

The Impact of **Innovation**

Adaptation, experimentation, and change in the marketing world. Which brands are getting it right?



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SECTION 1: ROLE OF INNOVATION

Innovation in marketing plays a crucial role in breaking the mold and exceeding consumer expectations. Brands that focus on Innovation build deeper connections with people, create disruption and drive growth in competitive markets.



01

What makes marketing "Innovative"?

Innovative marketing goes beyond just introducing new products. It redefines brand perceptions and connects with audiences on a deeper level.

Innovative brands are seen as forward thinking. These brands tend to be perceived as category disruptors: building on what they're known for in new and interesting ways.

Innovation is about challenging the status quo, delighting customers with unexpected surprises.

It's no surprise then, that we commonly see two growth Drivers improve alongside Innovation:



Familiarity

Communicating Innovation needs to be big and bold enough to change perception.

Empathy

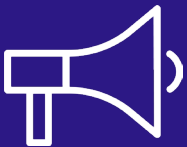
To cut through what consumers expect, a brand must understand what it is that they truly want.

Brands that excel in Innovation do so by understanding their customers' needs (Empathy), delivering bold campaigns (Differentiation), and making their products stand out in crowded markets. The most innovative brands differentiate themselves by embracing creativity to foster brand loyalty and excitement.



People's expectations of Innovation are low, making it an opportunity to disrupt.

Innovation is ranked 12th out of 16 in terms of what people expect. Table stakes Drivers are...



Familiarity is all about how much consumers feel they know your brand. It's more than awareness, and refers to the depth of knowledge people feel they have.



Accessibility is all about your brand's ease of use, and how hard your brand is working to ensure accessibility across the whole customer journey.



Consistency is about reliability and being something your buyers can depend upon – every time – across all touchpoints.

SECTION 2:

BRANDS TO WATCH

The most innovative brands to watch in 2024 are leading the way with bold strategies and disruptive campaigns that captivate consumers. These brands are reshaping their markets by consistently delivering groundbreaking products and experiences that resonate with modern consumers.

02

The Top 10 Most-Innovative Brands

In today's fast-paced and highly competitive market, Innovation is crucial for success. Brands that foster a culture of Innovation are able to create unique value propositions that set them apart from their competitors. By continuously exploring new ideas, products, and experiences, these brands not only drive industry trends but also elevate consumer expectations. Companies that prioritize Innovation can introduce groundbreaking products and services that capture attention and generate excitement, effectively reshaping the landscape of their categories.

ProQuo Innovation Index:

We spoke to over 500,000 people across the UK and US to create a list of the most innovative brands. Consumers feel that these brands stand out as original, forward-thinking, and disruptive game-changers within their categories.

RANK	BRAND	CATEGORY
01	Amazon	Online Retail
02	Fenty Beauty	Premium Make Up
03	Hotel Chocolat	Luxury Hot Chocolate
04	Bird & Blend	Luxury Tea
05	Lindt	Premium Chocolate
06	Union Coffee	Luxury Coffee
07	MyProtein	Sports Nutrition Supplements
08	Müller	Yogurt
09	Fever-Tree	Mixers
10	M&S Food	Chilled Savory Snacks

Most-Innovative Brands in 2024 | Men

RANK	BRAND	CATEGORY
01	Amazon	Online Retail
02	Union Coffee	Luxury Coffee
03	Raw Nutrition	Sports Nutrition Supplements
04	Hotel Chocolat	Luxury Hot Chocolate
05	Divine	Premium Chocolate

Most-Innovative Brands in 2024 | Women

RANK	BRAND	CATEGORY
01	Bird & Blend	Luxury Tea
02	Amazon	Online Retail
03	Lindt	Premium Chocolate
04	Muller	Yogurt
05	MyProtein	Sports Nutrition Supplements

Fastest growing brands for Innovation in 2024

RANK	BRAND	CATEGORY
01	Charlotte Tilbury	Premium Makeup
02	Cornish Rattler	Apple Cider
03	San Miguel	Lager
04	Whitby	Coated Fish
05	Jägermeister	Shots

SECTION 3:

FENTY LUX BALM

In the fiercely competitive world of premium makeup, Fenty Beauty has redefined the category with a new innovative product line and bold marketing. The recent introduction of Lux Balm, paired with a striking campaign featuring A\$AP Rocky, has captured new customers and set the standard for success in the beauty landscape.



Fenty combines product Innovation with disruptive activation.

Within Premium Makeup, a continuous product pipeline is the foundation to driving Innovation. But, with the saturation of new beauty launches on social media, brands are having to be BIGGER and BOLDER in their activations to cut through and win customers.

Rihanna's beauty baby, Fenty, has typically dominated on Innovation. As of January 2024, consumer perceptions of Fenty's Innovation were 12% higher than competitors'.

Fenty drives Innovation in the category.

Disruption has been at the core of Fenty's story. Initially launched in 2017 with over 40 shades of foundation, Fenty reset the standards on inclusivity in the Beauty industry. Since then, it has leant into themes of diversity, representation and product quality, leveraging celebrity, influencer and user-generated content to amplify new products.

Other Beauty brands have been quick to adopt these tactics; in fact, a sophisticated social and content strategy is now essential to success. According to TikTok, 84% of users in the UK say TikTok has positively influenced the way they perceive Beauty. In the US, beauty purchase journeys that start on TikTok have a 23% higher spend than those that don't.



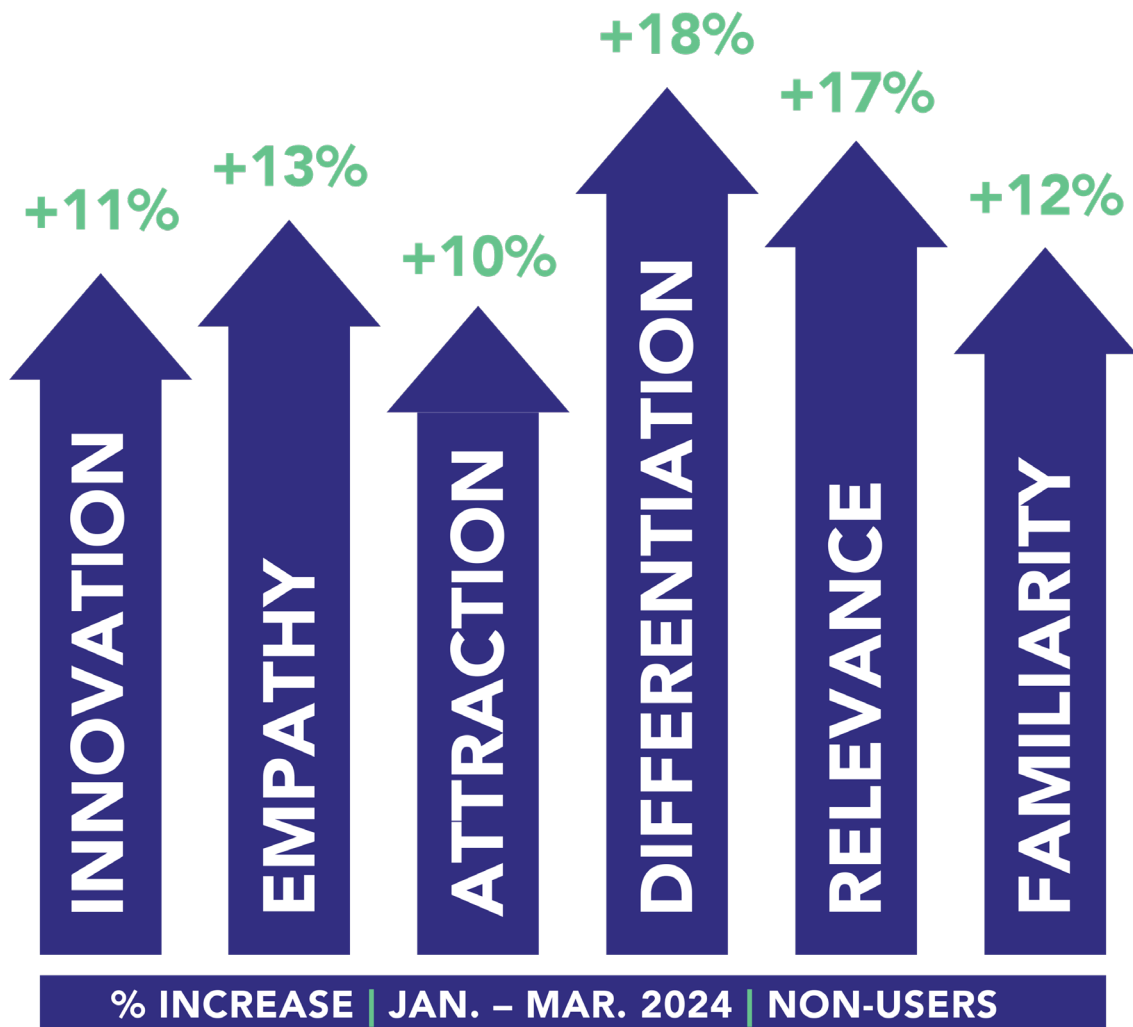
With the launch of Fenty's Lux Balm in 2024, Fenty proved that it could continue to stay ahead of the curve when it comes to bringing a product to market.

In January, it was announced that Rihanna's partner A\$AP Rocky would be featuring in the campaign. The campaign included Rocky rapping about a "new collab with my baby mom" and a Old-Hollywood noir-style film. The scenes depicted Rihanna continuously stealing possessions from her boyfriend but the one item he refuses to surrender is his Fenty Lux Balm.

The decision to lead with a male protagonist and the aesthetic of Old Hollywood glamour alongside efficacy and hydration claims were important creative choices.

The campaign felt refreshing to consumers and connected with new buyers. Perceptions of the Fenty's Innovation and Differentiation among Non-users rose by 11% and 18% between January and March. The campaign pulled on other Emotional levers, with Empathy rising by 13% and Attraction by 10%.

Non-user sentiment towards the brand grew by 9% overall in the first quarter of 2024. Fenty became the best-performing brand among Non-users in the first quarter of the year, making it more likely to recruit new customers than its competitors.



Perceptions of Charlotte Tilbury's Innovation among Non-users grew 12% between May and August.

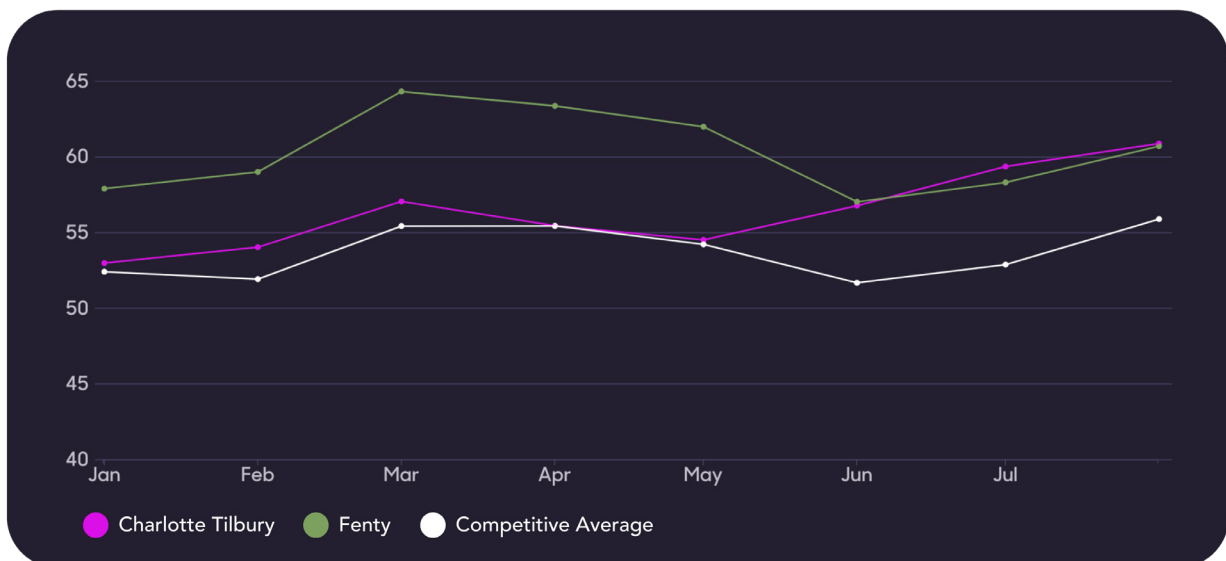
If Fenty was to dominate Innovation at the start of the year, Charlotte Tilbury was leveraging its own approach to disruption to bring in new audiences from May. Charlotte Tilbury's core strategy of building momentum with successive product launches has proved to be impactful. And, like Fenty, it has focused on appealing to previously underrepresented audiences in the beauty space.

What are consumers saying?

"It's make up for an older woman's skin which is much different than younger women"

"They want everyone, regardless of what color your skin is, to feel beautiful"

"Charlotte Tilbury is simple and uncomplicated and seems to market towards all ages and doesn't leave out older ladies."



Alongside its successive new product campaigns, Charlotte Tilbury launched its sponsorship of the F1 Academy in May, an initiative to promote women in motor sport.

This was the first beauty brand and the first female-founded brand to become a sponsor of the F1 Academy, introducing a different perspective on femininity that has resonated with new consumers. Coinciding with the brand's increases in Innovation, Charlotte Tilbury experienced growth in perceptions among Non-users of Differentiation, Empathy, Integrity and Clarity.

Driving an emotional response among Non-users has been central to the Innovation strategy for both Charlotte Tilbury and Fenty. By focusing on Empathy and showing understanding of consumers not previously represented by traditional beauty, the brands have expanded their appeal to new audiences.

SECTION 4:

PETPLAN INSURANCE

When it comes to Innovation, pet insurance isn't typically the first category that springs to mind—historically, buyers have prioritized practical attributes like product relevance and brand familiarity. However, a shift began in 2024 after the launch of Petplan's poignant "The Wait" campaign.



Radical Empathy drives Innovation in the Pet Insurance category.

Hear the word “Innovation” and Pet Insurance probably isn’t the first category that comes to mind. Buyers of Pet Insurance would have historically agreed with you. In January 2024, Innovation ranked 13th out of 16 category Drivers among buyers of pet insurance. When looking to protect their pooches, consumers prioritize brand attributes that are more rational: like relevance of products, clarity of proposition and familiarity with the brand.

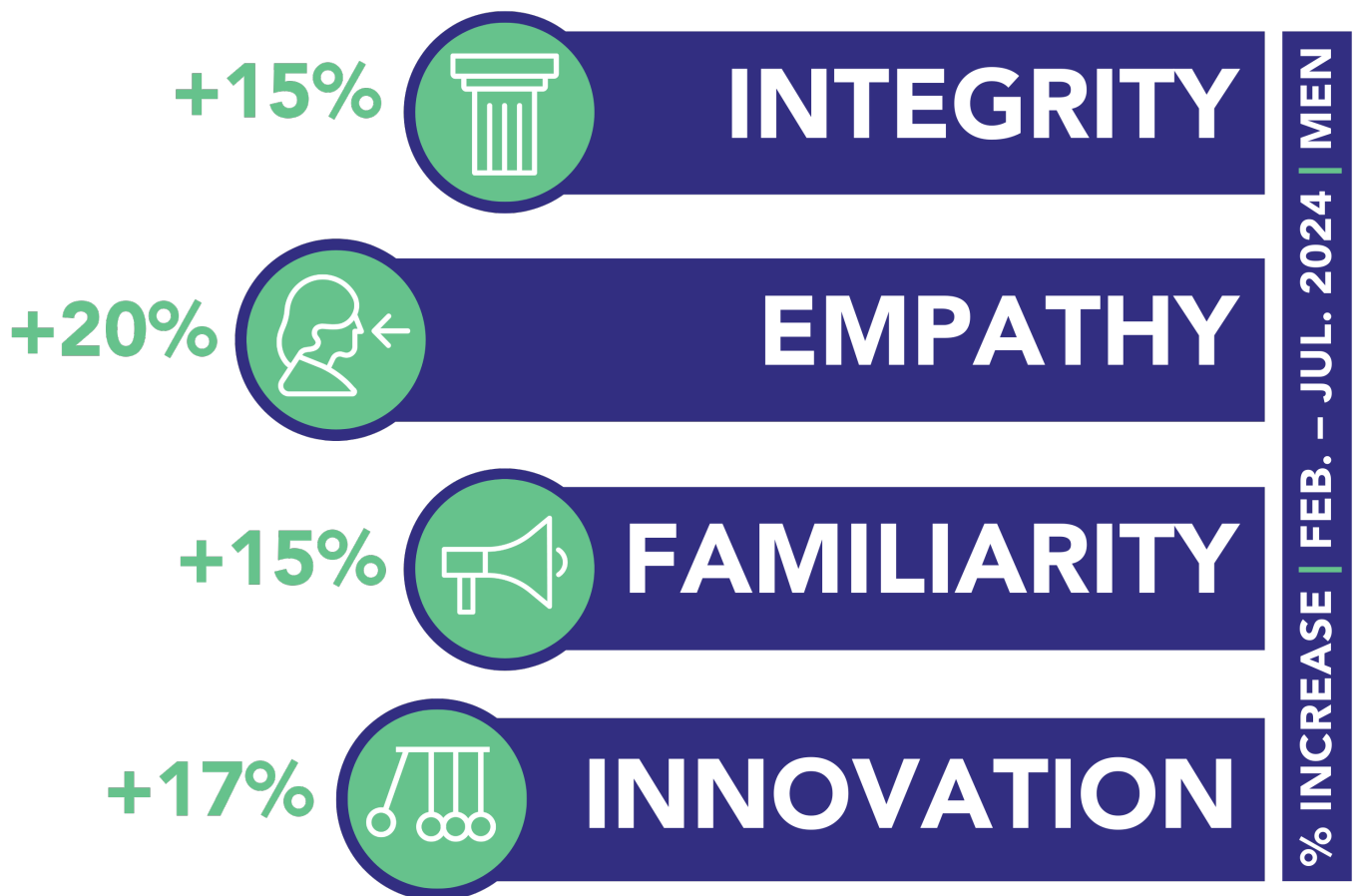
In 2024, Innovation started to creep closer to centre stage.

The historically low benchmark for Innovation has meant that Pet Insurance brands have typically over-delivered on consumer expectations of this Driver. At the start of the year, pet insurers outperformed expectations of Innovation by an average of 4 points. By August, Innovation had climbed three places to 10th in terms of category expectations. Or, 8th among male buyers of pet insurance. The impetus for this change? Petplan’s ode to the bond between man and dog.



For male viewers, Petplan's "The Wait" campaign cut through.

Launched in February, "The Wait" campaign depicts a man restlessly waiting for news on an unseen loved one while the song "Lost without you" plays in the background. In the final scenes, set in a surgery corridor, we learn that the loved one he is anxiously waiting to see is, in fact, his dog. This felt like a departure from the style of other Pet Insurance content. Either fear-inducing and serious, or "oh silly pup" in their spirit, adverts in this category have typically been a vehicle to talk about the functional benefits of the policy. While the emotional bond between owner and pet is often referenced, it has rarely been evoked in the same relatable and touching way.



Perceptions of Petplan's Innovation grew by 17% between February and July.

The disruption was not functional, but emotional. Perceptions of Petplan's Empathy and Integrity grew substantially over the summer, by 20% and 15% respectively. Salience also increased, with an 15% uptick in brand Familiarity.

The campaign was so impactful that it elevated consumer expectations of Innovation in the category. Petplan is now the only brand to deliver against those expectations. Petplan's campaign shows that at the core of Innovation lies the importance of truly understanding your customer and what motivates them. Empathy was at the heart of their strategy and the resulting campaign felt disruptive for men, whose emotional motivations for engaging with the category had been previously under-represented.

SECTION 5:

SAN MIGUEL LAGER

In 2024, San Miguel became one of the fastest-growing brands in Innovation, significantly outpacing other brands in the Lager category. Cleverly tapping into its Spanish heritage, San Miguel's "Here's to the Seekers" campaign not only boosted brand Relevance and Familiarity but also redefined San Miguel's origin story, establishing its disruptive edge in the market.



**HERE'S TO THE
SEEKERS**

Here's to the seekers.

Enjoy res

San Miguel reinvigorates Spanish heritage to drive customer loyalty.

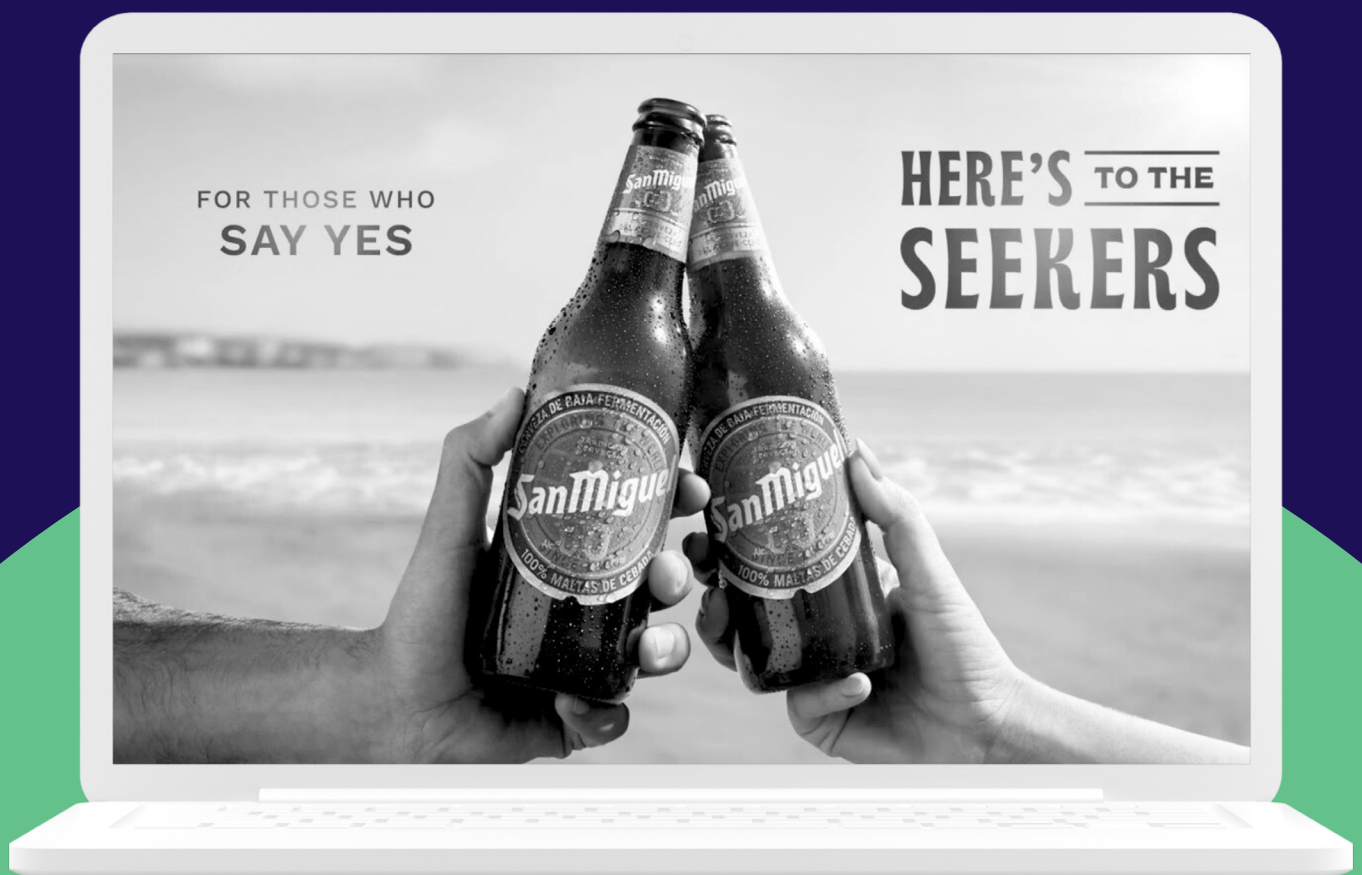
In 2024, San Miguel was one of the fastest growing brands on Innovation across all the categories we track at ProQuo. The brand grew Innovation by 17% between January and August, compared to just 5% growth among other lager brands.

This growth can be attributed to the brand's consumer engagement strategy, with a staggering 30% increase in perceptions of Innovation among San Miguel drinkers.

So, how did they demonstrate its disruptive edge to current customers?

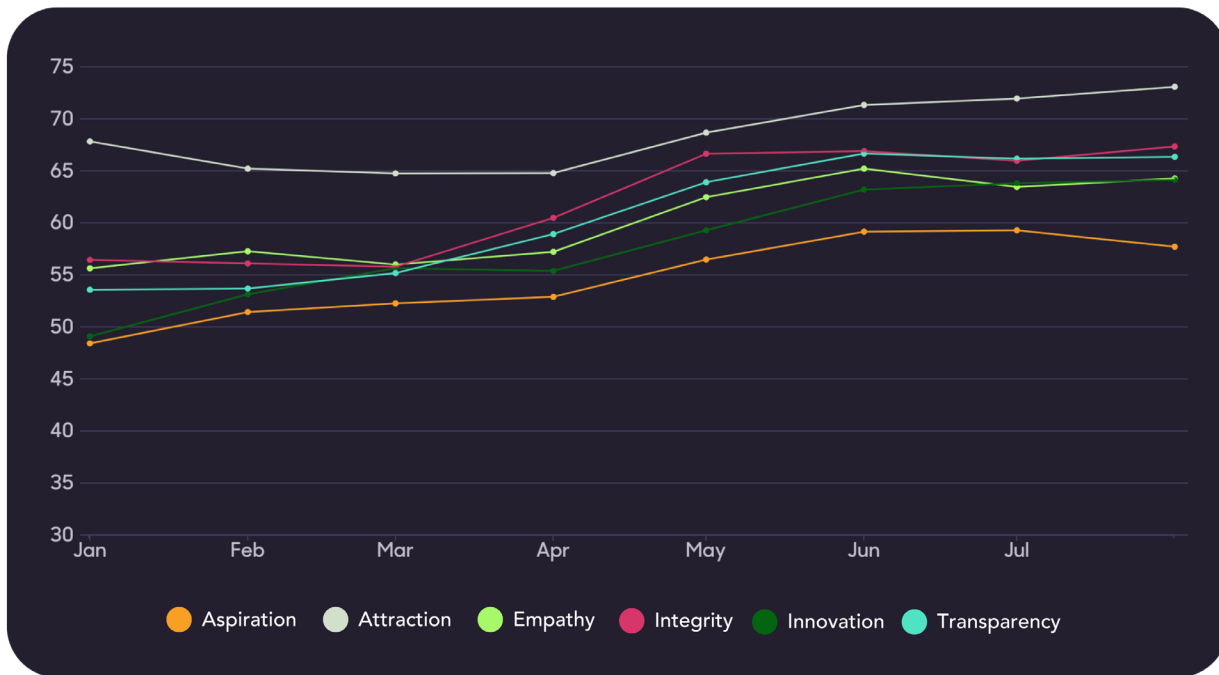
The secret to San Miguel's Innovation lies, ironically, in its heritage. In recent years, brands promoting their European origin story have been on the rise in the UK. While the trend is pervasive, San Miguel uses its Spanish character as a source of creative rejuvenation for its brand campaigns which combine inspirational messaging with strong experiential elements.

In February, the brand started to re-promote "Here's to the Seekers", a campaign which celebrates a sense of adventure and quest for a life rich with experiences. It depicts people embodying this spirit, set against beautiful Spanish scenery. The campaign immediately boosted Relevance and Familiarity for San Miguel's users.



Moving into summer, San Miguel added more dimensions to this strategy.

It launched an on-pack promo to win a holiday to Spain and partnered with Classic Ibiza to put on a series of Ibiza-inspired parties at aspirational UK destinations. It also relaunched its al fresco bar at Somerset House; a destination offering live music, immersive cooking classes and supper clubs.



San Miguel Innovation Driver Change Jan-Aug 2024



The emotional pull of this strategy was incredibly disruptive.

From April, as well as huge increases in Innovation, the brand accelerated across almost every emotional Driver among users – including Attraction, Aspiration and Empathy. By transporting its customers spiritually to Spain to enjoy the freedom and adventure experienced by the “Seekers”, San Miguel presented an inventive new version of its origin story.

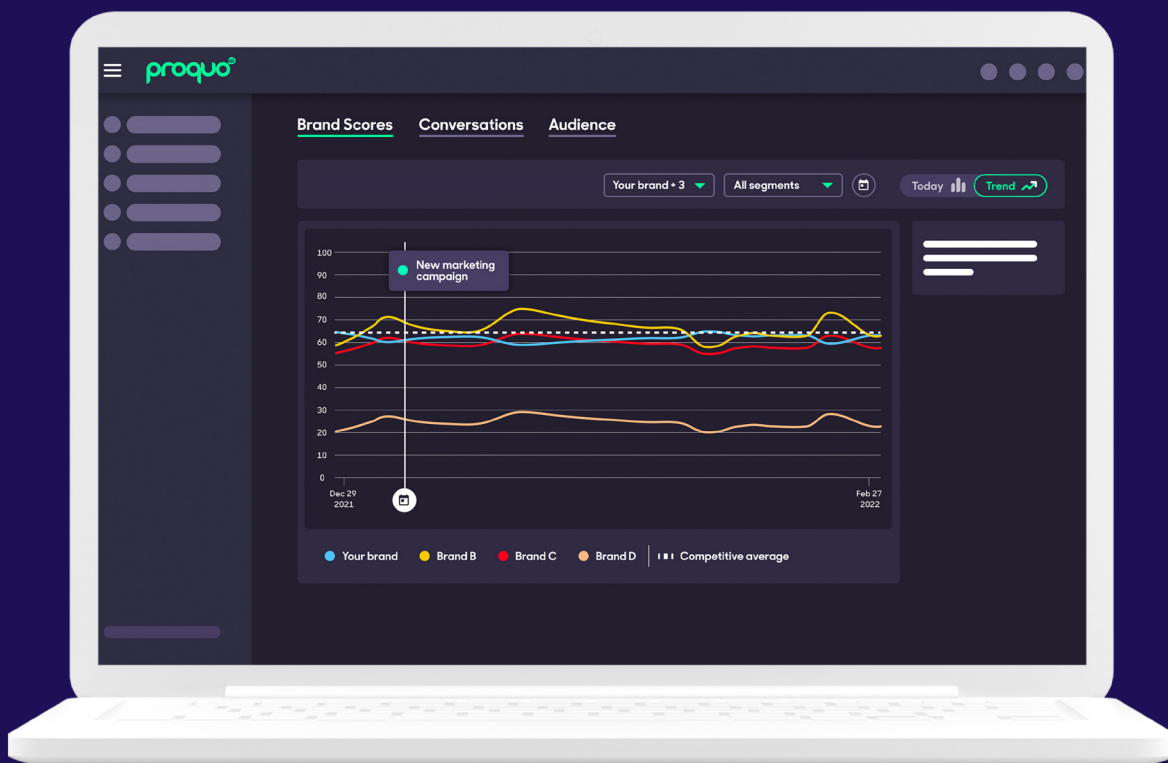
Get to know ProQuo AI

ProQuo's mission is to help brand managers explain and predict which marketing is working why.

ProQuo is a real-time Marketing Tracker that measures both the traditional funnel metrics, as well as the implicit emotional & rational Drivers behind them. We tap into how people really feel about your brand, live, so you can influence the decisions they make.

ProQuo is the pioneer of always-on sentiment tracking.

Our expert team believe that for too long, brand managers have used antiquated measurement tools that only give them the "what?". Instead, we use the latest neuroscience and technology (yes, there's AI in there!) to give them the "what?", "why?" and "now what?". ProQuo empowers brands to unpick the secrets of marketing effectiveness – turning gut feelings into data-driven decisions.



Questions?

If you have any questions about this report or would like to find out more about how we can help your brand, our team member John will be sure to help out. Email him on john.curran@proquoai.com.

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