



Crunching Consumer Data to Create a \$100-Million Product

A fundamental problem in the world of consumer packaged goods (CPG) is that companies spend millions of dollars innovating and launching new products only to find that 92% of the time products fail to reach \$50 million in revenue. One chocolate manufacturer sought a better path toward innovation.

GOAL

Increasing sales of packaged chocolate products

A CPG company that manufactures chocolate came to 113 Industries looking to lift its revenue. It didn't matter what they did to the packaging, how they priced the product or where they positioned it in store aisles, they couldn't get sales to budge. They needed a new approach.



ANALYSIS

Examining how customers purchase & consume chocolate

113 did a study where we analyzed behaviors of chocolate consumption by looking at **100,000+ consumer conversations** taking place online over a span of multiple months.

The discussions included individuals **across demographics** from sources such as Twitter, Facebook, Instagram, forums, comments, reviews, and more.

We broke down those conversations by **when, how and why people were eating chocolate**, and discovered behaviors that were extremely important.

All these years, chocolate has been known as an “impulse buy”. What we found was **the behavior trend has shifted** from *impulse* purchase and consumption (such as buying a chocolate bar at a 7-Eleven) **to *planned* purchase and consumption.**

INSIGHT

Identifying what today's snackers want in a chocolate treat

We found when people were watching a show at 8 p.m. they might consider eating a brownie, ice cream, or cake.

Chocolate didn't even make the cut. If consumers were going to snack at this time, they wanted it to be *indulgent*.

What did “indulgent” mean? It meant chocolate had to have a combination of flavors. It had to be **salty and sweet**. It needed a combination of textures—**smooth, brittle and crunchy**. It needed **calories, sugar and dark chocolate**.

And it wasn't always about binging. Sometimes individuals just wanted **small portions** of indulgent snacks to reward or treat themselves.

We also noticed people would do things like dip pretzels in melted chocolate or mix chocolate with ice cream. These are *compensating behaviors*. **When consumers couldn't find an indulgent treat to meet their needs, they were making their own.**

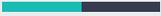
OUTCOME

Creating a new product to satisfy consumer cravings

Based on our findings, we recommended the company develop an indulgent single-serve treat combining crunchy, creamy, smooth, brittle, high-calorie, dark chocolate and sugar. As a result, **the company came out with a product that surpassed \$100 million in revenue.**



Our **consumer behavior model** for **innovation** helps companies understand **compensating behaviors, unarticulated needs** or **jobs to be done** to better meet the demands and desires of consumers.



About 113 Industries

At 113, we capture, read and analyze large volumes of digital conversations to help you truly understand consumer behaviors. By extracting valuable insights from what consumers are saying, you can apply them to your organization in ways that make a real impact.



Discover what you've been missing

412-387-3113

razii@113industries.com

113industries.com