

How Kraft Heinz Used

Demand Moments to Unlock Portfolio Innovation Potential



Let's introduce ourselves....



Frank Serpico

Executive Vice President,
Insights



Sarah Zangler

Associate Director,
Consumer Insights



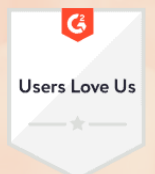


**Integrated insights solutions that
leverage technology, trends & foresight,
and data science to drive innovation
success.**

15 Years
in business

Global
offices in Toronto,
Chicago, & London

Proprietary
research technology



Beverage Team Objectives



- ✓ **UNDERSTAND** the most important moments of choice in a massive and dynamic landscape

- ✓ **CREATE** clear swim lanes for each brand in our portfolio



- ✓ **INSPIRE** the team to get past ideation fatigue



Where did we start?

PORTFOLIO OF BEVERAGES

CAPRISUN

Crystal
Light.

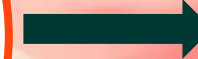
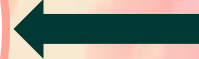
mio

Kool-Aid

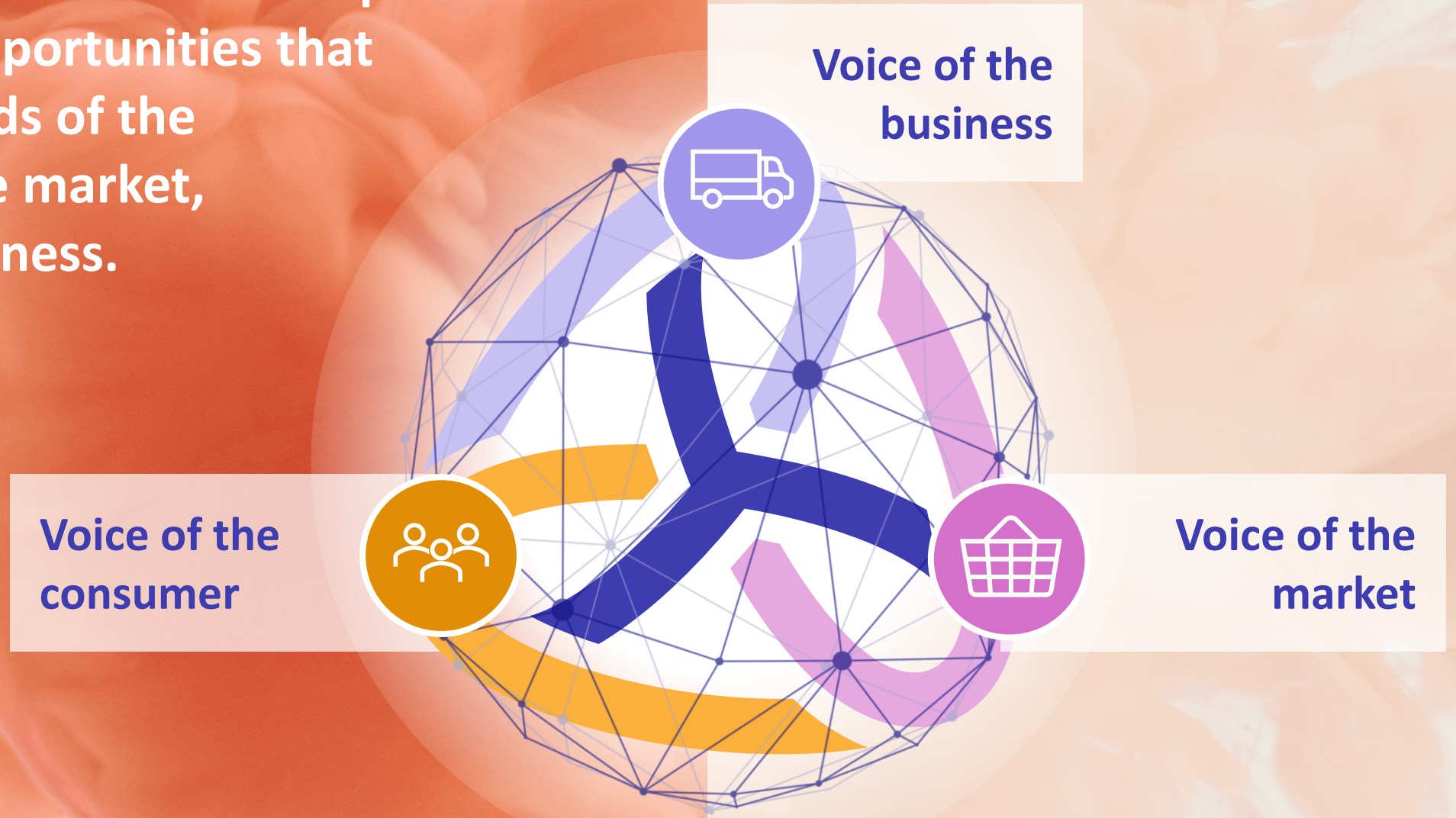
Country
Time



MANUFACTURING-DRIVEN INNOVATION



Kraft Heinz wanted to develop innovation opportunities that meet the needs of the consumer, the market, and their business.



Demand moments ... done right.

Uncover

Qualitative
Exploration

Quantify

Quantitative
Deep Dive

Inspire

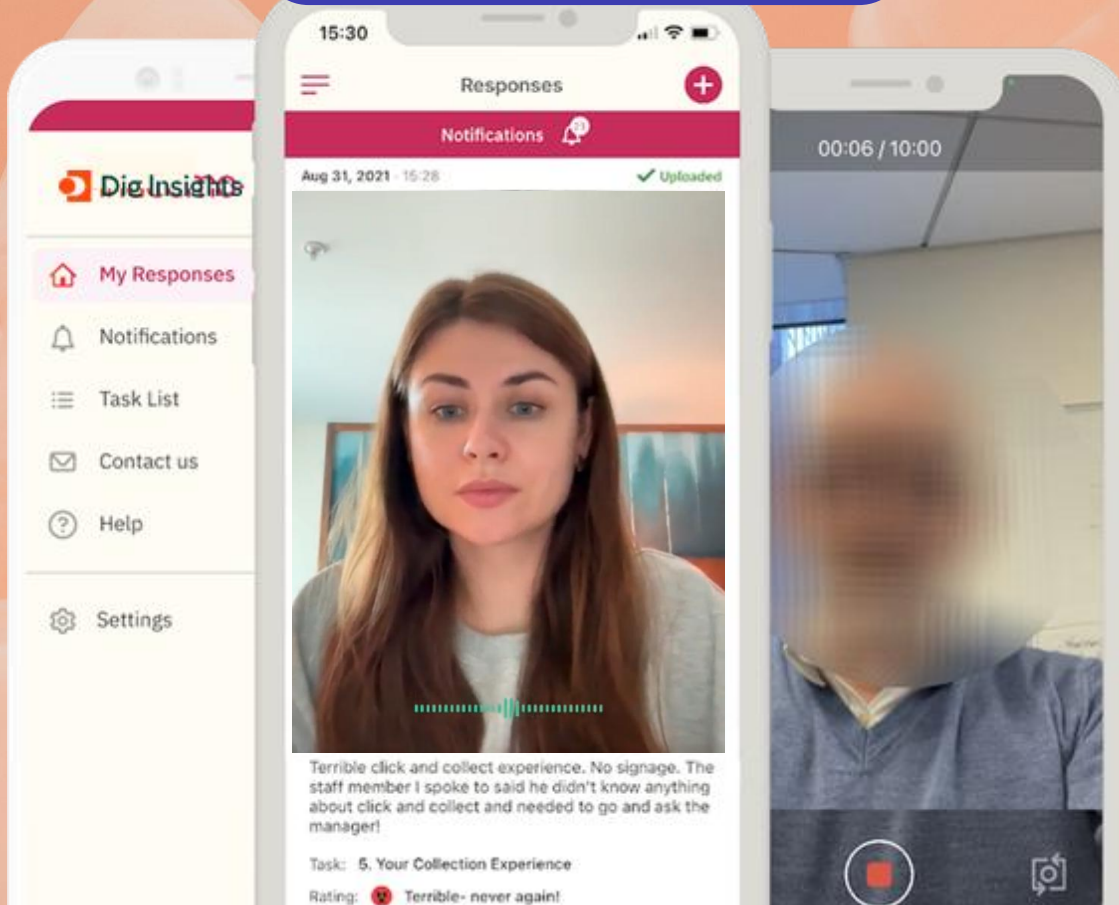
Trends
Overlay

Ideate

Immersion &
Activation

We hypothesized, created, and sized each Demand Moment

UNCOVER MOMENTS



QUANTIFY & DEEP DIVE

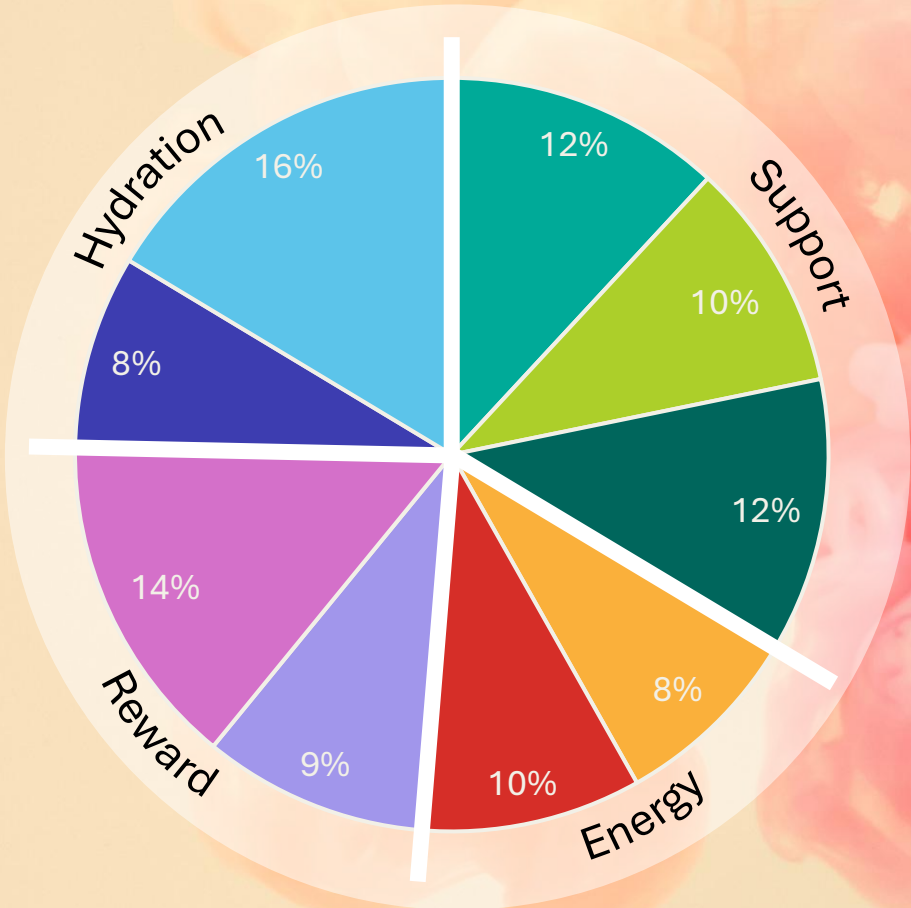
~86,000 Usage Occasions

~9,300 Occasion Deep Dives

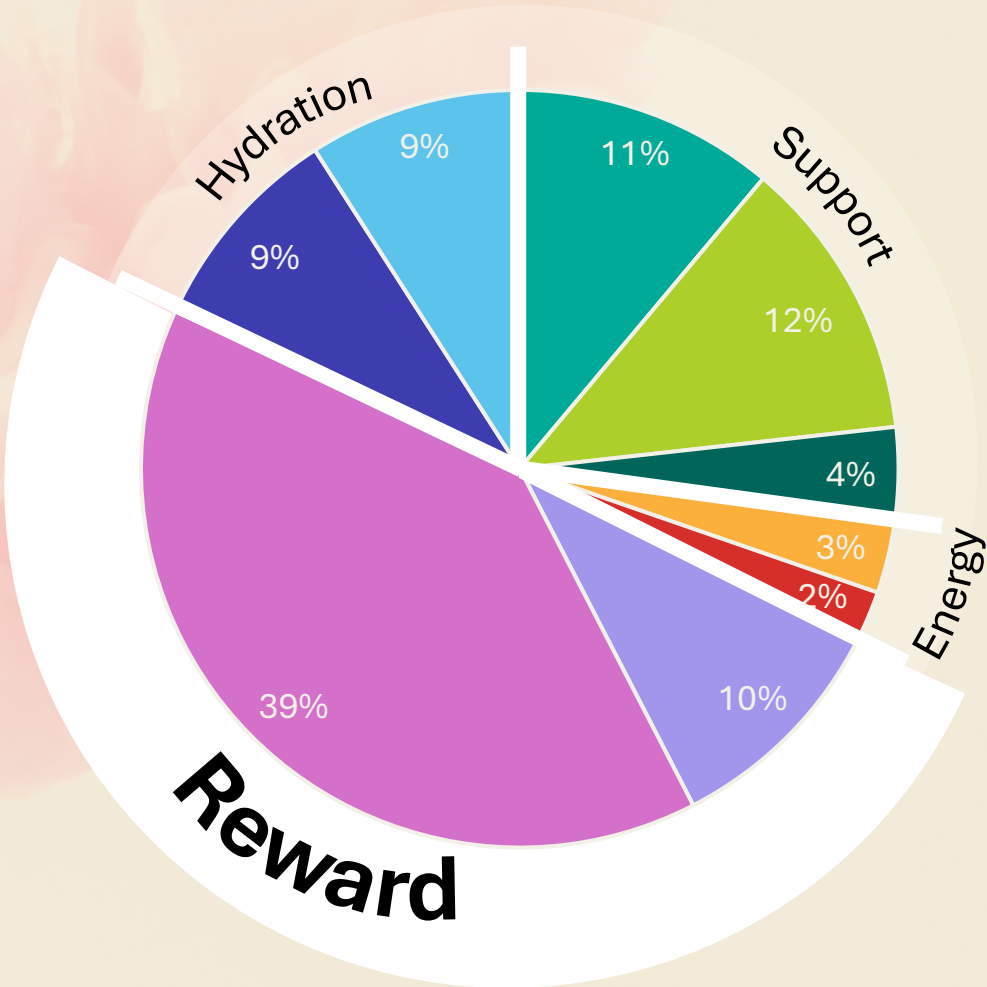
9 Distinct Beverage Demand Moments

Occasions looked *very* different across generations






SHARE OF TOTAL ADULT OCCASIONS



SHARE OF TOTAL KID (3-17) OCCASIONS



Our approach to portfolio alignment

	Demand Moment 1	Demand Moment 2	Demand Moment 3	Demand Moment 4	Demand Moment 5	Demand Moment 6	Demand Moment 7	Demand Moment 8	Demand Moment 9
		G	I				M		
		M	I			G			
			M		I				
		G				G	M		
			M			I	M		

Index vs Total

50 or less

51-79

120-149

150+

OPPORTUNITY KEY:

M

Maintenance

G

Growth

I

Innovation

Trends—led inspiration, through the lens of Demand Moments



Immersion, ideation, and activation

**Demand
Moment**



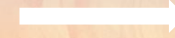
**Micro
Trends**



**Portfolio
Alignment**



Ideation



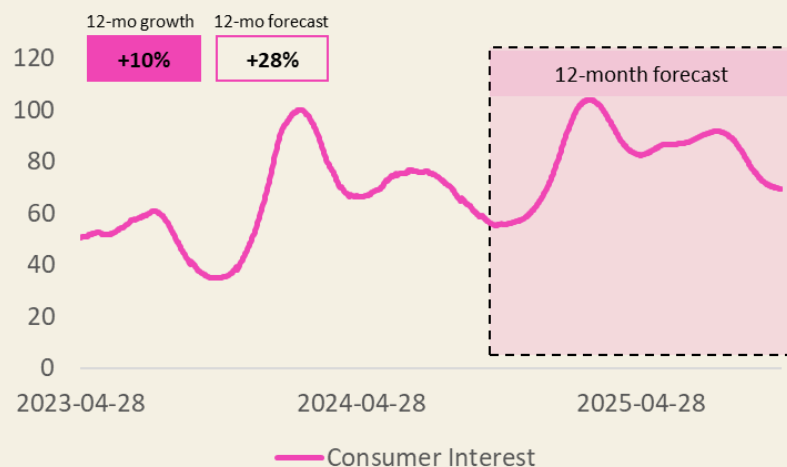
**KraftHeinz
Innovation**



MICROTREND

Moderation Movement

Online discourse
about “Mocktails”



Top players in the alcohol sector are
diving into the moderation movement.

**Diageo acquires nonalcoholic spirits
brand Ritual**

The company is expanding its presence in the zero-proof beverages market with a brand that sells alternatives to gin, whiskey and tequila.

**Diageo to invest €30 million in St. James's Gate
to boost Guinness 0.0 production**

**Nonalcoholic beer maker Athletic
boosts coffers with \$50M investment**

The financing round, which values the brewer at around \$800 million, will help fund the fast-growing company's expansion efforts.

Inside the multibillion-dollar alcohol industry's battle
for 'sober curious' Gen Z

**Molson Coors CEO touts nonalcoholic
beverages: 'We're moving beyond
beer'**

**AB InBev invests €31m in brewing
tech for non-alcoholic beers**

**Behind White Claw's big
nonalcoholic seltzer bet**

The hard seltzer pioneer is targeting drinking-aged consumers who are looking to imbibe less or stop altogether, a top executive said.

Water as an Alcohol
Alternative



Dominance of
Non-Alc Beer



Emergence of Non-Alc Spirits



How does this research come to life?

How can we leverage our existing portfolio offerings to compete with alcoholic beverages?

Crystal Light Mixology and low alcohol seltzers



How should we refocus where brands play given the distribution of Moments for kids vs. Adults?

Capri Sun Moon Punch



How can we lean into the positive halo effect of water instead of competing with it?

Creating a water-centric system



How Kraft Heinz is leveraging Demand Moments

SHORT TERM PLANS

- ✓ A new, necessary staple for Kraft Heinz teams
- ✓ New concepts, with JTBD as our north star
- ✓ Creative changes that reflect each Moment
- ✓ Informing key ideation territories

LONG TERM PLANS

- ✓ Expand brand presence across Moments
- ✓ Determine if existing brands can stretch into specified growth pockets
- ✓ Leverage the Demand Map to build 3-year innovation strategy

Lessons learned

Ideation fatigue is real, but a change in perspective can re-invigorate.

Trends can be used to focus, not just for exploration.

Immediate application can set a strong foundation and inspire consistent insights usage.

Cross-functional participation is key to drive action and commitment.

Simplification is required to leverage with customers.

You may be surprised by why you're being 'hired'!

Thanks for joining!

Come see us at booth #400



And grab a
Stanley for the
road...

