

INNOVATION BAROMETER by BASES

Powered by BASES Innovation Measurement

March 2023 Edition

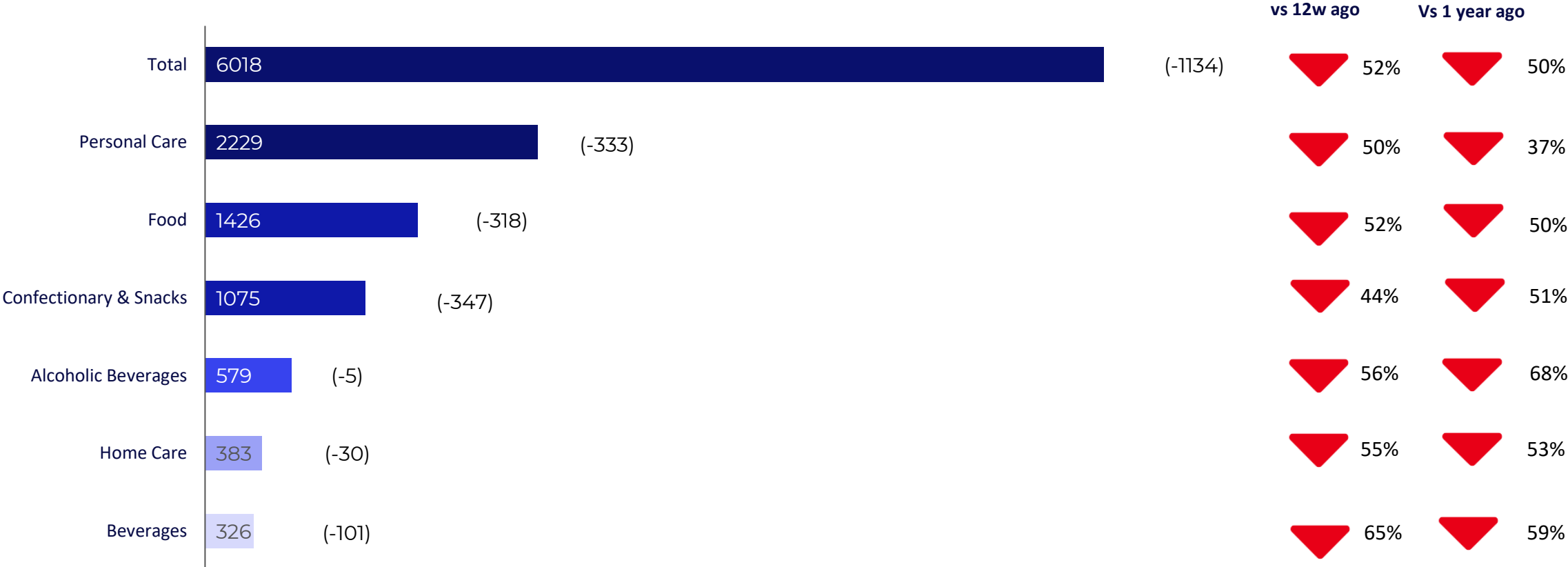
The Innovation Barometer, powered by BASES Innovation Measurement, quickly identifies, categorizes, and measures innovations, to bring you a monthly update on the most active players in CPG innovation, what's up, what's down, who's winning, who's losing and more.

What is the current state of innovation in the CPG industry?

BASES Innovation Barometer uses NielsenIQ sales data to give you an overview of innovation activity and performance across six key super-categories: food, confectionary and snacks, beverages, alcoholic beverages, home care and personal care.

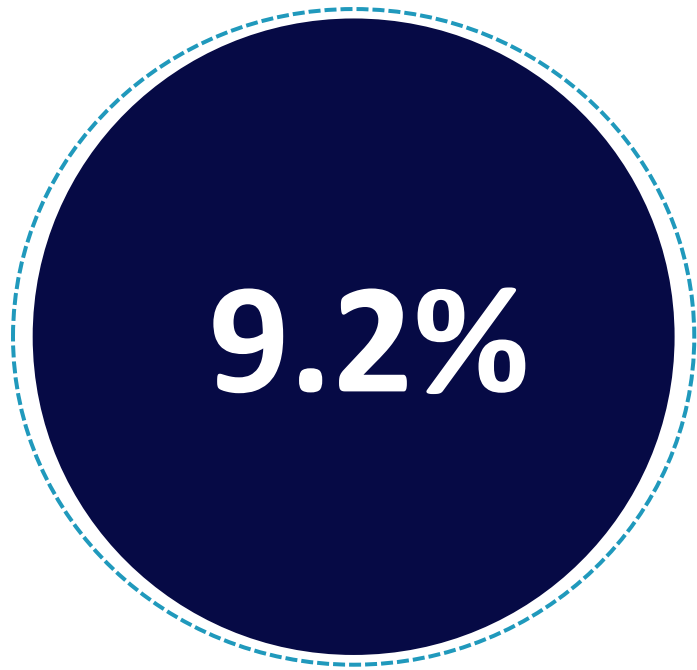
In our latest update, we continue to see decreases across the total market with over 1100 less innovations launched compared to the previous 12 weeks. It is important to note that October was a big month for innovation launches – thus can explain why the numbers are drastically lower when compared.

Total innovation launches

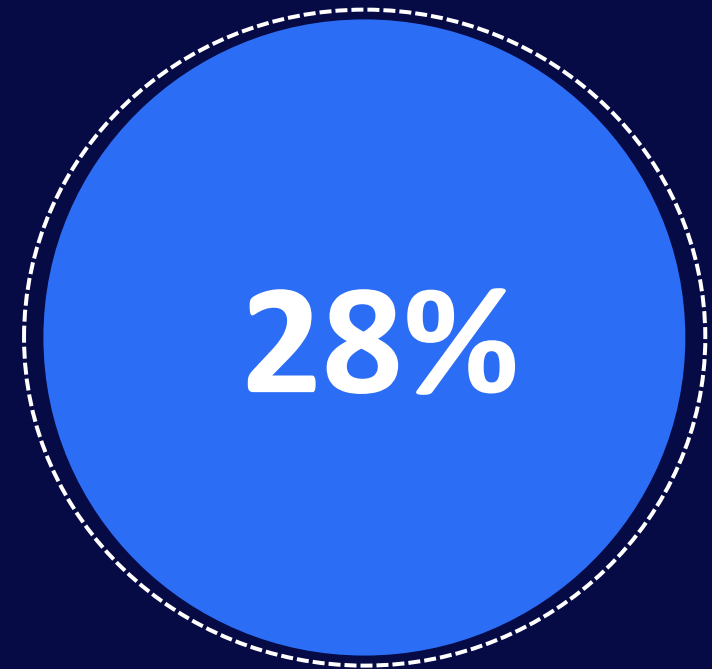


Source: BASES Innovation Measurement, United States past 12 weeks until January 28th, 2023

Innovation Contribution



% Innovation Sales on Promotion



Source: BASES Innovation Measurement, average of 6 categories, United States past 12 weeks until January 28th, 2023

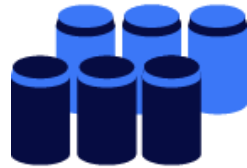
Category with highest number of innovations sold on promotion

Category where innovations have the highest average velocity

Highest innovation sales contribution to total value sales



Confectionery and
Non-Alcoholic
Beverages



Non-Alcoholic
Beverages



Home Care

When looking at the highest number of innovations sold on promotion, Confectionery and Non-Alcoholic Beverages share the top spot in this month's update. Non-Alcoholic Beverages are also showing the highest innovation average in velocity while Home Care once again leads the pack for highest innovation contribution to total sales between all categories.

Looking at the most active brand owners in innovation over the past 12 weeks, P&G once again takes the top spot with 435 innovations launched. Pepsico enters the top 5 of active brand owners in this month's update.

5 most innovation active brand owners



435

Home Care + Personal Care

L'ORÉAL

217

Personal Care



179

Personal Care



122

Personal Care



85

Food + Non-Alcoholic
Beverages

Total market

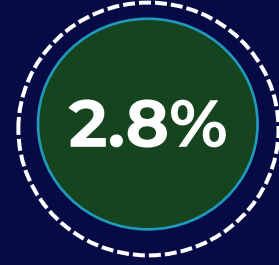
Innovation



Sales value change



Items change



Eq price change



Average item velocity change



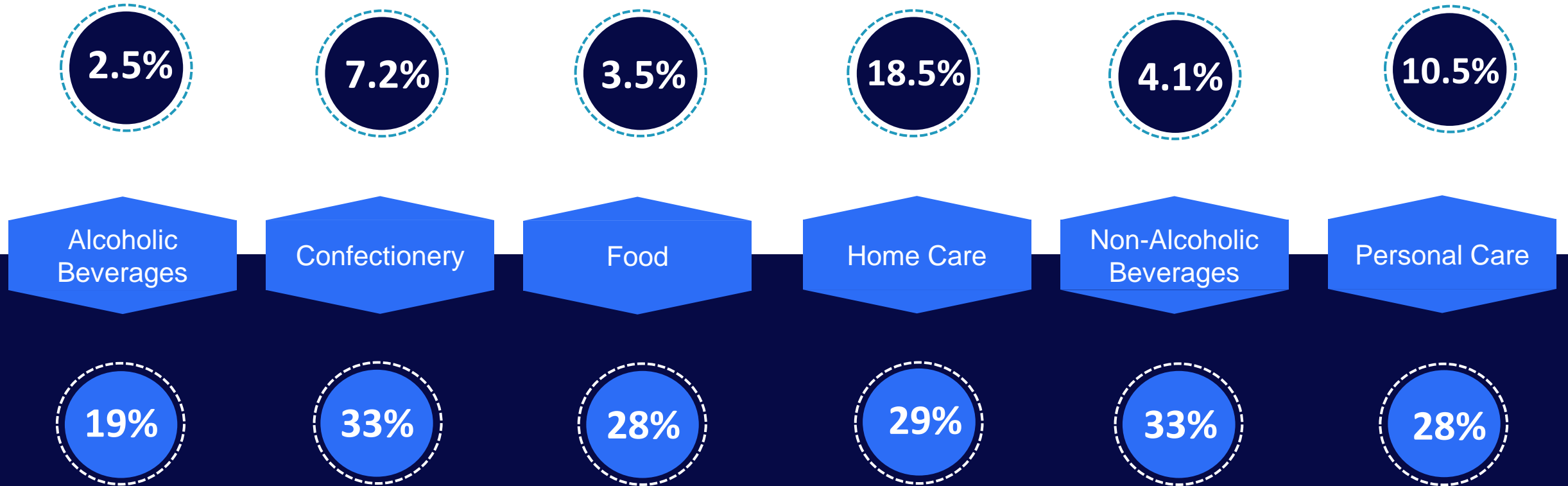
Overall, consumers are showing for the fourth month in a row that they are willing to spend on consumer-packaged goods with growth coming from every category outside of Non-Alcoholic Beverages, which saw a 4% decrease in total sales. We also see an increase in every category from an innovation sales standpoint outside of Alcoholic Beverages, which saw a drastic 22% decrease compared to 12 weeks ago.

The total number of products available in the market across all categories dropped slightly in this update at a rate of 0.4%, while innovations saw a 2.8% increase in product availability.

The average eq price, in both total market and innovations, has seen an increase over the past 12 weeks by a staggering 17% and 8.7% respectively. In overall price we see that each category has either maintained the same price or has seen an increase. While looking at innovation pricing, the only category that showed decline is Personal Care which we see a decrease of 3% compared to 12 weeks ago.

Overall, average item velocity starts the year out with a decrease of 1.2%. On the other hand, innovation items saw an increase in velocity at 2.9%. This is mainly driven by Confectionary and Snacks as well as Personal Care, which have seen increases of 21% and 20% respectively.

Innovation Contribution



% Innovation Sales on Promotion

Source: BASES Innovation Measurement, total innovations launched by brand owner. United States past 12 weeks until December 31st, 2022