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Report

Important insights from speeches at recent MR & Intelligence conferences

Information Resources, Inc

Reinventing CPG and Retail Summit

Las Vegas, NV

March 23-25, 2009

Times Call for Shift to “Pragmatic” Innovation

Main Point: In 2009, IRI’s innovation agenda downplays its traditional technological strength in favor of client service leadership and “practical,” impact-focused solutions that produce measurable results. Six “Platforms for Client Success” are central in this effort.

RCR impressions of content: **Freshness: B+**
Relevance: A
Practicality: A

John Freeland, President & CEO, **Information Resources, Inc.** (Chicago, IL), reviewed several major innovations from the company in 2008, including IRI Liquid Data™, IRI Shopper Insights Advantage™ and IRI IMPACT™, which were tested by heavy hitters, including Frito-Lay, Unilever PLC and Royal Ahold. “Our mantra for the past year and moving forward is that all innovation has to be practical and pragmatic,” announced Freeland. “It has to happen with a charter client, not in an ivory tower. And it can no longer be just about technology; it has to go well beyond to provide clients with impactful business outcomes.

“In 2008, we also started a step change in client service,” Freeland added. “It begins with a new profile of client service leaders who bring a different set of capabilities to the table. They are more consultative and strategic, without losing sight of the importance of getting the basics right...We want to bring to every client situation an overall focus on insights that drive measurable business outcomes,” he emphasized, noting clients now can expect a “periodic stewardship report” that identifies where IRI has created “quantifiable business value” for each of them.

Freeland pointed out IRI has made “significant progress in tuning our management structures and processes for global execution...We don’t operate in organizational silos. Our IMPACT solution, for example, was initially built for Unilever in the UK, but our intent is to quickly extend that solution globally. This is a core part of our innovation agenda, whether in analytics, consumer and shopper insights, or technology. We don’t have silos of innovation.”

He stressed technology as only a means to an end, not an end in itself. “New solutions need to link strategy, technology and data, and they need to be reinforced with change management services,” commented Freeland. “Change management is often the missing ingredient whenever a

company implements new technology, adopts a new approach, etc. It’s common to under-recognize how much is really required to effect a behavioral change in our organizations. This will be a particular focal point for IRI moving forward because clients have told us we could do a better job of helping make sure our solutions really gain broad traction within their organizations.”

To help clients survive and thrive into the future, IRI has aligned around Six Platforms for Client Success:

• **Actionable consumer and shopper insights:** “We must

move well beyond the limitations of traditional purchase panels in capturing and applying insights,” he elaborated, “to provide an integrated view of targeted consumers and shoppers and, in so doing, bring together different data sources, including purchase, attitude and usage data.”

• **Leveraging shopper marketing:** “Our ambition is to change loyalty from something transactional that you do periodically with your shoppers to something far more durable,” he outlined. “To move toward this goal, we’re integrating internal customer data with the rest of market view to help provide a truly 360-degree view of your shopper and your potential shopper. This creates and targets the best shopper opportunities not in some narrow market, but out of a 100-million-shopper-prospect base.”

• **Predictive analytics:** “Our aim is to help clients create an ‘analytic enterprise,’ building into each organization’s DNA a core capability to drive speed to performance. We’re transforming IRI’s traditional, handcrafted way of thinking about analytics to new automated, more predictive solutions. And we’re focusing on critical new approaches to issues such as pricing and trade promotion through a unique IRI ‘coefficient generator’ analytics engine.”

• **Enabling technologies:** “To be pragmatic, we’ve focused our technology agenda around three vitally important capabilities,” Freeland detailed. “First, developing the ability to integrate information from multiple sources. Second, creating superb visualization technology to make insights more usable and accessible. Third, building applications around key insights areas like Health & Wellness, Total Store Performance and In-Store Execution.”



John Freeland

- **Rewiring sales organizations for growth:** “This entails providing our clients’ sales organizations with the capabilities to develop insights and execute at speed,” explained Freeland. “No insight is useful if it comes months after a critical retailer meeting. Our focus is on client key account teams, in particular, to understand what opportunities may exist at the aisle and department level that might have been hard to get at in the past, and to improve pricing, promotion and distribution effectiveness.”

- **Consulting and Innovation:** Freeland said IRI is concentrating on superior category forecasting, brand assessment and positioning, private label strategy and execution (retailer and manufacturer), shopper intelligence strategy and insight-driven sales. He listed several pain

points for manufacturers and retailers in the current economy, but long-term change was a major theme. “It is not just about getting through this difficult economic period, but creating the competitive muscle to thrive as we all emerge from these tough times,” he asserted. ©

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