



A BETTER CLASS OF NAUGHTINESS.

(FOR PUBLICATION)



Category

4.1 Packaging (Branded – Food & Drink)

Client Company

Fox's Redesign, Northern Foods

Design Consultancy

Brandopus

Date

17th June 2009

Executive summary

£8.88 million of additional sales revenue.

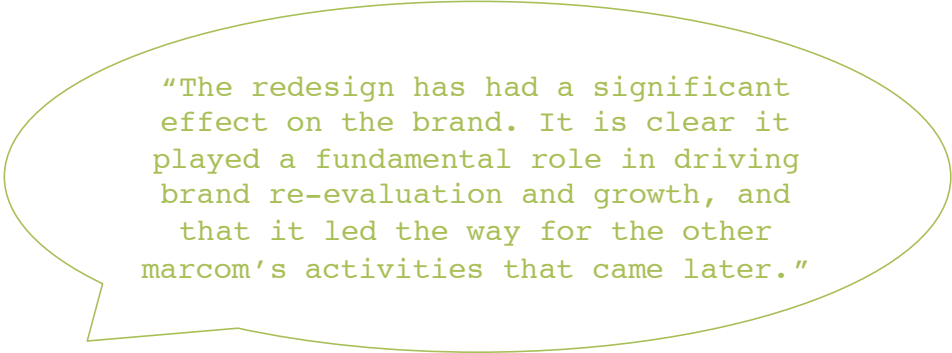
Representing a 17% uplift following the redesign.

Of which, 6% is due to a price rise. In other words, 11% of this 17% revenue uplift is driven by a packaging change introduced at the same time as a price increase. Remarkable for a category that had hitherto been perceived by consumers to be worth gradually less and less.

Moreover, the redesign now at last provides a compelling consumer platform that has a proven capability to successfully launch product innovation.

And all this for a brand that has had patchy distribution, lacked a coherent proposition or positioning, had inconsistent, rather dull packaging across its portfolio and a range most shoppers simply could not navigate their way around.

Hardly surprising, then, that Fox's Managing Director has the following to say about the redesign:



"The redesign has had a significant effect on the brand. It is clear it played a fundamental role in driving brand re-evaluation and growth, and that it led the way for the other marcom's activities that came later."

Graham Hunter (Managing Director, Fox's)

PS. As if that's not enough, the redesign also saved on packaging costs, too ...!

Project Overview

Outline of project brief

i. Stand for something

Create a unified, coherent identity for Fox's that crystallises the brand's story and proposition

ii. Sort out the mess

Use this identity to:

- create a distinctive, engaging brand presence on-shelf
- dramatically improve range navigation
- build a platform from which to more effectively launch product innovation

Description

Fox's biscuits began life in a Yorkshire bakehouse in 1853 making brandy snaps. By 2007 the portfolio had swollen to almost 200 SKU's, encompassing the many sectors that make up the biscuits category (everyday biscuit barrel, premium indulgence, chocolate biscuit bars, assortments and kids).

However, retailers do not take the entire range, some (especially in the South) only stocking bits & bobs. This patchiness was further exacerbated by a lack of clarity across the portfolio – far from telling a coherent story, packaging failed to articulate a clear proposition and presentation varied by product type:



Overview of the market

The UK biscuits category is huge – roughly £1,200 million per annum^[1]. This shouldn't be too surprising given how much people love biscuits – they're little moments of indulgence that provide us an almost childlike pleasure^[2]:

"Mama's naughty moments ..."

"Oh, mmm ...
lubberwy [mouth full]
... ooh-mhmm, oh yes
[starts giggling] ..."

"When I die and go to
Heaven there'll be a plate
of biscuits waiting by the
gate to welcome me in ...!"

Consumer verbatim (qual groups)

However, the in-store reality is rather less appealing. The category is fragmented over an enormous number of SKU's – a typical supermarket has approaching 300 SKU's on-shelf at any one time^[1]. And packaging has historically been more product than brand driven, leaving shoppers with a sense of snow-blindness as they venture down the biscuit aisle^[2] ...



"I go into a fog
as soon as I walk
down there!"

"It's all
a blur ..."

"You just get in
and get out ..."

Shopper verbatim (accompanied shop)

Brand presentation in-store had therefore become disconnected from the positive reward offered by the category. Consequently, both long term volume and real price paid were drifting downwards^[1] – in research we found that shoppers usually clustered biscuits with perceived low value 'store cupboard groceries', not higher involvement 'treats & rewards'^[2]:



Project launch date

Given the scale of Fox's portfolio, the redesign was rolled out in phases:

- i. September 2007: premium indulgence
 - Chunkie
 - Chocolatey
 - Melts
- ii. November 2007: everyday biscuit barrel
 - Classics
 - Creams
 - Crinkles

iii. January 2008: chocolate biscuit bars*

- Triple
- Classic

* Nb. only bars branded Fox's

iv. March 2008: kids

- Party Rings, etc

Size of design budget

£180,000

Outline of design solution

After dissecting the Fox's brand (looking at its history, competences, etc), key themes were translated into design territories which were then explored with consumers. Their reactions drove the final strategy and executions.

Creatively, the new identity stands in stark contrast to what consumers described as the dull, mass-produced world biscuit brands had come to occupy^[2] – it seems the rest of the category has forgotten that biscuits are about indulging our childlike needs for pleasure. Drawing on Fox's Victorian heritage, we tapped into consumer ideas about Willy Wonka and craft-skills of yesteryear, creating an identity rich in personality and authenticity – in short, positioning Fox's as 'a better class of naughtiness':



A Victorian colour palette was used across the range to semiotically reinforce these associations:



The design solution breaks category norms by elevating the Fox's brand from endorser to main driver of the shopper's decision process. A flexible identity integrates the Fox's brand with product propositions, creating an architecture that facilitates range navigation:



Summary Of Results

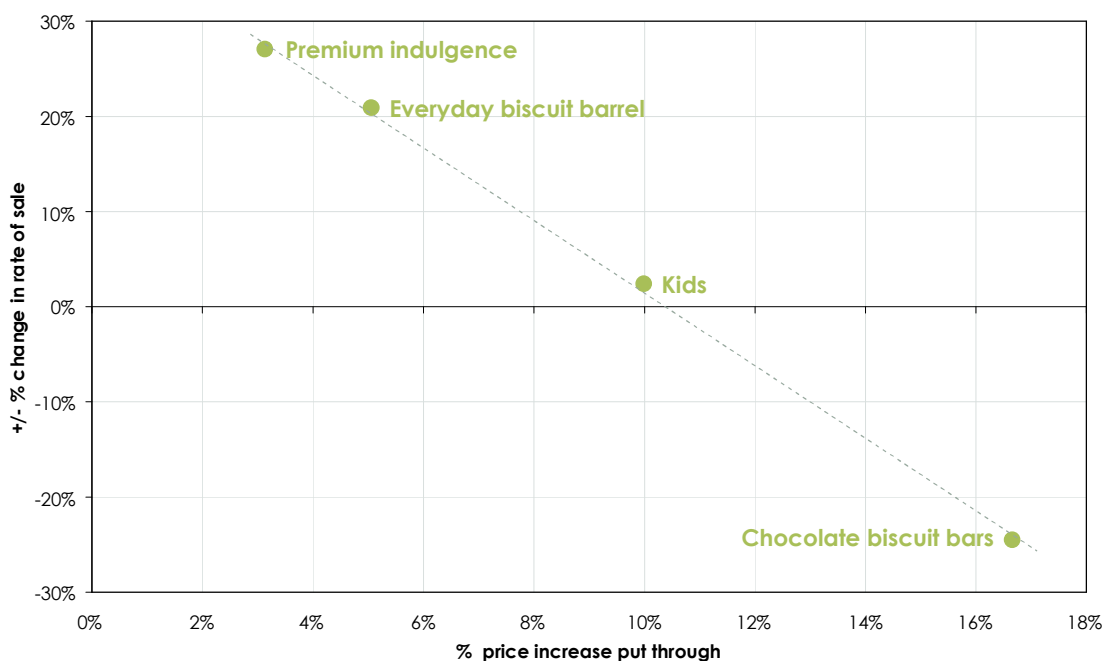
Sales performance

The most meaningful assessment of the redesign's impact on sales is to compare brand performance for the year before with the year after the new packaging went into distribution. As explained already, the introduction was rolled out over 4 phases, the tables below therefore show the relevant sales data (both volume and value) for each phase, along with average price and distribution:

PHASE 1: Premium indulgence	52 weeks to Sept 07	52 weeks to Sept 08	+/- % change
Volume (millions tonnes)	1.48	1.87	27%
Value (£ millions)	£8.49	£11.10	31%
Average price per unit	£5.74	£5.92	3%
Distribution	70.6%	70.5%	0%
Rate of sale (thousands tonnes)	2.09	2.66	27%
PHASE 2: Everyday biscuit barrel	52 weeks to Nov 07	52 weeks to Nov 08	+/- % change
Volume (millions tonnes)	8.97	10.92	22%
Value (£ millions)	£26.03	£33.31	28%
Average price per unit	£2.90	£3.05	5%
Distribution	64.3%	64.7%	1%
Rate of sale (thousands tonnes)	13.95	16.87	21%
PHASE 3: (Fox's) Choc biscuit bars	52 weeks to Jan 08	52 weeks to Jan 09	+/- % change
Volume (millions tonnes)	2.69	2.01	-25%
Value (£ millions)	£10.64	£9.29	-13%
Average price per unit	£3.96	£4.62	17%
Distribution	76.3%	75.6%	-1%
Rate of sale (thousands tonnes)	3.53	2.66	-24%
PHASE 4: Kids	52 weeks to Mar 08	52 weeks to Mar 09	+/- % change
Volume (millions tonnes)	1.45	1.39	-4%
Value (£ millions)	£6.44	£6.78	5%
Average price per unit	£4.45	£4.89	10%
Distribution	55.5%	51.8%	-7%
Rate of sale (thousands tonnes)	2.61	2.67	2%

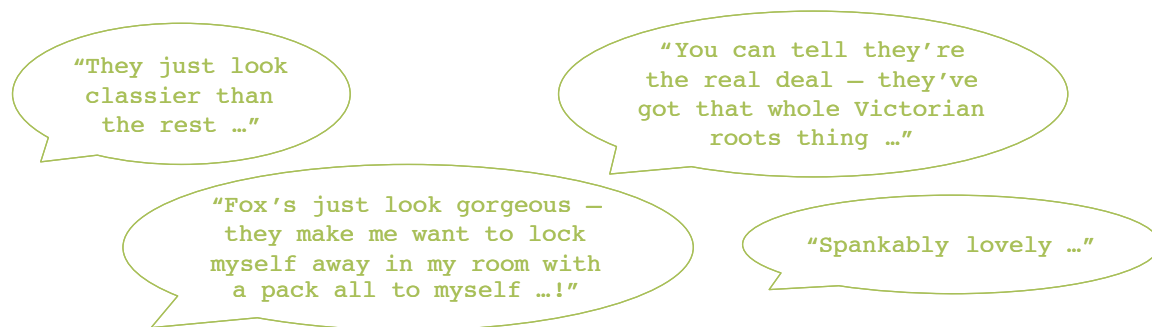
This data reveals some important findings:

- On average there has been a +6% price increase across the portfolio
- Despite this, overall brand sales are up dramatically pre and post the redesign – combined volume across all 4 phases increased by 1.61 million tonnes and value by £8.88 million (based on the year before versus the year after the redesign for each phase); all else being equal, one would have expected sales to have declined in such circumstances, not increase dramatically
- Indeed, most of the volume gains are driven by increases in rate of sale (per point of distribution) – in other words, despite price going up, shoppers were actually buying **more** Fox's wherever the brand was stocked
- Not all sectors performed equally well. However, as the scatter diagram below shows, the reason for this is because the price increases were not evenly spread across the portfolio – chocolate biscuit bars and kids biscuits both saw much higher than average increases and experienced correspondingly lower rates of sale as a direct result (one can only imagine how bad the picture would have been for these parts of the portfolio without the redesign ...!):



Consumer reactions – a coherent proposition

Although Fox's do not routinely run a brand tracker, qualitative research conducted as the redesign was being introduced in-store consistently picked up positive consumer reaction:



Consumer verbatim (qual groups)

Clearly, the packaging was effective in articulating a coherent proposition – 'a better class of naughtiness'.

In-store – stand-out & navigation

Accompanied shopping trips demonstrated that the new packaging was creating real impact and presence on-shelf.

For example, prior to the interviews respondents were asked to take photos in their local supermarket of anything that particularly caught their eye in the biscuit aisle (at this stage they did not know which brand they were to be interviewed about). And without prompting, many of the photos that came back from the exercise featured Fox's new packaging:



It was also clear in-store that shoppers were better able to navigate the range:

"I love those ones [premium indulgence] – they're the yummy, posher ones"

"These are our basics [biscuit barrel], but these over here are clearly more for special [premium indulgence]"

Shopper verbatim (accompanied shop)

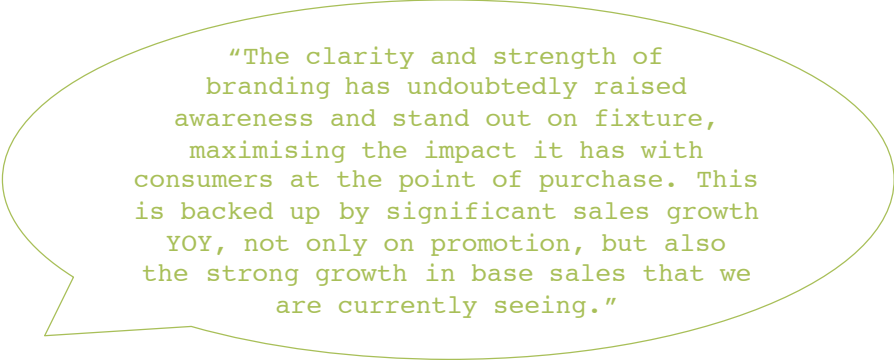
Trade response

Response from the trade has been extremely positive – as Fox's themselves have noted:

"The redesign has undoubtedly helped us to achieve the step change in sales of the Fox brand we have seen over the last year. There has been renewed interest in the brand from both trade customers and consumers."

James Langan (Sales Director, Fox's)

Indeed, category buyers talk openly about this step change in the brand's performance on-shelf:



"The clarity and strength of branding has undoubtedly raised awareness and stand out on fixture, maximising the impact it has with consumers at the point of purchase. This is backed up by significant sales growth YOY, not only on promotion, but also the strong growth in base sales that we are currently seeing."

Richard Dennett (Buyer, Morrison Supermarkets)

Cost savings

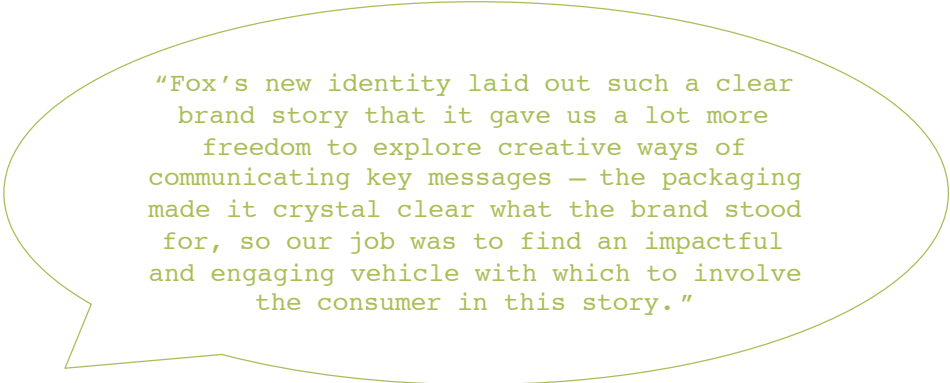
Switching from 8 to 6 colours and from gravure to flexo also delivered cost savings of circa £2 million.

Other influencing factors

Communications support

A national advertising campaign ran in 2006 prior to the redesign, but there was little or no com's support during the year of the relaunch, new advertising not starting until mid 2008, 6 months or so **after** the redesign. One would therefore have expected that the year of the redesign would be the 'dip year', the years either side of it benefiting from com's support.

Moreover, as Mother (the advertising agency) attest, so clear was the brand proposition being articulated by the new packaging that communications development was able to follow on from the lead set by the redesign:



"Fox's new identity laid out such a clear brand story that it gave us a lot more freedom to explore creative ways of communicating key messages – the packaging made it crystal clear what the brand stood for, so our job was to find an impactful and engaging vehicle with which to involve the consumer in this story."

Venetia Taylor (Strategist, Mother)

There was no other com's activity (such as PR) during this time.

Promotional activity

The promotional calendar was essentially unchanged 2006 to 2007.

New product introductions

At the time of the redesign, there were no new product introductions – indeed, the opportunity was taken to rationalise the range (SKU's **fell** over the period of introduction, rather than increase).

However, it's worth noting that more recently a new product was brought to market using the new brand identity – 'Whipped Creams' are the first major introduction launched with the new brand platform.

Suffice to say that the launch has been heralded by Nielsen as the most successful in the biscuits category for a decade.



Price changes

As has already been noted, prices increased during the design introduction. None-the-less the redesign helped to drive a positive uplift in rate of sale.

Distribution changes

As has already been noted, removing any distribution changes to examine rate of sale where the brand stocked shows that the redesign drove increased shopper purchasing.

Research sources

[1] Nielsen

[2] Wheelbarrow Research & Planning (various projects encompassing both groups and in-store consumer & shopper research)

Word count

1. Executive summary: 155 words
2. Project overview: 499 words