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J&J's Manoj Raghunandanan On Becoming A 'Digital First' Consumer Health Company

by David Ridley

"We want to make sure digital is embedded into every aspect of our business, from R&D and supply chain, to marketing and finance," says Johnson & Johnson's president of global self-care and consumer experience organization Manoj Raghunandanan in this exclusive interview.

Johnson & Johnson's consumer health business will next year follow companies like Haleon, Perrigo and Bausch + Lomb Inc down the path of becoming a pure self-care company.

Under the brand name Kenvue – a combination of the word "ken," which means knowledge in Scottish, and "vue," implying sight – the consumer business is expected to be spun off from J&J in 2023. (Also see "*Branding For J&J's Kenvue Cements Consumer Division Separation*" - HBW Insight, 7 Oct, 2022.)

According to J&J, Kenvue will continue to be committed to "advancing the standard of care through innovation and technology."

In this exclusive interview with HBW Insight, J&J's president of global self-care and consumer experience organization (CxO) Manoj Raghunandanan expands on what this could mean for the standalone company, drawing on current product examples such as Nicorette QuickMist SmartTrack and Tylenol SmartCheck. (Also see "<u>I&J's Nicorette QuickMist SmartTrack – Getting Inside One Of 2020's Biggest UK Launches</u>" - HBW Insight, 24 Feb, 2021.)

For Raghunandanan, technology is not something to be bolted on to consumer health, but rather something that must be placed at the very center of pure self-care firms like Kenvue.

Technology is key for consumers in meeting rapidly evolving healthcare needs, he notes, and for resolving "friction points" in everyday self-care experience.

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In terms of innovation, even Rx-to-OTC switch, which Raghunandanan notes built the very foundations of the OTC industry, must be supported and supplemented by innovative technologies.

Q What is a CxO?

We've been on a journey as an organization. We're looking to put the consumer and the customer more and more in the center of everything we do. You could call it "consumer obsession." The CxO really makes sure that the organization has the right information at the right time in order to influence and solve friction points in the consumer experience. Organizationally, this is made up of our consumer call center. Now you can imagine our consumer call center is talking to consumers every four seconds. That's a big part of consumer experience. It's a big learning tool for us to see how consumers feel.

The other part of our consumer experience organisation is more like the traditional market research department. These are the folks that are working on human insights, data analytics, data sciences in a commercial sense, in order to help elevate our understanding of what consumers need, so we can be aware of new trends. Having the best content is also critically important. Making sure we're using platforms to the best of their ability, making sure that we have experiences for our brands. It's really all about driving the value of the consumer experience, understanding the friction points and hopefully solving them and sharing that and building those capabilities globally for our company.

Q How important is digital?

What we call our "digital first" strategy is really, first and foremost, a mindset that we want to ingrain in our organization. We're a decades old company. Some of our brands have been around for 100 years, right? We're not a digitally native company, we weren't born and built that way. But the reality is that the environment has changed as has what our consumers and customers expect of us. What is required on a day-to-day basis has dramatically changed. So, what we want to do is make sure that digital is embedded into every aspect of our business, from R&D and supply

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chain innovation, to marketing and finance.

Q How do you do that?

To ingrain a digital first mindset, you're going to need to build digital-first capabilities. We talked a little bit earlier about consumer experience and understanding friction points. Well, think about those moms and dads late at night, with a child with high spiking fever and not knowing what to do. That experience can be traumatic, and it also leads to somewhere between three to six doctor visits to figure out what's going on, whether it is actually an ear infection or not. We took a trusted J&J brand like children's Tylenol and added SmartCheck. This is an otoscope that you attach to your phone, which takes an image of your child's ear that you can send to a healthcare professional, get a diagnosis and know right away what to do. So, for us, when we talk about technology and innovation, it's really about accelerating or solving friction points for our consumers.

Another example is our Nicorette SmartTrack product. You know, quitting smoking is one of the hardest things to do. People stop and start again anywhere between six to nine times a year. It's very difficult. One of the friction points for people giving up is predicting when that next craving will come and pre-empt it. The beauty of SmartTrack is that you tap your phone when you use the QuickMist spray, and then your phone works out when your next craving might be and sends you a reminder. Again, we are just trying to help people on their quitting journey to make it more successful. We never want to use technology for technology's sake. We want our digital first mindset to always be centered around delivering better outcomes for our consumers.

Q How is Tylenol SmartCheck doing so far?

A It's been really, really good. Feedback from consumers has been excellent in terms of usage and utility, in particular in terms of time saved. We've also gotten some really positive feedback from nurses and doctors, who say, "Hey, this is something I want in my office so that I can teach people how to take great photo of their ears." It's a win-

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win, right? It's a win for the consumer because it solves a problem for them. And it's a win for doctors and nurses, who spend a lot of time on false positives. It's a small-scale launch right now. We're just trying to learn and iterate. But we're really proud of what we're seeing so far.

- Q Is this kind of digital expansion replacing Rx-to-OTC switch as a source of innovation for the consumer health industry?
 - A Switches built the foundation the OTC industry, and I think it would be fair to say that they're going to be important in the future. The reality is they may be harder to find and may be more difficult. However, in the US there are conversations happening in the FDA about how to make switch easier. (Also see "After 10 Years, US FDA 'Additional Conditions' Proposed Rule Offers 'Novel Switch' Pathway" HBW Insight, 27 Jun, 2022.)

We just talked a lot about technology. Is there a future world in which technology makes more candidates available for switch? Maybe. But while Rx-to-OTC switches will always be the lifeblood of the OTC industry, as a company, we recognize there are now other avenues for growth. Consumers have widened their aperture of what self-care is. Now we're moving into prevention and post relief. So as this broadens, we're always going to pursue these new avenues for innovation, whether that be digital or naturals or sustainable products. But I think it would be fair to say that if there was a really meaningful molecule that was differentiated that can be safely switched over to OTC, we'd all be very interested in that as well.