicious without being too heavy to lift my mood



Why is everything so heavy when all I want is a little boost?

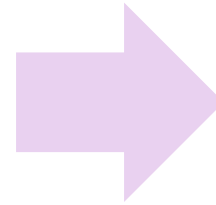
**INSIGHT - WHY? This is important to you [consumer]
because ...**

Benefits: one size does not fit all!

Functional Benefits



The lightest
texture chocolate
with the maximum
flavour



Light texture and intense
flavour brings a moment of
escape

Emotional Benefits



This chocolate offers
you a moment of
relaxation

The role of reasons to believe (RTB's)



1

The RTB PRIMARY FUNCTION

To convince the consumer that he/she will receive the benefit being promised.

2

The RTB SECONDARY FUNCTION

To provide distinctiveness vs. other products/services offering similar sounding benefits.

Endorsements
/ recommenda-
tions

Stories
/ Brand heritage

Logical
explanation

“Expert teams travel around the world to learn about local kitchens and ingredients...”

How to Write RTBs:

- Must support the main benefit statement
- Don't get too technical – everyone must “get” it!
- You can have more than one.

SUPPORT/RTB – HOW – And you can believe me because

...

4 GOLDEN RULES OF CONCEPT WRITING



Keep it about the consumer

- Use friendly and consumer language
- Use positive attributes
- Show empathy and understanding of the situation



Be unique

- Start with a unique product idea that delivers a new benefit or an existing benefit in a new and better way
- What is it about your idea that truly sets it apart?
- Differentiation should be obvious in the visuals, headline, first and last paragraph



Keep it simple

- Clear and single minded
- Aim for 80-120 words, max 140
- Read and understand the concept in <30 sec



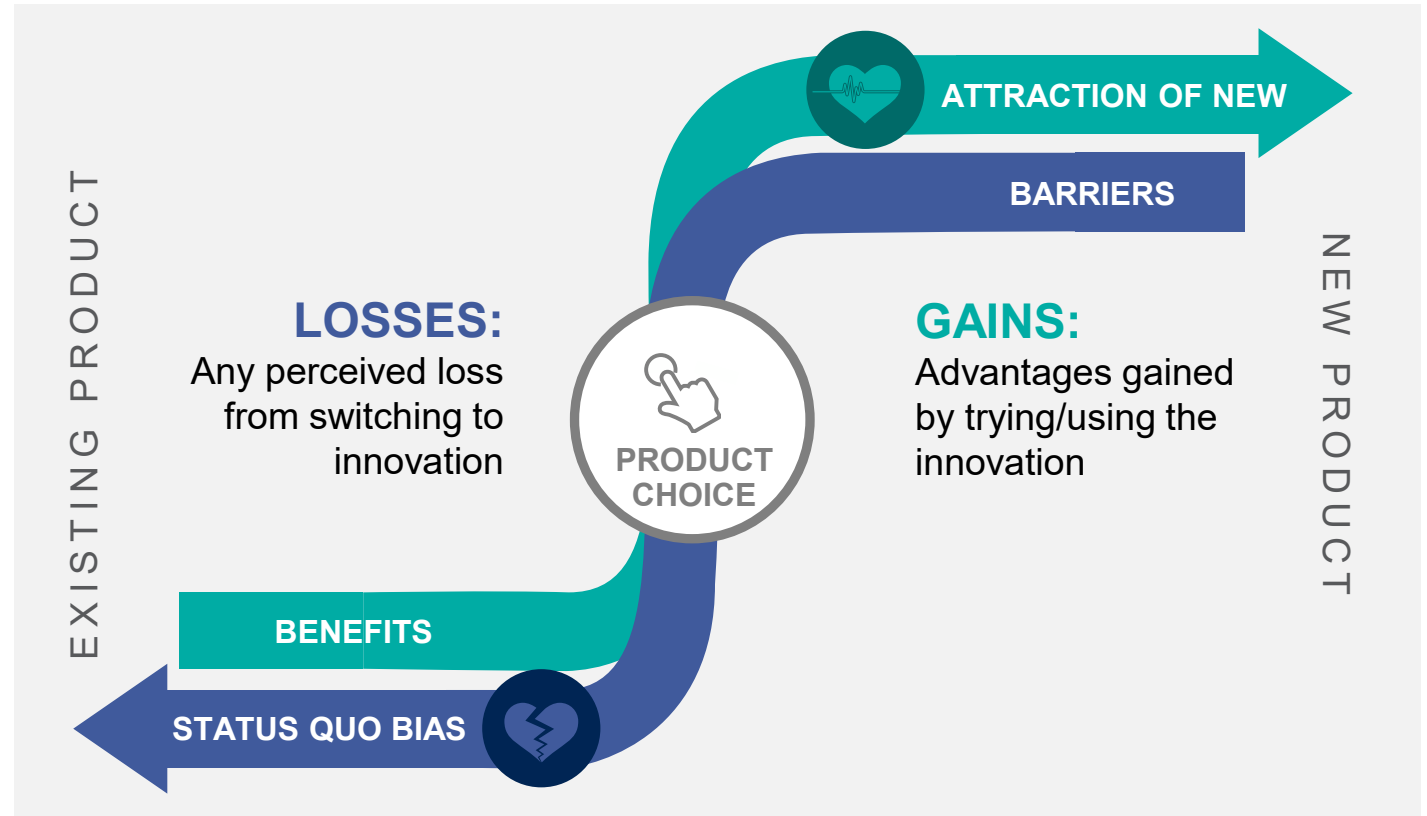
Don't over promise

- Align expectations with what you can truly deliver
- Avoid jargon, technical terms and marketing speak
- Superlatives are most powerful when used sparingly

Set up for success?

**REAL PEOPLE +
REAL BEHAVIOR =
REAL SUCCESS**

By engaging consumers in a way that as closely as possible mimics the decisions real people make, we gather better information and build stronger recommendations that drive real-world innovation.



Innovation must be evaluated through two lenses

1

Consumer Lens

How We Do It:

RED Measures

R

RELEVANCE

Extent to which an innovation meets consumer needs

E

EXPENSIVENESS

Extent to which an innovation is perceived to be higher-priced than competitors

D

DIFFERENTIATION

Extent to which the innovation provides unique benefits vs. competitors

2


Competitive Lens

How We Do It:

Consumer-defined competition

Which product better meets your needs?
PLEASE DON'T FORGET TO CHOOSE QUICKLY

Dilly's All Natural Ice Cream with Calcium



\$5.99 gallon

- 50% of the day recommended dietary calcium
- Promotes bone health
- All natural ingredients
- 5 Great tasting flavors

[CONSUMER DEFINED COMPETITION]

Beyond go / no-go decision

Innovation Name	Trial Index	Relevance	Expensiveness	Differentiation	Believability	Archetype	Incrementality
Innovation 1	109					Premium Higher end product with matching price	37% Parent Brand Sourcing 63% Incrementality
Innovation 2	106					Breakthrough Potential for (sub) category creation	34% Parent Brand Sourcing 66% Incrementality
Innovation 3	99			<div>OVERALL MESSAGE </div> <div>Headline/Tagline <i>Bird's Milk Choco Mousse</i> by Cho.Cool.Lab</div> <div>Benefit <i>Bird's Milk Choco Mousse</i> is a soft <i>chocolate-covered</i> candy filled with a light <i>milk</i> mousse. It is a <i>traditional</i> and unique <i>Eastern</i> Europe <i>chocolate delicacy</i> manufactured since 1936 by renowned <i>Polish</i> confectionery company Cho.Cool.Lab.</div> <div>Reason to Believe <i>Available</i> in a <i>broad range</i> of <i>flavors (vanilla, chocolate, caramel, lemon, seasonal)</i> to satisfy all gourmands.) <i>Bird's Milk Choco Mousse</i> - light <i>heaven!</i> <i>Available</i> in 8.46 oz (239.8 grams) for \$3.65</div> <div>Support Claims Drinks that have a <i>naturally</i> high percentage of <i>carbs</i> help the brain and body <i>produce chemicals</i> that contribute to emotional well-being. Take full advantage of this process by allowing <i>yourself to enjoy your</i> favorite treat without that extra guilt. Satisfy a craving or without over-indulging!</div> <div>BEST WORST</div> <div>Key for Word Level database comparisons: <i>High Relevance</i>; <i>Polarizing Relevance</i>; <i>Low Relevance</i>; <i>High Uniqueness</i>; <i>Hard to Believe</i>; <i>Total Word Strength</i></div>			
Innovation 4	97						
Innovation 5	90						

**NOW IT IS YOUR TURN
– GO INNOVATE!**



Q&A

NEXT EVENT
25th November

Portfolio Management & Optimization

Ipsos.dk