

DELUXE HONEYDROP

Category 4.1: Packaging Branded (Food & Drink)

Client: Deluxe Honeydrop

Agency: Pearlfisher

2009 Entry



EXECUTIVE SUMMARY

Deluxe Honeydrop is, at its essence, an advocate for change. Inspired by his win over cancer, Deluxe Honeydrop's founder David Luks used his knowledge of the beverage market to challenge popular soft drinks with their sugary recipes, to create a truly natural thirst-quencher that was delicious as well as healthy.

¹ Client-verified data

Deluxe Honeydrop is now the bee's knees of the American beverage aisle. Sold in over 400 natural food retailers & co-ops, 136 Whole Foods markets and 32 private yoga & pilates studios¹, Deluxe Honeydrop has rapidly achieved national success by defying design convention. Visually bold, emotionally evocative, and simple with its communication, Deluxe Honeydrop is what all the buzz is about.

In a saturated category, Deluxe Honeydrop is distinctive: breaking the 'artificially-sweetened' standards with an all-natural, honey-based, flavour-infused water.

Utilizing honey's medicinal and flavorful benefits made great sense conceptually. But to realize it visually required design that would stimulate desire by telling the brand's unique truth: that healthy can be delicious, and delicious can be healthy.

Pearlfisher's design reveals this essential brand truth with iconic, sophisticated and stimulating design elements: enabling Deluxe Honeydrop to stand prominently on shelf and grow as a brand.

Launched in October 2008, in just 3 months after its official release, Deluxe Honeydrop's 4 SKUs outsold the leading competitor's top 4 SKUs throughout New York City². Since then, Deluxe Honeydrop has continued to perform beyond expectation – nearly doubling sales every month, widening distribution reach, and expanding brand awareness.

² Client-verified data.
Competitor brand name
available on request.

A success story despite declining economic certitude, Deluxe Honeydrop challenges more than just what a beverage can be made of, it challenges how a brand can attract consumers and, in doing so, it has changed perceptions of the category.

PROJECT OVERVIEW

Project Brief

Entering the rapidly growing enhanced waters category, Deluxe Honeydrop had to effectively convey its core message of natural, healthy good taste with simplicity while also challenging the design cues of both niche-natural and mass-market beverages to find its own unique and category-breaking language.

As this was a small start-up brand there was very little budget and therefore stock bottles would have to be made to look premium and fresh.

As such, the main objectives were:

- Dial up taste as well as communicating the natural health benefits
- Create a strong, unique identity to be used across all communication
- Challenge both the cues of natural beverages and mainstream soft drinks
- Appeal to health-aware niche consumers seeking alternative beverages
- Create a highly desirable design on a very tight budget

Launch Date

The Deluxe Honeydrop brand premiered at the 2008 Expo East Trade show in October 2008, and launched in Whole Foods stores in December 2008.

Budget

With a budget of around \$60,000 – for creating the identity and tone of voice, logo and graphic design, copywriting and structural consultancy – Deluxe Honeydrop was an investment by both parties.

Description

Deluxe Honeydrop is an enhanced water that comes in four fruit and herbal flavours and uses the natural sweetness of honey to create its uniquely refreshing taste.

Market overview

The US domestic market for enhanced waters is a competitive and highly fragmented one; it is \$10 billion industry¹ crowded with both large corporates and small independent brands all vying for the same shelf space.

¹Mintel Report

As the category is forecasted to grow 13% a year between 2008-2010, the number of new entrants also increased from 22 players in 2006 to well over 100 in 2008². Consumers have become more brand conscious and brand offerings have become more specified.

²Client-verified data

Consumers in this market have also been demonstrating a rapid change of tastes: while 21% of consumers in 2004 showed a reluctance to drink beverages made with artificial sweeteners; today that figure has increased to 30%³.

³Client-verified data



The identity, logo and packaging solution by Pearlfisher.



The four SKUs designed by Pearlfisher.

Design solution

Pearlfisher's design presents Deluxe Honeydrop with a fresh, simple brand identity that is as visually impactful as it is efficacious. Utilizing the honey-dipper Bee icon as both a hero-symbol for honey and a clever rebus (or visual shorthand), Deluxe Honeydrop communicates more to the consumer through less on-pack clutter.

Each variant owns both a unique color and functional descriptor – Calm, Alive, Strong, Good – which, against a starkly black label, has strong presence in stores and lasting resonance with consumers. As a family, these bold design elements support the brand's simple message; transforming Deluxe Honeydrop's advocacy of a healthy lifestyle into an evocative and appealing design equity.

The finished bottle design balances visual prominence with an approachable tone of voice. It's serious about its offer while jovial in its communication. While competitors use dated natural cues of studio-shot photography and static, conservative designs, Deluxe Honeydrop communicates with an aesthetic emphasis on iconic simplicity and natural energy. The result effectively challenges the category while also stimulating the senses. All the while in a stock bottle.

SUMMARY OF RESULTS

By employing these radically uncomplicated design techniques, Deluxe Honeydrop has successfully broken into the market, rapidly gaining distribution and sales on a monthly basis. As a challenger brand, Deluxe Honeydrop is leading the way for the natural brands of tomorrow by demonstrating that branding is key.

Increases in sales

In its first four months Deluxe Honeydrop's sales grew an average of 94% per month¹; this, despite the lowest statistical consumer confidence levels in nearly two decades², a 56% decline in new product launches for non-alcoholic beverages³, and deepening declines in consumer spending through the 4th quarter of 2008⁴.

¹ Client-verified data. Figures available on request.

² ABC News Consumer Index – 1/4/09

³ Mintel Report

While some established beverage brands continue to broaden their portfolios with more narrowly targeted benefits, Deluxe Honeydrop has opted for the simple approach and won, becoming the No.1 selling beverage brand in America's No.1 selling Whole Foods Store (New York City) only weeks after its official release⁵.

⁴ Reuters/University of Michigan, Surveys of Consumers; Nov 08

⁵ Client-verified data

Yet the strongest confirmation of design effectiveness is that since January 2009 Deluxe Honeydrop has experienced an average monthly revenue growth of 132%⁶. It was during this time that Deluxe Honeydrop began to outsell more and more organic beverage brands on shelf – proving itself as a successful challenger brand.

⁶ Client-verified data

Increase in distribution

Deluxe Honeydrop has steadily expanded into more markets and a variety of different stores. As of December of 2008, Deluxe Honeydrop could be found in 18 Whole Foods locations in New York, New Jersey and Connecticut. By February 2009 it grew by 28 more stores in 4 more states; by April, 30 more stores; by May, 39 more. Today, it can be purchased in over 136 Whole Foods locations – 50% of all Whole Foods nationally – from New York to California, and by September it will add another 20 stores to five more states⁷. Amongst just Whole Foods stores, an increase of 655% in only 7 months. This increase in distribution is a direct result of initial in-store success; Whole Foods only expands a brand's distribution if it demonstrates strong sales in key locations.

⁷ Client-verified data

Deluxe Honeydrop is also sold in an additional 400+ retailers such as Fairway, Westerley's, and Mrs. Greens and was recently picked up by prominent beverage distributors in New England, NYC and Los Angeles⁸; enabling the brand to expand to all channels of trade in those markets.

⁸ Client-verified data

All of these beverage distributors cited the unique and appealing icon and design as essential criteria for their decision to pick-up Deluxe Honeydrop.¹

¹ Client-verified data

- “[Deluxe Honeydrop] is unique, both in design and in taste. The design is simple, to the point and clearly communicates its use of honey, both with the name and of course with its iconic bee. When I saw the brand at [Expo East] I knew it would resonate with my consumers, so I brought it in...”²
- “We have seen a lot of beverages come and go, and a majority of beverage companies come to us seeking distribution. When we saw Deluxe Honeydrop, we knew it was a winner immediately. The branding is unique and has a real voice with its use of the bee and the products implied benefit. In fact, the branding is so strong you even forget it’s in a stock bottle...great work!”³

² Buyer, Peralandra Natural Foods Center

³ Beverage Distributor, Rick’s Running Water

Increases in Web Visits

In the first four months since its launch, www.honeydrop.com has witnessed a growth of 312% per month in unique user visits⁴.

⁴ Client-verified data

Environmental Awareness

Part and parcel of the Deluxe Honeydrop ethos is an awareness of the environmental impact it has with each bottle. Therefore, each variant is handmade in small batches, utilizes less energy in production and shipping, and the company uses only fully recyclable, PETE 1 bottles - manufactured without the hazardous, leaching Bisphenol A compound.

Changing consumer perceptions of the category

From functions to flavours, ingredients to benefits, the beverage market in 2008 quickly became flooded with bottled water brands promising novel drinking experiences. Though consumers have been steadily choosing such waters since 2000, popular perception has since switched from wholly embracing the soda-alternatives to mistrusting their claims¹. It was through this skepticism that Deluxe Honeydrop had to make a strong first impression on the consumer.

¹ Client-verified data

Over 117 beverage brands featured at the 2008 Natural Products Expo East, Deluxe Honeydrop took Best in Show – a strong showing at its debut event. It later won leading industry e-newsletter, Vital Juice Daily's, title of Best New Product 2008, and then the American Design Association's award for Best New Package Design of 2009.

Deluxe Honeydrop has also received much recognition by consumers both for its unique quality and design impact. Featured in the beverage industry's top source for product reviews, www.bevnet.com, Deluxe Honeydrop received an average of 4.25 stars among consumers for each of its variants. Some of the praise for the product included:

- “[Deluxe Honeydrop] has hit the nail on the head with superb execution...packaging is clean and very attractive...makes you want to buy it [with] eye-popping label design.”
- “Packaging is vibrant and attractive, using well designed graphics...[making it an] enjoyable, refreshing, and appealing product.”
- “Packaging is well designed [and] looks remarkably complete. The bee graphic has tremendous appeal to the eye. [It has a] refreshing look and flavor, both of which are off to a great start.”

A successful start that bodes well for a healthy future.

RESEARCH RESOURCES

- David Luks, CEO & Founder of Deluxe Honeydrop
- Mintel, Consumer, Media and Market Research (mintel.com)
- Reuters & The University of Michigan, Surveys of Consumers
- ABC News, Consumer Confidence 2009: Not a Happy New Year
- The New York Times, Newspaper
- The Brooklyn Daily Eagle, Newspaper
- The Dieline, The World's #1 Package Design Website (thedieline.com)

OTHER INFLUENCING FACTORS

With no budget for marketing or advertising, Deluxe Honeydrop has relied on in-store campaigning efforts (product tastings) and word-of-mouth PR. The attractive design and an approachable brand identity has been key to these activities, helping to build brand recognition and loyalty.