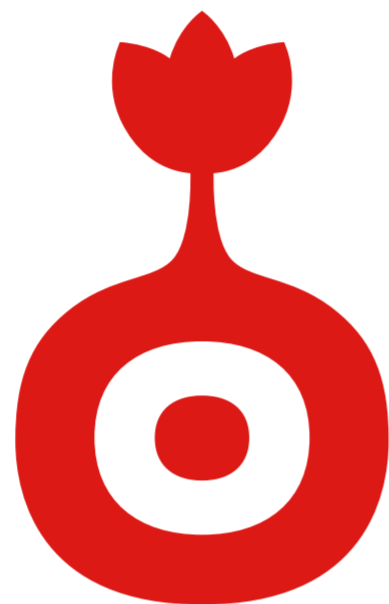


Brand Penetration

The driving force to growth

sevendots

A Mission to Drive Growth



Our passion for brands set us up on a mission several months ago to understand what drives growth, and explore the claims that penetration is now the primary driver.

This document summarises the outcome of the input collected from a large group of international marketers within multinational Consumer Goods companies around the world.

The inputs were then combined with a broad set of studies of consulting and service companies as well as academics. Our intention is not simply to prove that penetration drives growth – this has been well studied and broadly validated – but, more pragmatically, to understand how the most successful brand owners are acting on the theory to drive their business.

We discuss below 6 key insights we have derived, trusting that they will inspire and support winning brand strategies within the Consumer Goods community.

Should you be interested in learning more about the study please contact info@sevendots.com

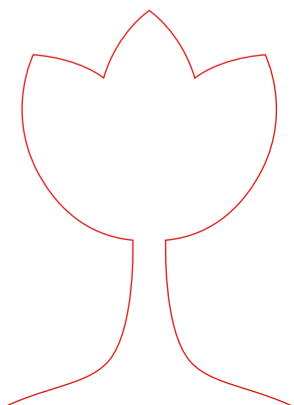
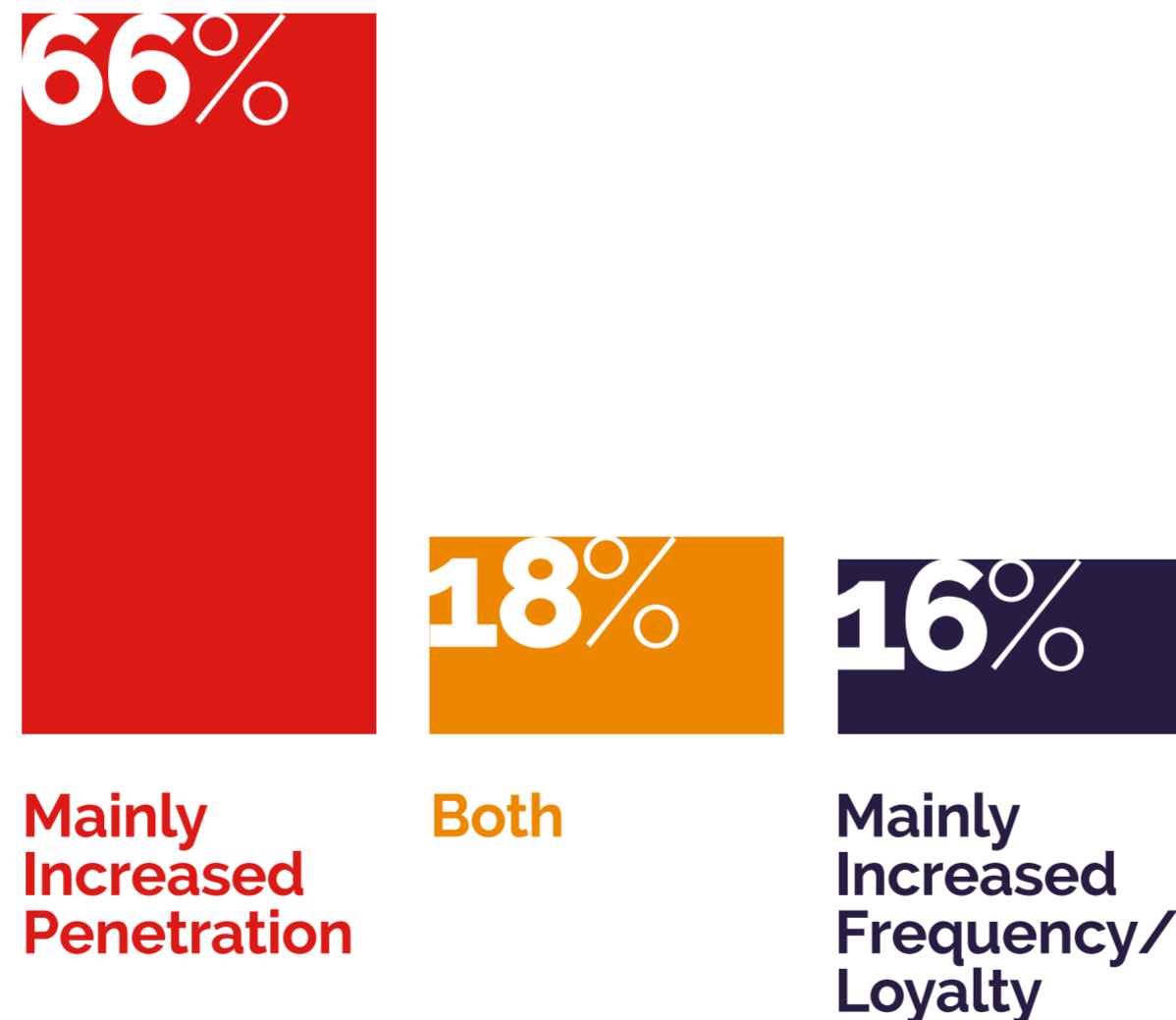
01

Brand penetration is the name of the game

Penetration is the name of the game, and what CPG winners are focusing on to drive both short and long term growth.

The majority of marketing leaders now believe penetration is the greatest driver of growth

What contributed most to your brands development in the last 5 years?



02

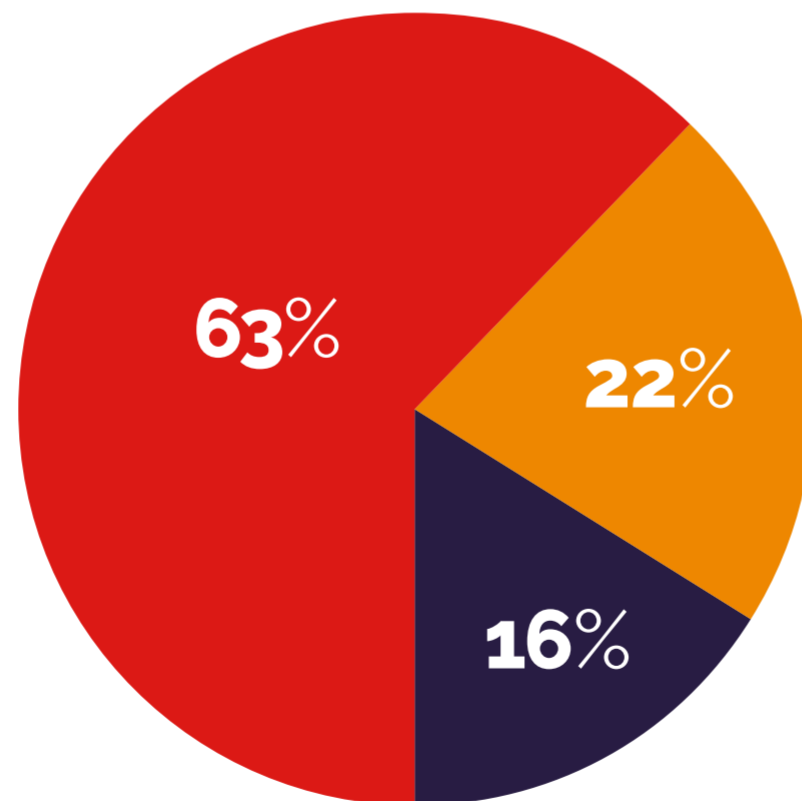
Put your money where your mouth is

Prioritising brand budgets against activities that drive penetration is showing a pay back.

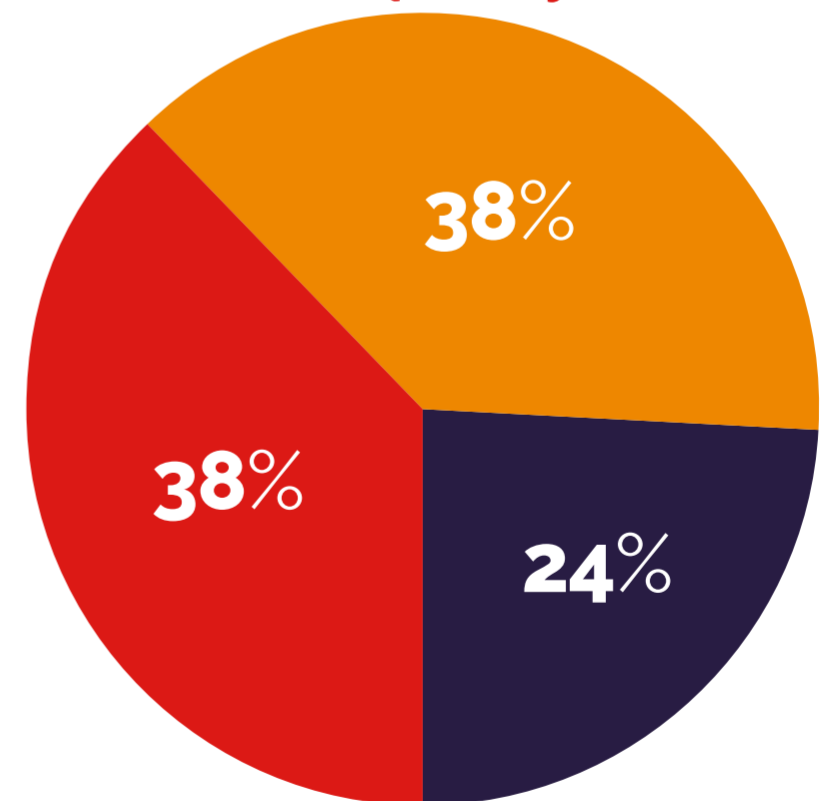
Growing brands spend more on penetration activities and this is paying off

How would you define the growth of your brand in the past 5 years?

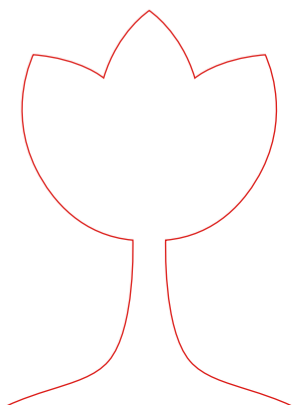
Invested most in driving **Penetration**



Invested most in driving **Frequency**



🍀 Grow (very) Strong 🍀 Grow Rather Strong 🍀 Did Not Grow (so much)



03

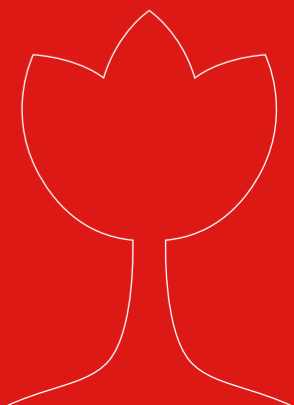
Loyalty? What Loyalty?

Loyalty as we used to know it is dying while focusing on recruiting consumers to the brand franchise is providing better returns. Targeting too narrowly can strangle the business, while pushing the envelope to expand the consumer base is proving a better bet.



“Brand loyalty is a myth! You can only develop habits not loyalty. You have to re-recruit the Consumer at every occasion.”

Global CMO, Multinational Beverages Company



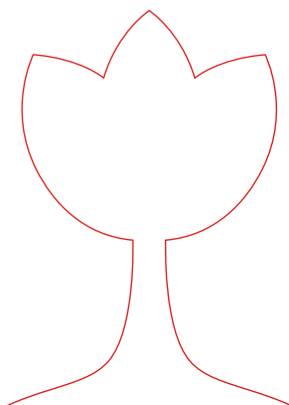
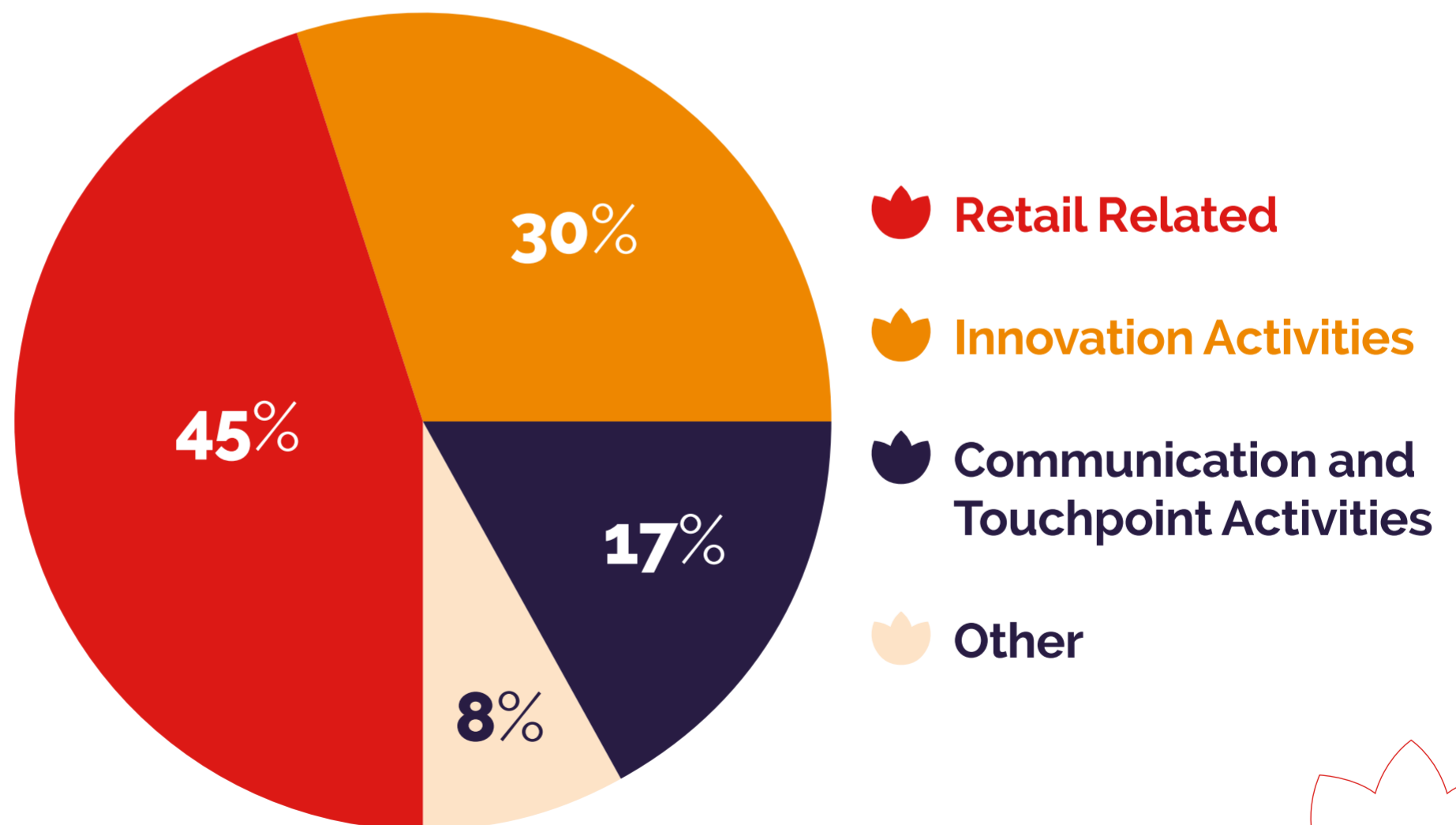
04

The battle is now in store

The battle is in store, be it bricks and mortar or online. Strengthening visibility, in-store activation and expansion into new distribution channels is a sure route to driving penetration.

Retail related activities are the main driver of penetration

What drives more brand penetration?



05

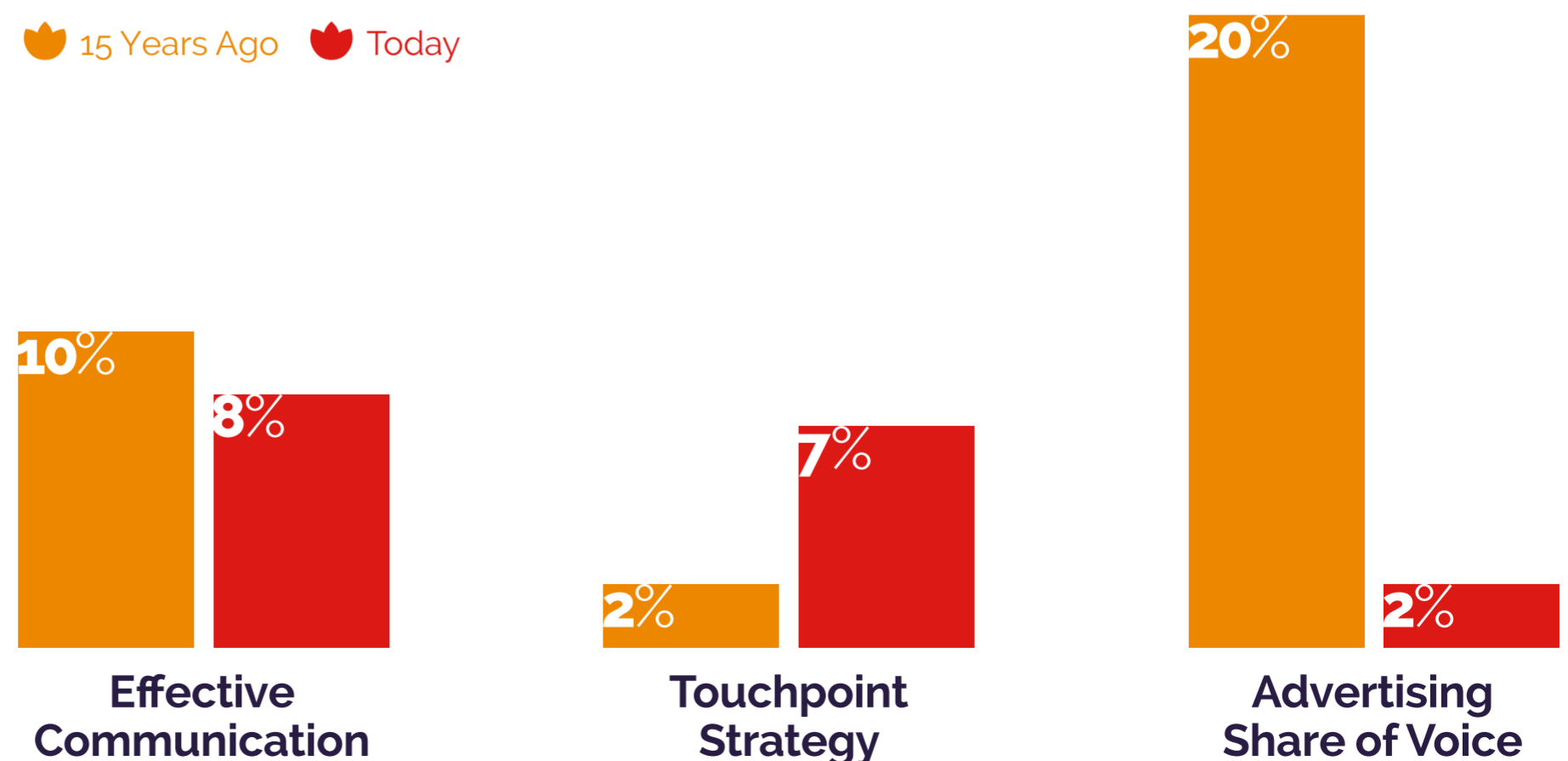
You don't have to shout to be heard. Smarter is better than louder.

Share of voice is no longer enough. On the contrary, more engaging communication and a strong touchpoint strategy that reaches a broader target is the route to penetration growth. And when it comes to building a broader target platform, brands can succeed in having different meanings for different people. It's all about the sophistication of your touchpoint strategy.

'Big is no longer beautiful': Touchpoint strategy is better than SOV

Most effective in driving penetration – Communication related answers

🍷 15 Years Ago 🍷 Today



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Source: Sevendots Quantitative Survey on Brand Penetration, 2016

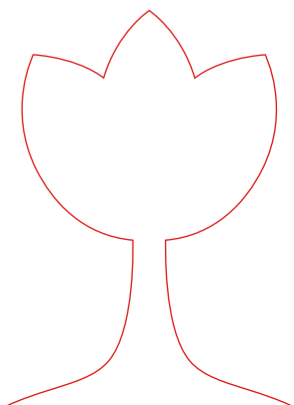
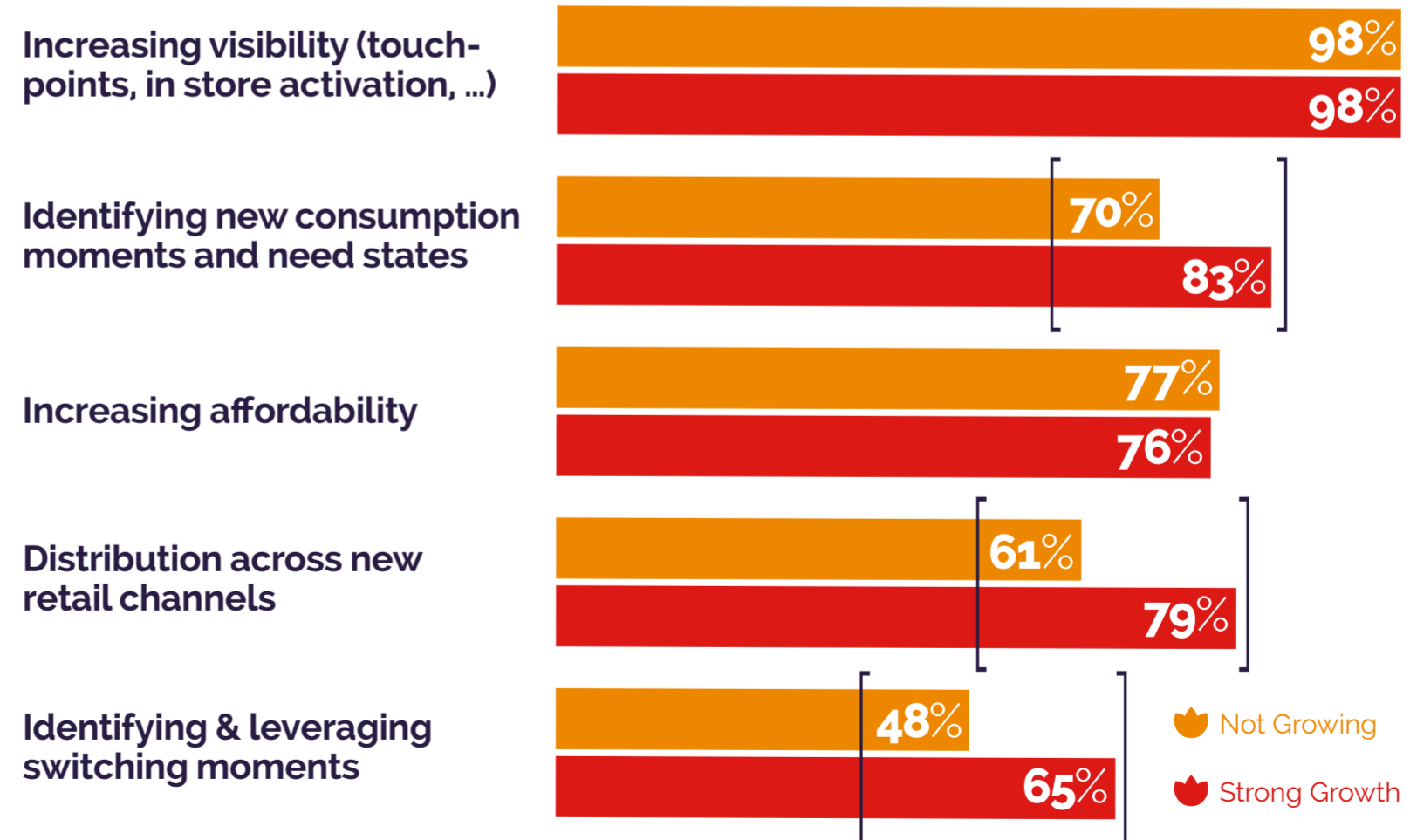
06

Don't open your wallet without opening your mind

Expanding the brand footprint drives new opportunities. Identifying new consumption moments, defining new needstates, developing new retail channels and leveraging switching moments are all showing good returns

Growing brands invest more in long term strategies

Activities used to drive penetration

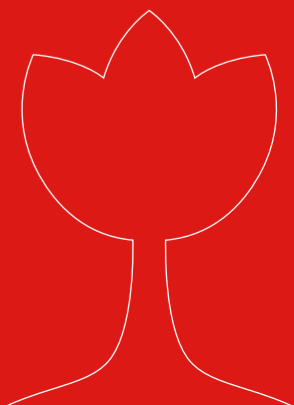


So

What did we base these insights on?

Sevendots insights are always based on a robust platform of knowledge, and not happy with just one source, we always want to cross-check our conclusions with other sources of information. This exercise was no exception. 5 key stages of learning fuelled our final conclusions.

- 1** A detailed search and review of all relevant literature about brand penetration from academics, consulting firms and practitioners.
- 2** An internal survey among 27 Sevendots partners from 12 countries – with strong experience in brand and general management or in consulting and consumer research – collecting, structuring and distilling all their experience on brand penetration.
- 3** In-depth discussions with 30 senior professionals in large CPG companies, including Unilever, Nestle', Henkel, PepsiCo, Diageo, Colgate, Heineken, SCJ, Pernod Ricard, Beiersdorf among others, from functions such as global CMO's and CEO's, International Marketers and Global CMI.
- 4** A quantitative survey of 155 marketers and consumer insight professionals around the globe, all from leading multinational CPG companies.
- 5** And finally, an extensive search and review of case studies providing vivid support to our findings.





For a presentation of the
whole outcome of the project
please contact

info@sevendots.com

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