



NEW PRODUCT PACESETTERS

Harvesting the Fruits of Innovation Done Right

APRIL 2016



Making the Right Bet Increases Odds of Winning

New Product Success Is Elusive

Launching new products is never a one-step process. CPG marketers begin with several, even dozens, of ideas that are vetted and tested with target consumers. The group is weeded down to the “chosen few,” which are pared down yet again to the single new market introduction.

It is an arduous process that requires a wide array of qualitative and quantitative analyses, and the stakes are high. In fact, very few new product launches meet the milestones set before them.

Deliberate and Well-Informed Market Assessments Breed Forecast Accuracy of 90 to 95 Percent

The good news is that technology and analytic know-how can significantly increase the odds of success. CPG marketers that truly understand market trends and consumer needs and wants have the foundation to clearly define their competitive set and determine key opportunities to source volume and incrementality with their new launch.

CPG Marketers Must Abandon Conventional Category Definitions

To do so, though, marketers must adopt a new lens—the lens of the consumer. This lens views the CPG landscape in terms of usage/consumption occasions and fulfilling needs and wants, as opposed to CPG marketers’ longstanding practice of working within conventional category definitions.

Increase Launch Success and Support Future Brand Growth

With this well-rounded and consumer-centric view of market opportunities, CPG marketers have the inputs they need to create accurate sales forecasts. They also have the insights required to develop and execute solid growth plans.

In other words, they have the power to significantly increase the odds of market success. The pages that follow provide detailed insights from 2015’s most powerful new product launches.

These insights lay the groundwork for the next great new product introduction. This report provides insights gleaned from an industry-recognized benchmark analysis of exceptional first-year CPG sales success for newly launched products.

These are IRI’s 2015 New Product Pacesetters™, textbook examples of innovation done right.

Innovation is a catalyst for CPG industry growth

Support **healthy** category sales momentum

Reap **sizable** sales for the brand

Build share in **existing** and **new** categories

Spur social media **conversations**

Innovation Invigorates and Excites the CPG Industry

It has long been said that successful innovation is the lifeblood of the CPG industry. The statement is simple, but consistently bringing to market successful new products is very complex.

Still, CPG marketers persevere. Each year, well over 10,000 new products hit the retail shelves. An estimated 90 percent fail to achieve the milestones set before them. Only 200 achieve

IRI New Product Pacesetter status. Generally, less than 10 new launches capture more than \$100 million in year-one sales. This year, nine brands broke through that threshold.

IRI New Product Pacesetter brands are the 100 largest non-food and 100 largest food and beverage launches of 2015. These brands are the best of the best, garnering cumulative first-year sales of more than \$6.5 billion and representing more than 1 percent of calendar year 2015 CPG sales.

These brands helped their categories find growth in a low-growth marketplace by generating excitement and igniting conversations. In some instances, these powerful products paved entry into completely new market segments.

IRI's New Product Pacesetters are truly case studies in the power of successful new product innovation. The pages that follow provide a detailed roadmap of how the best of the best stand apart from the rest.

High innovation sectors reap outsized growth

Robust New Brand Launch Sales Support Strong Category Growth

New product innovation drives excitement and can help protect and grow brand loyalty, particularly if the consumer has a good experience with the new product.



“Millennials are asking for bolder flavors, simplified ingredient lists and greater

convenience—all of which we deliver with Deli Fresh BOLD lunch meats.”

– Tom Bick, senior director of integrated marketing communications, Oscar Mayer*

*Source: Company Press Release

For example, illustrated later in this report, Always Discreet helped P&G capture nine share points in the adult incontinence sector. While only a small subset of U.S. households purchase this category, 28 percent of category buyers tried Always Discreet. Among these shoppers, repeat behavior has been solid, at 43 percent.

Strong trial and repeat behavior contribute to healthy year-one sales and support growth of the broader category. This is an important benefit that manufacturers should share with their retailer partners, particularly as they work to secure shelf space in today’s highly competitive marketplace.

Examples of new launches that contribute to noteworthy category sales span CPG aisles. Supporting out-sized growth for the health care department, 12 new health care launches achieved Pacesetter status this year. Rx-to-OTC switch Nexium 24HR tops the ranks in this department, with first-year sales of more than \$270.1 million—about \$100 million more than last year’s top-selling Rx-to-OTC launch, Nasacort Allergy 24HR.

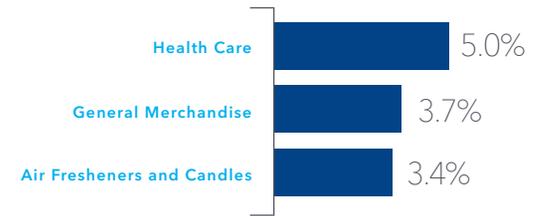
Five health care launches made the top 25 ranking this year, offering consumers convenient and powerful home-based solutions for everything from headaches to foot discomfort.

The meal makers and appetizers sector has also been a hotbed of activity, supporting sector growth of 2.7 percent during the past year. Eleven launches from this sector achieved 2015 New Product Pacesetter status.

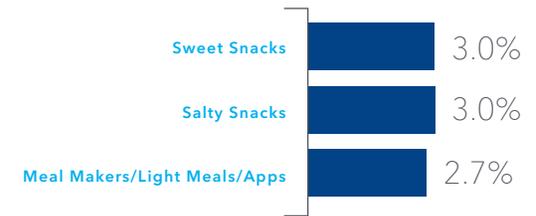
The largest of these launches was Oscar Mayer Deli Fresh BOLD, which hit the mark with packaged meat consumers looking for flavor variety and excitement in their deli solutions.

Another powerful launch in this area is Campbell’s Oven Sauces, which answers the call for flavor excitement, with flavors like Sweet Teriyaki Chicken and Creamy Garlic Butter Chicken, while also resonating with household cooks looking for fast and easy ways to nourish their busy family.

Non-Food Growth 2.6%



Food Growth 2.2%



Beverage Growth 2.2%



Dollar Sales
% Change, 2015 vs. 2014

*Source: Company Press Release

Powerful new launches reap considerable sales revenue

IRI New Product Pacesetters Beat the Odds

IRI's New Product Pacesetters are the most powerful launches of the year, beating the odds for significant revenue and surpassing average launch year expectations.



“By tapping into the loyal McCafé fanbase already built by McDonald’s and

leveraging our deep coffee category expertise here at Kraft, we have the ability to reach a larger audience than ever before, really giving this brand room to thrive.”

– Nina Barton, vice president of Coffee, Kraft Foods *

*Source: Company Press Release

In 2015, median year-one earnings across food and beverage Pacesetter brands was \$19.6 million. This is down from 2014, when the median food and beverage NPP earned was \$22.9 million, despite the fact that the cumulative sales of top-10 finishers was rather similar between the two years.

The shift in median year-one average is telling of the ongoing gradual shift to innovation that is intended to serve a more finite segment of the population. It is also telling of innovation that is coming through in sectors that have seen high levels of high-earning new product introductions for several years straight. For example, McCafé is the top-selling new food and beverage launch for the year, earning more than \$172 million in its first year. This is a powerful launch that capitalizes on strong brand equity and it is being very well received. Still, the launch comes on the heels of several years of big k-cup launches across the value spectrum, including launches from the likes of Starbucks, Dunkin’ Donuts and Green Mountain, each of which earned higher year-one sales.

On the non-food side, median year-one sales across 2015 Pacesetters was \$26.5 million, an increase from \$22.3 million last year. The boost here is largely attributable to the powerful Rx-to-OTC crossover of Nexium 24HR, which earned a whopping \$271 million during its first year off prescription by providing a new OTC option for sufferers of frequent heartburn.

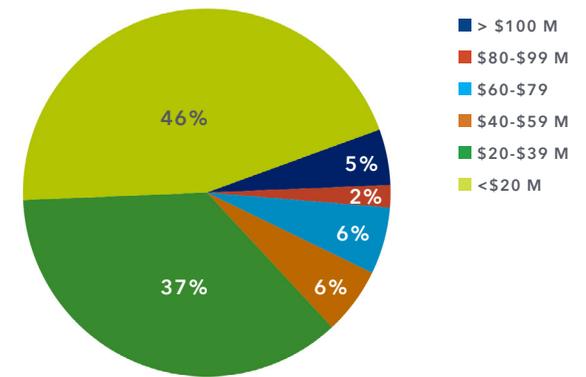
Despite these huge launches, it’s essential to understand that nearly half of even the most powerful launches fail to reach the \$20 million mark. Realizing how difficult it is to break through is critical to new product forecasting efforts.

Median Year-1 Sales

Food & Beverage: \$19.6 M

Non-Food: \$26.5 M

Convenience Store: \$18.6 M



New Product Pacesetter Year 1 Sales

*Source: Company Press Release

Big new brands protect and grow share



| | | | | |
|---------------------|--------------------|--------------------|--------------------|--------------------|
| \$ Share Gain | 14 PTS | 3 PTS | 1 PT | 9 PTS |
| Category Growth | 11% | 5% | 1% | 17% |
| Vendor Revenue Gain | \$302 _M | \$217 _M | \$142 _M | \$149 _M |



“Always Discreet products have undergone extensive consumer testing and are specifically designed to provide the things that matter most to women with sensitive bladders.”

– Chandrika Kasturi, product research director, Always Discreet*

*Source: Company Press Release

New Launches Are a Key Growth Platform

The good news is that a brand needn't be a blockbuster to protect and grow share. Particularly when share growth occurs in a category that is also growing, the resulting topline growth can be substantial.

Nexium 24HR launched in the \$2.2 billion antacid tablet segment in mid-2014. In its first year on the market, the brand captured a whopping 14 segment share points, worth an estimated \$302 million in revenue gains for its vendor.

The ice cream segment is not as large as antacid tablets and segment growth is not as strong. Nonetheless, Breyers Gelato Indulgences,

launched in the first quarter of 2014, contributed just under \$217 million to Unilever's topline revenue in its first year. The brand also successfully captured more than three share points in a category that grew five points in 2015.

Despite challenging market conditions, 12 of the top 20 New Product Pacesetters captured increased segment dollar share during their first year on the market. Most of these categories also experienced dollar sales growth during the 2013 to 2015 period. In all, these 12 launches earned their manufacturers more than \$1.4 billion in incremental revenue during their first year in the market.

*Source: Company Press Release

Interest and excitement are spurring conversation

New Products Foster Excitement and Drive Ambassadorship

To make an impact, of course, new products need to capture the attention and interest of target shoppers. In a world where consumers are bombarded with an average of 5,000 advertisements each day, cutting through the clutter is challenging. Powerful new product launches effectively influence social network conversations, helping brands stand out from the crowd.

IRI's 2016 New Product Survey reveals that, for 19 percent of consumers, awareness of new products



"Also on trend will be mobile friendly 'how-to' videos and access to other recipes and support."

– Bradley K. Alexander, president of Flowers Bakeries/D.S.D. Segment*

*Source: Company Press Release

comes from information on blogs and social networking sites. Among some shopper groups, such as millennials (35 percent), new product enthusiasts* (33 percent), and shoppers from households with children (29 percent), this figure is much higher. Consumers may be learning about these products from brand-initiated conversations, but they are also very aware of information being shared by other product users. CPG marketers must act to capitalize on this brand ambassadorship opportunity.

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Online Chatter Inspires Product Usage Ideas

In addition to providing positive (or negative) feedback, social media conversations can also serve to stimulate product usage ideas, which can drive incremental purchase behavior and even inspire the next wave of new product innovation.

The Cobblestone Bread Company is encouraging social media discussions with a hashtag, #CBCbreakfast. Through this hashtag, consumers are sharing a variety of recipes, including spinach and cheese bagel strata, rise and shine breakfast melts and more.



"Tide Simply Clean smells so good"

@DIAMONDHOOPS



"Honest clean at a low price!"



★★★★★
"Works just as well as more expensive Tide products"

BY JUSTAGIRL2014

Source: Voice of Consumer Analytics courtesy of IRI Social Advantage™

*Note: New product enthusiasts answered either "I am an early adopter of new <category> products, I like to have the latest and greatest" or "I am always looking for new <category> products to try" for at least three of the following categories: food, beverage, health care, beauty/personal care, home care. For pet care, respondent answered, "I am always looking for new pet care products to try."

CPG marketers: think outside the box to maximize growth potential



“SmartRelief gives back pain sufferers safe, effective and affordable relief without the hassle and expense of a doctor visit.”

– Lucas Mininger, IcyHot marketing director, Chattem, Inc.*

*Source: Company Press Release

CPG Marketers Need New Perspective to Deliver Successful New Products

Social media conversations can serve as a very important influencer of new product innovation. For this to happen, though, CPG marketers must open their minds to outside-the-box thinking.

CPG marketers have long talked about categories, aisles and departments. This is how stores are laid out and how sales are measured. Consumers, however, don't think in terms of categories, aisles or departments. They think about what they need and how to satisfy that need. They think about how they will use or consume a product, where they will be at that time, and added benefits they hope to achieve (think faster/easier cleaning, flavor/texture excitement, longer-lasting relief).

CPG marketers must adopt this broad-scope consumer mindset and innovate against it. Marketers must also apply this mindset to their examination of the competitive landscape.

For example, Greek yogurt not only sources volume from other yogurt brands, but also sources significant volume from healthy snack bars (e.g., Kind bars), other dairy snacks (e.g., string cheese), and a wide selection of ready-to-eat cereal brands. If marketing programs take only yogurt competitors into consideration, messaging will be sub-optimal and impact will be lost.

Maximizing innovation value requires taking a realistic look at the competitive landscape to understand opportunities and challenges.

Quickly identifying and accurately sizing growth opportunities is critical

Understand **true** market/consumer trends/needs/wants

Define the true **competitive** set

Understand key sources of **volume** and **incrementality**

Keeping Pace With Change Is No Easy Feat, But It's Necessary

The consumer revolution is real and it is massive. In fact, the only constant in CPG today is change. Bringing successful new products to market in this turmoil is quite challenging. To get it right, CPG marketers must quickly and accurately assess white space opportunities.

First and foremost, that means having a clear understanding of the marketplace, including key growth drivers and inhibitors of growth. CPG marketers must also invest to understand their core and target shoppers—what they need, what they want, what they are willing to pay for and where they expect to buy these products.

Discussed earlier in this report, it is critical to realize that consumers view the CPG marketplace very differently from the way manufacturers and retailers view it. They think about satisfying needs, whether those be eating occasions, drinking occasions or product usage occasions.

For CPGs, understanding the true competitive set means having a clear understanding of what CPG categories compete for each particular occasion. This will vary by mindset, daypart and CPG channel. It will also vary from shopper to shopper. The competitive landscape has become much broader and less traditional than manufacturers have previously experienced.

Indeed, the days of one-size-fits-all strategies are gone forever. And, importantly, the competitive landscape will continue to change.

Finally, CPG marketers must invest to understand their sources of volume and incrementality. They need to know how to appeal to the full pool of potential consumers, and they need to know how to entice those consumers to buy more, rather than just shifting dollars from one brand within the portfolio to another.

The pages that follow provide detailed overview of these critical growth levers.

Feed food and beverage success with sophistication

Deliver Indulgence and Experiences That Bring Excitement Into the Kitchen

Today, four in 10 consumers are regularly buying premium quality food and beverages.¹ Indeed, CPG food and beverage solutions have become a common way for consumers to pamper themselves without breaking the bank.



“fairlife is a transformational innovation that retains the purity of real milk yet significantly improves its health benefits and taste.”

– Mike McCloskey, a former veterinarian, active dairy farmer and CEO of the co-op*

*Source: Company Press Release

Flavor excitement breaks up the monotony of the daily diet, bringing consumers to new worlds without even leaving the kitchen. Chili’s At Home line of frozen dinners and appetizers allows consumers to take their taste buds for a spin with restaurant-inspired recipes that combine for a flavor fusion.

Starbucks makes experiential dining personal with a new line, Starbucks Iced Coffee, allowing consumers to enjoy iced coffee at home just the way they like it.

Healthier-for-you solutions are still very much on trend. But, even healthier products have a flair for sophistication. fairlife milk, for instance, uses

What Consumers Want From New Food Products

% of Consumers



29% indulge without paying restaurant prices



24% add excitement to the daily diet



21% enjoy options that are truly new and different

Source: IRI New Product Survey

a patented filtration process that concentrates some of milk’s natural nutrients, while filtering out lactose and reducing sugars.

Sophistication within CPG aisles is supporting an influx of crossover brands from restaurants

and other realms. The aforementioned Chili’s At Home and Starbucks Iced Coffee are two examples. McCafé and Krispy Kreme coffees and Ben & Jerry’s Core are additional examples of this trend, which has been in play for at least five years.

¹Source: IRI Consumer Connect, Q1 2016

Tap into the “protein brand” to support the quest for satiation and on-the-go consumption

Make It Fast and Easy to Fuel Up

During the past decade, protein has shifted from a sought-after attribute to a brand in its own right. Protein is making a march across CPG aisles, where it is now prominently featured on product packages across food and beverage aisles—from beverages to yogurt, and everything in between.

Cheerios Protein fuels the family breakfast with 11 grams of protein (including milk), for long-lasting energy and a great taste. Quaker has made protein quick and easy with Quaker Protein Instant Oatmeal, packed with 10 grams of protein in every serving and ready in under two minutes.

Quick and easy is essential today, and the increasing pace of on-the-go lifestyles are heavily contributing to this trend.

As a result, handheld and on-the-go protein options are hitting the mark across a wide variety of eating and drinking occasions. TruMoo allows consumers to fuel their potential with 25 grams of protein and no high fructose corn syrup. Clif Kid Zbar Protein is a delicious whole grain protein snack made with nutritious building blocks for kids’ growing bodies ... so kids can keep zipping and zooming along. And, Gatorade Recover Whey Protein Bars allow athletes (and weekend warriors) to get the most from their workout by fueling muscle recovery to bring muscles back to life.

23%

of consumers look for new food options that can be eaten on the go

12%

of consumers look for new beverages that provide protein



Source: IRI 2016 New Product Survey

Give consumers an opportunity to express their individuality



“The story your home tells is an important one and we wanted to provide consumers with a fragrance technology that helps to curate and personalize that story.”

– Tiffany McLeod, marketing director, Air Wick*

*Source: Company Press Release

Deliver Against Consumers’ Unique Needs and Wants

According to IRI’s 2016 New Product Survey, 20 percent of consumers actively seek new home care products that are good for the environment and 17 percent seek beauty products that offer anti-aging benefits. This is a snapshot of an important lesson in new product innovation: everyone has different needs, wants and priorities. Today’s shoppers want CPG solutions that recognize this fact.

CPG innovators are helping consumers to express their individuality by offering a wide variety of olfactory experiences across non-food aisles. The largest olfactory launch in 2015 was Air Wick Life Scents, a product that fills the home with continuous, fresh fragrance for up to 60 days and also allows consumers to select their desired fragrance level.

The laundry room offers a number of new scent experiences, including Snuggle Scent Boosters, Bounce Bursts and Arm & Hammer Clean Scentsations. And, this year’s Pacesetters are allowing consumers to “escape” in the kitchen with Dawn Escapes and Glad OdorShield with Febreze Freshness & Gain.



New non-food launches bring power and performance that help consumers’



stand apart from the crowd. Vidal Sassoon Salonist gives hair dimensional cover that rivals the salon. Maybelline Fit Me!

Matte + Poreless goes beyond skin tone matching to fit the unique texture issues of normal to oily skin for the ultimate natural look. And, the Caress Fresh Collection offers fragrance touch technology that releases bursts of perfume with every touch of the skin.



Non-food innovators are also finding success tapping into a wide variety of other sizable targeted market spaces. Purina Cat Chow Gentle feeds cats with sensitive stomachs. Aussie Total Miracle Collection provides carefree hair with time to spare by hydrating, strengthening

and protecting. And Gillette Venus has two New Product Pacesetter launches, Swirl and Embrace Sensitive, that allow women to get a close shave with only one stroke.

*Source: Company Press Release

Think broadly about usage occasions

Enhance the Value Proposition by Expanding Across Broader Usage Groups

Mentioned earlier in this report, consumers think in terms of needs and wants, rather than thinking in terms of categories and aisles. The great news for CPG marketers is that consumers who have had good experiences with a brand in the past are generally quite open to new products from that same brand/major manufacturer, even if that brand has entered into a new market space.



“We are so proud to launch Bounty with Dawn ... we believe it will change the way people clean. Original Bounty is still recommended for your everyday routine, but Bounty with Dawn

can blast through greasier, more stubborn messes.”

– Matt Barresi, brand director, Bounty*

*Source: Company Press Release

Many of the year’s top-selling launches have had great success in rethinking the way consumers can use their brands, and co-branding is playing a key role in bringing new product uses to life.

Bounty with Dawn is a thicker Bounty, with the cleaning power of Dawn built in, to blast through messes and pick up more. The new product has

allowed Bounty to expand usage beyond “everyday routine” tasks to “greasier, more stubborn messes.”

Speed Stick/Irish Spring GEAR provide effective, long-lasting odor protection in a variety of scents. The line cuts across much of a man’s daily personal care ritual, including deodorants, soaps and body washes.

And, Crest and Oral B have come together to provide end-to-end oral care solutions, including the Crest/Oral B Sensi line and Crest/Oral B 3D White Brilliance.

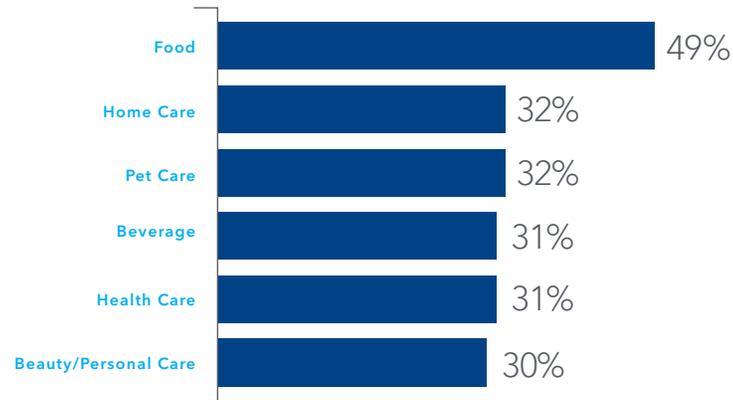
Expanding market reach is a fantastic way to drive incremental sales dollars. But, mentioned earlier, understanding where and how categories interact is an essential first step in the process.

*Source: Company Press Release

“I look for products from the same brands/manufacturers with whom I’ve had a high level of success in the past.”



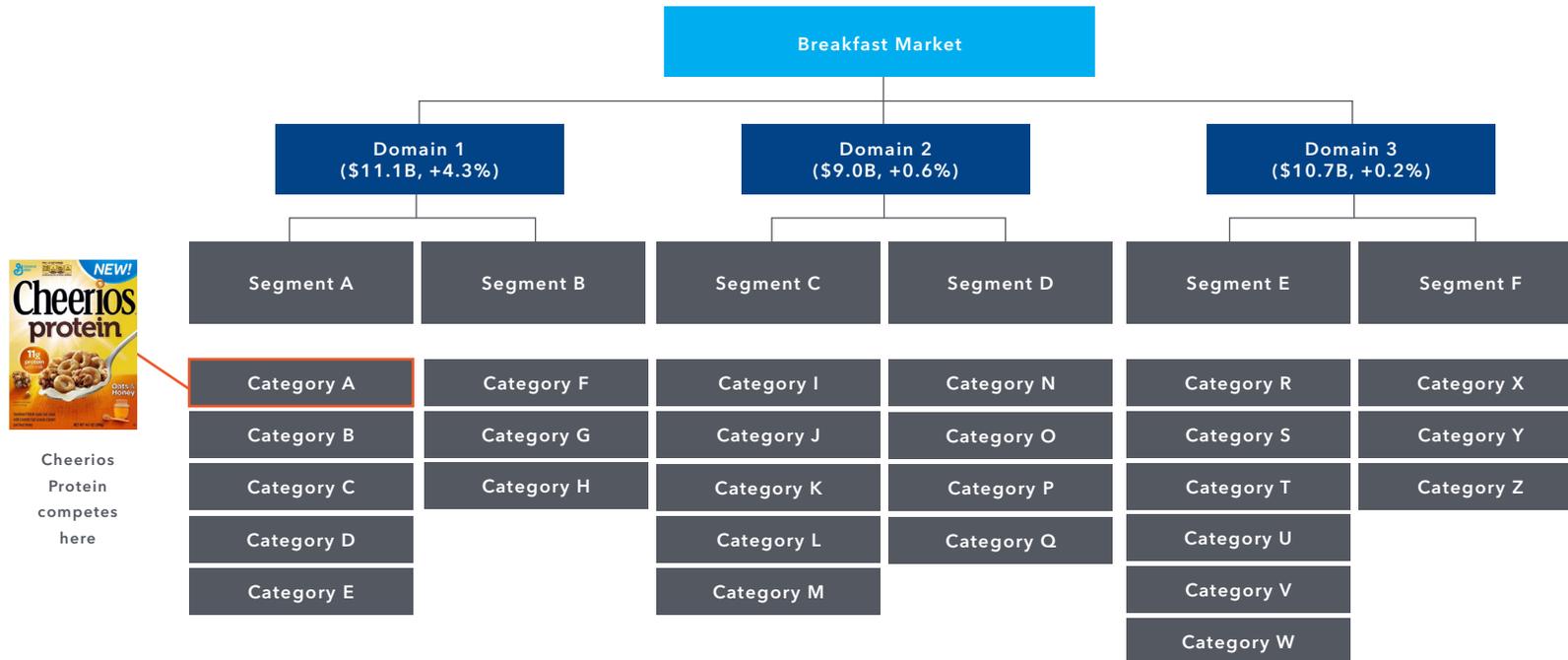
% of consumers, by sector



Source: IRI 2016 New Product Survey

Invest to clearly understand the competitive set

The breakfast market is comprised of 3 domains



Source: POS Data Latest 52 Weeks ending 4/30/2014 vs. YAGO

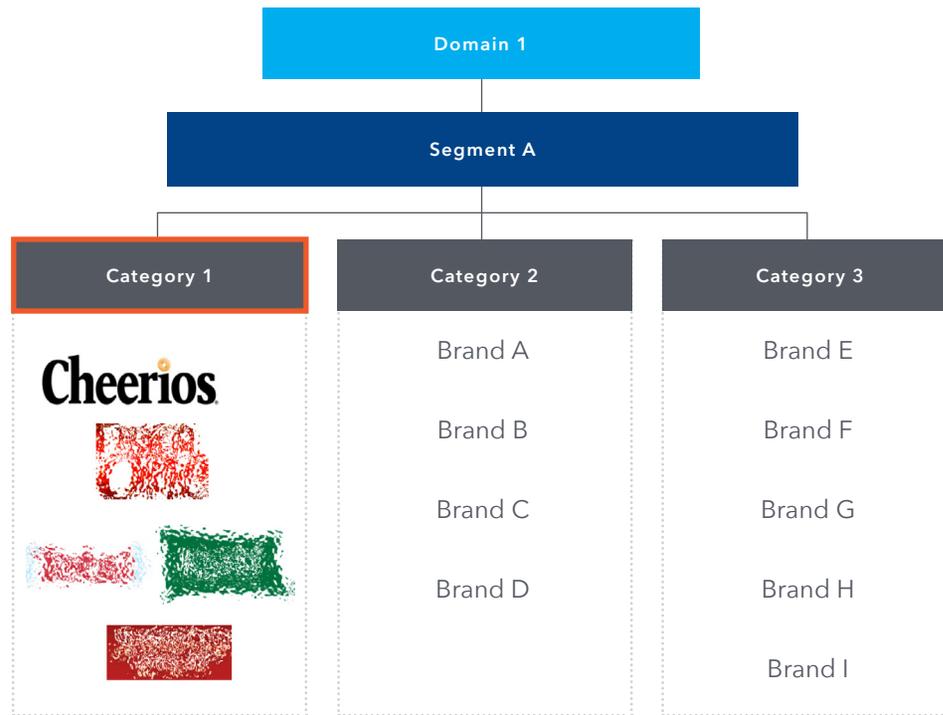
Invest to Intimately Understand the Shopping Basket and Its Product Interactions

To be successful, new launches must stand out from the crowd. Considering that the average grocery store has an estimated 44,000 SKUs and the 85 percent of American household needs are fulfilled with the same 150 items, this is no easy feat.

To be successful, brand marketers must understand their competitive set based on consumer-related considerations, including demographics, life stage, etc., as well as distribution area and similarity of product. And, it's critical to understand that this is not a do-it-and-forget-it assessment. The competitive set is essentially a living, breathing situation that will change constantly based on a broad array of evolving market forces and consumer attitudes and behaviors.

Simply stated, having a clear, comprehensive and consistent understanding of the competitive set is a critical foundation needed to compete effectively in the hardscrabble CPG world. It will determine the type of product being developed, key and target consumer segments, channel strategy and market positioning. It will also help highlight high-value opportunities for differentiation.

Dive deep to understand potential sources of volume



“The addition of Nexium 24HR to our portfolio enhances our ability to help consumers better manage their health.”

– Paul Sturman, president and general manager, Pfizer Consumer Healthcare*

*Source: Company Press Release

Note: Private label excluded; Source: Transactions from HH panel data 152 weeks ending 03/23/2014; POS data latest 52 weeks ending 4/30/2014 vs. YAGO

A Well-Rounded Understanding of Potential Sources of Volume Will Increase the Odds of Success

Simply put, in this context of launching new products, source of volume is a measure of what proportion of the new brand’s demand or volume will be driven by competing brands within the same category and substitute categories.

When launching a new product, brand marketers must invest to understand from where and how the new product will derive its volume. At the same time, the marketing team must also be aware of the potential for the new brand’s volume to be stolen by or lost to other brands—whether those brands are from within the same category or any number of substitute categories.

The marketing team must analyze leakage scenarios to ensure a firm grasp on sources of volume. This includes understanding which product attributes are most closely associated with switching behavior.

The team must closely examine the customer-associated traits of switching behavior, including life stage and life style, demographics, etc., and the likeliness of substituting under each of these circumstances.

A 360-degree view of market potential is essential to accurate sales forecasting



“It’s hard to forecast the impact of marketing and innovation if you don’t know where the sales will come from.”

– The Hendry method

Competitive and Source of Volume Insights Feed Accurate Volume and Incrementality Projections

When forecasting the market opportunity for a new brand launch, determining overall sales potential is critical. With a true understanding of the competitive set and sources of volume, highly accurate estimates of market potential are achievable.

These insights will also frame out a clear picture of what percent of dollar and volume sales can be expected to be incremental, versus cannibalized from another brand within the product portfolio.

By understanding where sales will source from and what levers are driving those sales, marketers can develop a clear picture of which

marketing levers—product attributes, packaging, pricing, channels—are likely to attract new buyers versus existing consumers. This will optimize initial program development and also allow for on-the-fly course corrections and/or program enhancements that drive further market success as the program rolls out.

Top 10 Pacesetters: Food & Beverage

The most powerful food and beverage launches of 2015 offer convenient decadence across a wide range of categories and nutritional preferences.

| |
|---|
| <p>1 McCafé</p>  <p>Coffee \$172.7_M</p> |
| <p>4 fairlife</p>  <p>Milk \$87.1_M</p> |
| <p>7 Simply Juice Drinks</p>  <p>Rfg. Juices/Drinks \$70.5_M</p> |
| <p>10 Cheerios Protein</p>  <p>Cold Cereal \$49.8_M</p> |

2 Oscar Mayer Deli Fresh BOLD

Luncheon Meats
\$146.2_M



3 Dannon Oikos Triple Zero

Yogurt
\$108.0_M



5 Yoplait Greek 100 Whips!

Yogurt
\$83.6_M



6 Chili's At Home

Fz. Dinner/Entrees
\$78.9_M



8 Breyers Gelato Indulgences

Ice Cream/Sherbet
\$66.9_M



9 Cobblestone Bread Co.

Fresh Bread & Rolls
\$60.2_M



Source: IRI Market Advantage™, new products that completed their first year in calendar year 2015.

Top 10 Pacesetters: Non-Food

Performance and pleasure are key drivers of new product success across non-food aisles, as CPG marketers adeptly embrace new technologies and new ingredients to raise the bar.

| | |
|---|--|
| 1 | <p>Nexium 24HR Gastrointestinal Tablets \$270.6_M</p> |
|  | |
| 4 | <p>Always Discreet Adult Incontinence \$133.0_M</p> |
|  | |
| 7 | <p>Sally Hansen Miracle Gel Nail Cosmetics \$98.0_M</p> |
|  | |
| 10 | <p>Glad OdorShield with Febreze Freshness & Gain Food & Trash Bags \$70.4_M</p> |
|  | |

| | |
|---|---|
| 2 | <p>Air Wick Life Scents Air Fresheners \$172.5_M</p> |
|  | |

| | |
|---|---|
| 3 | <p>Tide Simply Clean and Fresh Laundry Detergent \$167.5_M</p> |
|  | |

| | |
|--|---|
| 5 | <p>Amopé Pedi Perfect Foot Care Products \$128.1_M</p> |
|  | |

| | |
|--|--|
| 6 | <p>Purina Beyond Pet Food \$108.0_M</p> |
|  | |

| | |
|---|---|
| 8 | <p>Gillette Fusion ProGlide with FlexBall Technology Razors \$86.6_M</p> |
|  | |

| | |
|---|--|
| 9 | <p>Gillette Venus Swirl Razors \$74.1_M</p> |
|  | |

Source: IRI Market Advantage™, new products that completed their first year in calendar year 2015.

Top 10 Pacesetters: Convenience Store Brands

Powerful convenience store innovations continue to bring more variety to life's small indulgences.

| |
|--|
| <p>1 VUSE</p>  <p>Electronic Smoking Devices \$222.1 M</p> |
| <p>4 REDD'S Wicked Ales</p>  <p>Beer/Ale/ Alcoholic Cider \$43.3 M</p> |
| <p>7 Juicy Fruit Starburst</p>  <p>Gum \$18.4 M</p> |
| <p>10 Pillsbury Soft Baked Mini Cookies</p>  <p>Cookies \$10.0 M</p> |

2 Monster Energy Ultra Sunrise



Energy Drinks
\$82.7 M

3 MarkTen



Electronic Smoking Devices
\$69.3 M

5 RUFFLES Deep Ridged



Salty Snacks
\$26.5 M

6 Jack Link's Small Batch



Dried Meat Snacks
\$18.9 M

8 Monster Energy Unleaded



Energy Drinks
\$17.1 M

9 Wrigley's 5 Ascent



Gum
\$14.6 M

Source: IRI Market Advantage™, new products that completed their first year in calendar year 2015.

Rising Stars: Food & Beverage

Popular dine-out flavors are having a huge influence on future CPG trends.

| | |
|---|--|
| ★ | <p>DairyPure Milk</p>  |
| ★ | <p>Not Your Father's Root Beer Beer/Ale/Alcoholic Cider</p>  |
| ★ | <p>Red Bull Yellow Edition Energy Drinks</p>  |
| ★ | <p>Starbucks Iced Espresso Classics Refrigerated Tea/Coffee</p>  |

★ **Dunkin' Donuts K-Cups**
Coffee



★ **HOT POCKETS Snack & Breakfast Bites**
Frozen Appetizers/
Snack Rolls



★ **Oscar Mayer Selects Natural**
Luncheon Meats



★ **PAGODA Snacks**
Frozen Appetizers/
Snack Rolls



★ **Sargento Balanced Breaks**
Refrigerated Lunches



★ **Screamin' Sicilian**
Frozen Pizza



Source: IRI Market Advantage™, new products that completed their first year in calendar year 2015.

Rising Stars: Non-Food

Performance and individuality are continuing to expand across non-food aisles.

★ American Home by Yankee Candle
Candles



★ L'Oréal Voluminous Superstar
Eye Cosmetics



★ Tampax Pocket Pearl
Sanitary Napkins/Tampons



★ U by Kotex Security
Sanitary Napkins/Tampons



★ Cesar Home Delights
Pet Food



★ FLONASE
Cold/Allergy/Sinus Liquids



★ Persil ProClean
Laundry Detergent



★ PetAction Plus
Pet Supplies



★ The Pioneer Woman
Culinary



★ Tide PODS Plus Febreze
Laundry Detergent



Source: IRI Market Advantage™, new products that completed their first year in calendar year 2015.

IRI TOOLS

Quicken your pace

Robust and people-smart: This explains our powerful suite of analytical and decision-making tools for consumer marketers and their brands. Learn about our breadth; don't hesitate to contact Tom Juetten in IRI's New Product Innovation Practice: Thomas.Juetten@IRIworldwide.com or +1 312.662.2616.

IRI NEW PRODUCT PROFILER™

Employs a database of the strongest new product introductions since 2002 to help you identify and analyze critical success factors, plan product launches and set realistic goals with confidence.

IRI CONCEPT TESTING

Screens and accurately forecasts new product ideas in two days or less, at a fraction of industry-standard costs.

ADVANCED SEGMENTATION

These solutions help you segment efficiently and target powerfully by identifying, quantifying and tracking distinct consumer/shopper groups who share attitudes—and purchase behaviors.

IRI VIRTUAL SHOPPING™

A web-based experience that lets shoppers pick up, rotate, put back and "purchase" products. It's a flexible, economical and efficient way to analyze in-store behavior.

IRI SHOPPERSIGHTS™

Innovatively segments and targets for unmatched optimization of promotion, media and retail-specific marketing programs at the household and store levels.

HENDRY MARKET STRUCTURES™

Helps you forecast innovation opportunities in existing categories and white-space segments. Synthesize shopper behavior, attitudes and usage data to innovate early and accurately. You increase overall success and avoid expensive failure.

IRI ATTITUDELINK™

Generates powerful attitudinal surveys within the IRI Consumer Network™ panel, linking longitudinal purchasing behavior to underlying consumer needs and attitudes—something general market surveys can't do.

IRI INNOVATION SOLUTIONS TEAM

Increases the odds of new product success and mitigates the risk of bad decisions by leveraging IRI's shopper behavior-based innovation and new product solutions, which support the entire innovation process from white space identification to post-launch assessment.

ABOUT NEW PRODUCT PACESETTERS

IRI has a long history of celebrating the consumer packaged goods (CPG) industry's most powerful brand launches. It's a celebration that is rich with iconic brands and game-changing innovations, brought to market by behemoths, such as Procter & Gamble and PepsiCo, and new market entrants, including TruRx and Chobani. It's a celebration that gives innovators inside and outside the CPG industry an opportunity to learn from the best of the best in new product innovation.

IRI's New Product Pacesetters is a celebration of harvesting the fruits of innovation done right.

ABOUT THE AUTHORS

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IRI NEW PRODUCT PACESETTERS CRITERIA

- Complete a full year of sales in calendar year 2015 (brands that complete year-one in 2016 qualify for Rising Star status)
- Begin tracking year-one sales after 30% ACV weighted distribution achieved across multi-outlet geography
- New Product Pacesetters are the Top 100 new banners (for each, food and beverage and non-food) based on year-one sales across multi-outlet geography
- Multi-outlet = supermarkets, drugstores, mass-market retailers, military commissaries and select club and dollar retail chains



IRi

Growth delivered.

About IRI

IRI is a leading provider of big data, predictive analytics and forward-looking insights that help CPG, OTC health care organizations, retailers and media companies to grow their businesses. With the largest repository of purchase, media, social, causal and loyalty data, all integrated on an on-demand cloud-based technology platform, IRI helps to guide its more than 5,000 clients around the world in their quests to remain relentlessly relevant, capture market share, connect with consumers and deliver market-leading growth. A confluence of major external events—a revolution in consumer buying, big data coming into its own, advanced analytics and automated consumer activation—is leading to a seismic shift in drivers of success in all industries. Ensure your business can leverage data at www.iriworldwide.com.

Corporate Headquarters: 150 North Clinton St., Chicago, IL 60661, USA, (312) 726-1221

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