

The Importance of Innovation in Elevating Brand Relevance



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It seems that all companies, sectors, and industries are suffering today. Why is brand performance declining? I would argue underperformance is largely driven by brands not keeping pace with what consumers want.

Let's face it — it's easiest to continue to do what you've always done, make what you've always made. Some products have been around for 100+ years, and as the company seeks growth each year, they take out salt, sugar or make the packaging thinner to save a penny on the bottom line. And as a result, consumers leave the brand, find other solutions or become annoyed, which ultimately decreases usage and hurts the brand's relevance.

But how to elevate brand relevance? I believe the secret lies in the foundations of marketing — give the consumer what she wants. It's really that easy — so why ignore the consumer? Big companies think they don't need to do research; they already have all the learnings. But they fail to realize that consumer beliefs, behaviors and preference evolve, and sometimes change radically, in a couple years' time. Instead, they rush to market, then wonder why the product fails. Small companies are just as guilty. I see them like children — in a hurry to grow up, sometimes not thinking or looking before crossing the street. Both end up with short-term thinking instead of the foundations needed for long-term growth.

I believe the key to long-term success

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starts and ends with consumer insight — not only truly understanding the consumer, her needs and desires, and what she wants today, but also anticipating her future needs. Clear consumer understanding allows you to identify a space broad enough to encompass today as well as position for tomorrow. With thorough consumer understanding, only then can you identify innovative ideas to deliver against future needs.

P&G, for example, reframed the Old Spice brand to expand from an aftershave brand to a full line of men's personal care products. They realized the brand had lost relevance and therefore set out to better understand the needs of today's consumer. In the '60s and '70s, a man's personal care routine was limited. Personal care was largely for women. Perhaps he'd use aftershave, if he went to that extreme! By the '90s, however, men required the same array of toiletries and offerings as their female counterparts. With this shift in consumer behavior, P&G broadened their thinking beyond the product form to the consumer need. Creating a full line of products including body sprays, deodorants, soaps, hair care and styling products also created a brand halo, allowing it to rise from its ashes like a phoenix, reinventing the brand for future growth.

Additionally, Old Spice's user base was declining. To rebuild penetration, P&G needed to get more people to buy the brand. Changing to target younger consumers broadened appeal, growing penetration. This was a bold move, potentially alienating current users; however, P&G saw the opportunity in the risk. Today, the brand encompasses a full line of personal care that, "Helps guys improve their mansmells," targeting a younger, male audience.

Throughout its 52-year history, Nike has focused on relevance. Did you know Nike has been around since 1964? Probably not. Why? Because Nike has always stayed on top of what consumers want, leveraging technology to better deliver against consumer needs. Named after the Greek goddess of victory, Nike

expanded its offerings beyond shoes over time to become "a maker of athletic shoes, apparel, sports equipment and recreational products." Realizing athletes' needs extend beyond shoes, Nike saw opportunity; thus, as consumer needs evolved, Nike developed technology, enhancing performance in shoes to equipment. Technologies such as Nike Air or Lunarlite Foam create true product relevance for consumers, continually reinforcing the brand's relevance. Nike's marketing campaign involving current athletes also continually built relevance, reinforcing the performance message and speaking to amateur athletes in an inspirational way. Without these innovations, I am not sure Nike would have been able to maintain relevance. Through foundational understanding of needs and providing technology to better deliver, Nike has remained on top of its game. Through intentional cannibalization, they have remained victorious.

Innovation is critical in today's marketing toolkit. I would argue that without innovation, a brand will be hard pressed to grow, let alone remain relevant. Going back to foundational learning and truly understanding consumer needs to better define brands then innovate for the long term will allow brands to position for future growth.

Shari Matras has more than 20 years of experience in marketing and innovation. She has led the launch of notable brands such as Orbit Gum, Orbit White Gum, Gevalia Kaffe Roast & Ground Coffee, and K-Cups for Maxwell House and Gevalia Kaffe. Prior to joining PepsiCo, Shari led the innovation team for Kraft Foods' coffee business. She has also held significant roles at the Wm. Wrigley Jr. Company, Le Cordon Bleu Culinary Schools and Recycled Paper Greetings. Earlier in her career, Shari held positions for companies/agencies representing Kraft Foods and Taco Bell, Sara Lee, Ellio's Pizza and Lunch Makers. She holds a bachelor's and a master's degree from Northwestern University.