

INNOVATION BAROMETER by BASES

Powered by BASES Innovation Measurement

May 2023 Edition

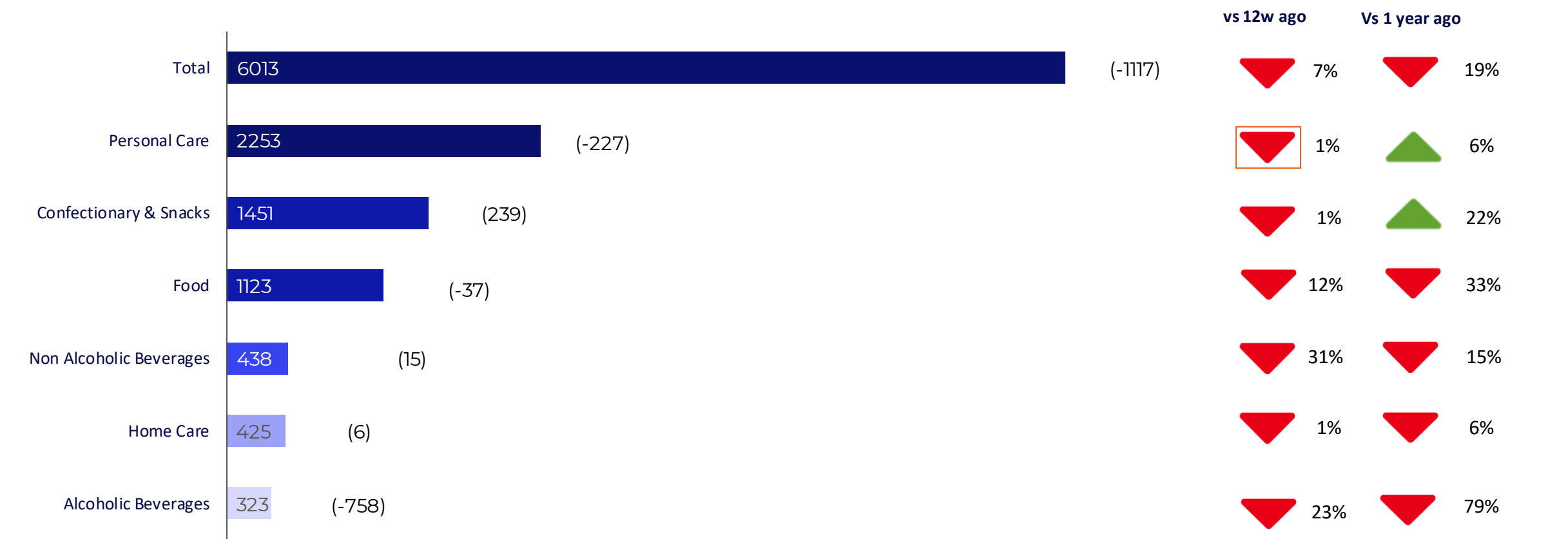
The Innovation Barometer, powered by BASES Innovation Measurement, quickly identifies, categorizes, and measures innovations, to bring you a monthly update on the most active players in CPG innovation, what's up, what's down, who's winning, who's losing and more.

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.

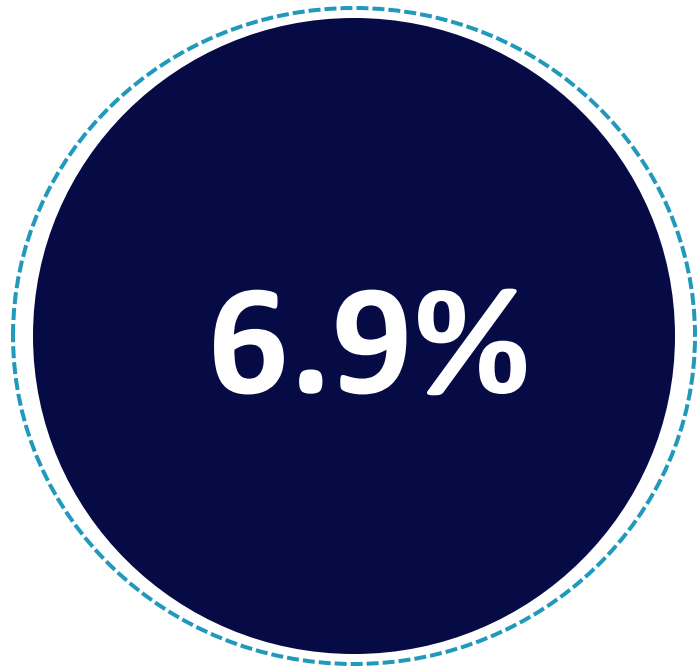
In our latest update, we continue to see a decrease across the total market with over 1,100 fewer innovations launched compared to the previous 12 weeks. We are also seeing a decrease in total innovation launches compared to a year ago– with Personal Care and Confectionery & Snacks being the only two categories showing increases.

Total innovation launches

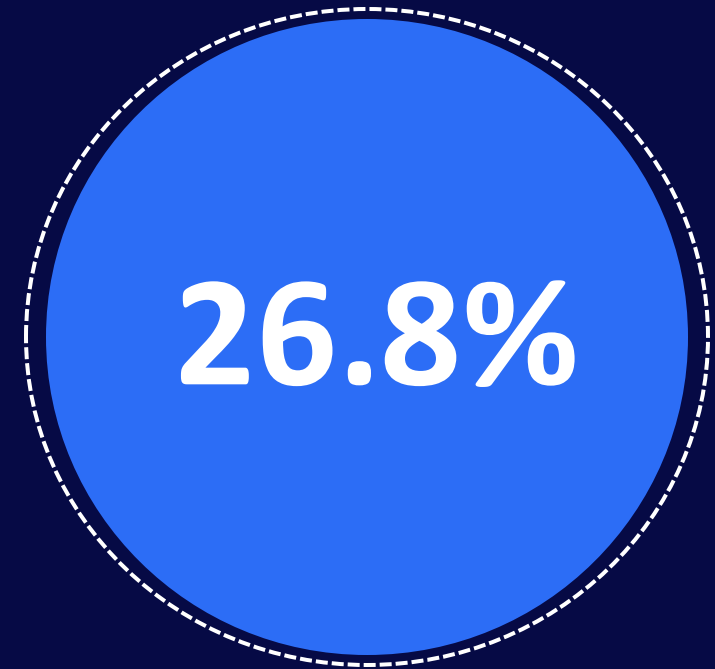


Source: BASES Innovation Measurement, United States past 12 weeks until March 25th, 2023

Innovation Contribution



% Innovation Sales on Promotion



Source: BASES Innovation Measurement, average of 6 categories, United States past 12 weeks until March 25th, 2023

Category with highest number of innovations sold on promotion



Confectionery / Non-Alcoholic Beverages

Category where innovations have the highest average velocity



Personal Care

Highest innovation sales contribution to total value sales



Home Care

When looking at the highest number of innovations sold on promotion, Confectionery & Snacks and Non-Alcoholic Beverages share the top spot in our latest update. Personal Care once again is showing the highest innovation average in velocity while Home Care continues to lead 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 maintains the top spot with 461 innovations launched. Mars and Mondelez enter the top 5 of active brand owners in this month's update.

5 most innovation active brand owners



461

Home Care + Personal Care



279

Personal Care



156

Personal Care



127

Food + Confectionery & Snacks



124

Confectionery & Snacks

Source: BASES Innovation Measurement, total innovations launched by brand owner. United States past 12 weeks until March 25th, 2023

Total market



Sales value change



Items change



Eq price change



Average item
velocity change

Innovation



Not updated*

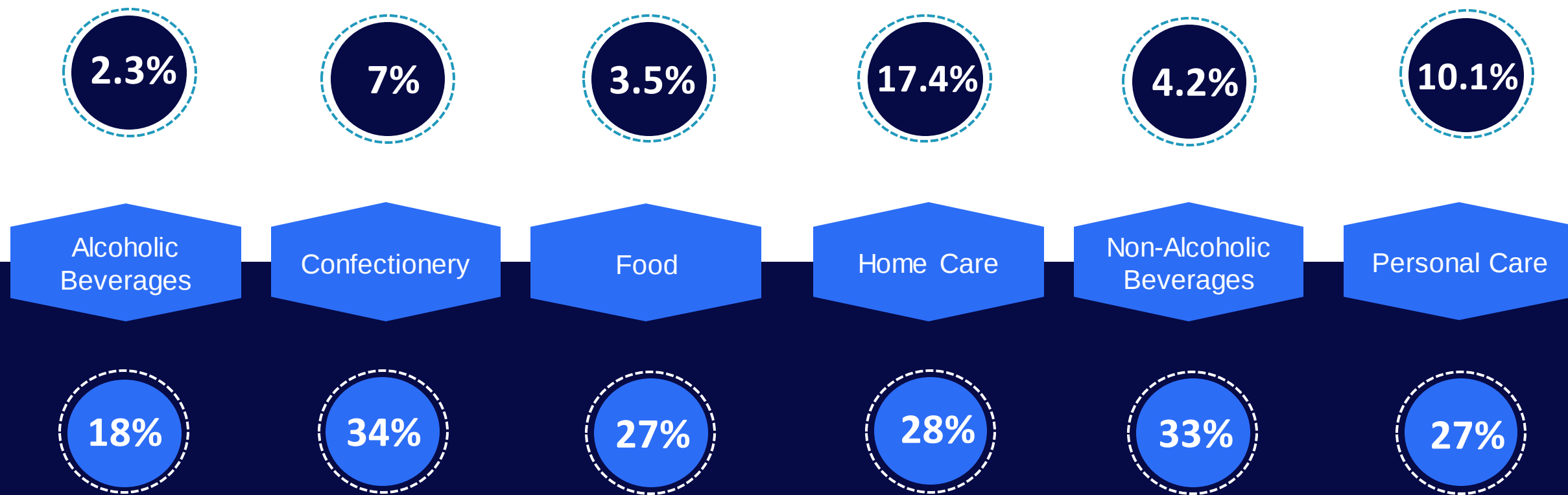
Overall, consumers are showing for the fourth month in a row that they are willing to spend on consumer-packaged goods with growth coming from every category outside of Non-Alcoholic Beverages, which saw a 4% decrease in total sales. We also see an increase in every category from an innovation sales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

Not updated*

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