

# CPG Innovation: The Price of Failure and the Promise of Success

Failed product launches and low product success rates put CPG companies at a competitive disadvantage, and the cost of failure is high.

On average, the cost of launching a new CPG product is approximately<sup>2</sup>

**\$15M**

Each year, more than

**30,000**

new consumer products are launched

**95%**

of them fail<sup>1</sup>

Average first-year sales for new CPG product pacesetters declined by an astonishing

**50%↓**

between 2012 and 2018<sup>3</sup>

Innovation performance accelerates when CPG companies meet their NPD commitments.

The biggest problem<sup>4</sup> companies encounter when launching a new product is

**Lack of preparation**

Disruptive CPG innovation can deliver more than

**50%**

in incrementality compared to line extensions and expansions<sup>3</sup>

CPG leaders using a single, scalable innovation system to transform operations, products and CX are six times more likely to report revenue growth of

**30% or more**

CPG companies using a single, scalable innovation system are

**five times more likely**

to have prioritized "smart" products than other leaders<sup>5</sup>

## Meet and exceed NPD commitments with Sopheon's innovation management system, Accolade.

[Learn More About Accolade](#)

Sopheon's Accolade can help CPG companies reduce time-to-market by

**15-30%**

Accolade can help increase product success rates

**up to 50%**

Accolade can help CPG companies increase portfolio value by

**75-100%**

Accolade allows CPG companies to automate custom NPD practices and improve pipeline throughput for

**10-20% efficiency improvement**

Accolade empowers companies to get to market faster with the right mix of products.

CPG leaders like P&G, The Hershey Company, Mondelēz International, The Bountiful Company, Heimbach GmbH, Hochland SE and Mother Parker's Tea and Coffee have clear visibility to R&D and NPD work, innovation plans and product and portfolio decisions. As the single source of truth for all innovation data, Sopheon's innovation management system, Accolade, supports optimal decision making and empowers teams to be strategic and agile when responding to marketplace change.

[Learn how successful CPG companies can leverage digitalization for greater NPD success](#)

**Sources**

<sup>1</sup> Harvard Business School – 2019 <sup>2</sup> Forbes – 2013 <sup>3</sup> McKinsey – 2020 <sup>4</sup> Harvard Business School – 2019 <sup>5</sup> Accenture – 2020