

DBA Submission 2009
Vivid Brand

Project Title
Make the Switch

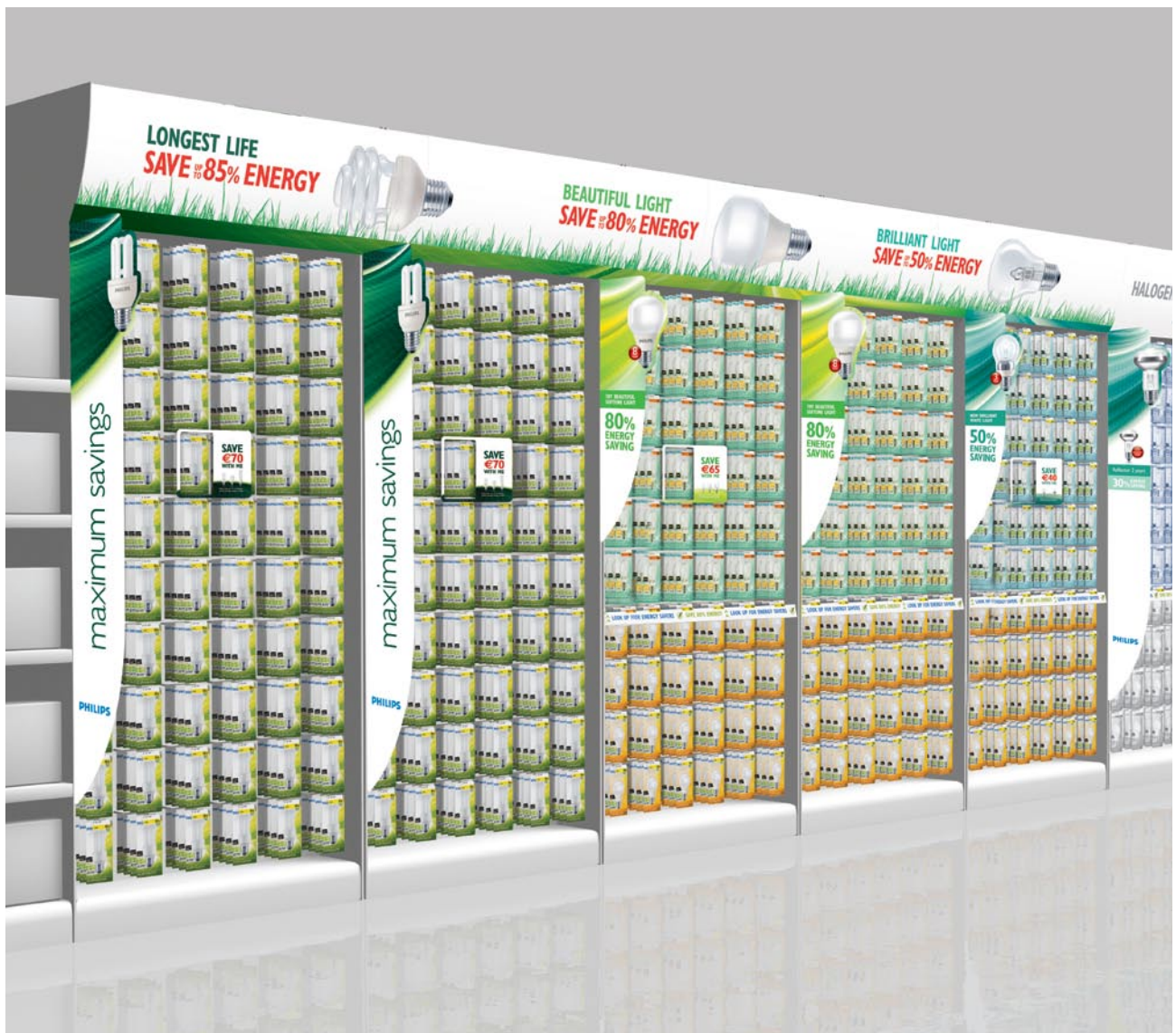
Category
Environment

Client company
Philips – overseas client award applicable

Design consultancy
Vivid Brand

Date
26 May 2009

FOR PUBLICATION



Lightbulbs are low interest, have had little innovation for over 100 years and have become increasingly commoditised. However the world has changed for the humble lightbulb – climate change has suddenly become a priority for government and energy saving a priority for consumers.

In 2005, before Philips had reacted themselves, Vivid presented their client with a compelling design-led strategy to communicate the improved energy saving range to drive new and increased purchasing behaviour.

Using only in-store communication, the “Make the Switch” point-of-sale design turned a lightbulb purchase into an environmentally rewarding and cost saving achievement. The design segmented the fixture to clearly highlight the energy saving category as a whole and the specific consumer benefits of each sub-segment; EcoPower, EcoSoftone, EcoClassic and EcoHalogen. So not only did shoppers trade up from standard to energy saving bulbs, but they could easily select the energy saver, fit for their purpose or designs. The resulting environment gave shoppers a simple ‘feel good’ purchase experience and home consumers savings on their energy bills while enjoying their desired light effect. Sense and simplicity.

The impact on the business was spectacular:

- **Sales increased²** with the launch of the “Make the Switch” concept.
- **Philips’ market share grew²** - more than twice their competitors’ growth.
- **Philips is now considered the leader in energy saving bulbs and product innovation¹.**

But, Make the Switch is about so much more than selling lightbulbs.

If every household in the UK changed 3 lightbulbs to energy savers, it would **result in an energy saving of £570m every year³**. Equivalent to 2.3m tons of CO2 emissions every year. Or the equivalent of 100 million trees³. **We are proud that our point-of-sale design has persuaded millions of shoppers to make the switch.**

The Brief:

Vivid recognised the unique opportunity for Philips to establish itself as the leader in energy saving, transforming the consumer lightbulb category to grow in interest and sales within a stagnant category. We presented the strategic brief to the client and together developed an in-store communications plan and designs for major DIY, Hypermarkets and Supermarkets across Europe.

Project objective:

- Attract and influence the shopper at the point-of-sale
- Clearly segment a confusing category (up to 14 meters of bulbs), and explain the benefits
- Establish Philips as the leader in energy saving lighting
- Grow market share

Key issues

- Shoppers know they should save the planet - but they are generally only motivated when they also see a personal gain
- A low involvement category

Product description

Philips lightbulbs:

Compact Fluorescent Light – standard light quality with high energy saving

EcoPower – improved light quality with maximum energy saving

EcoSoftone – superb light quality with high energy saving

EcoClassic - superb light quality with low energy saving

EcoHalogen - halogen light quality with low energy saving

The Design Solution

Vivid created a fresh, versatile energy saving focused category. Shoppers were presented with a clear choice between the benefits of energy saving and standard bulbs to encourage a 'trade across' to higher value products. Energy savers were broken down into three clear product groups with communications using key emotional and practical drivers. Individual colour palettes and imagery were created for each of these groups, building a coherent and independent rationale for each. Now when faced with the plethora of different lightbulbs, the shopper can clearly recognise which of the specific ranges of bulbs will meet their needs.



Lighting category

In this low engagement category, it is critical that consumers can make their choices in a way that is both involving and easy to navigate.

The “Make the Switch” display provides three layers of engagement:

Firstly the overall look provides a positive call to action: “Switch from old-fashioned bulbs to energy savers” and offers money savings as the reward.

Once it has your attention, it then presents the whole product range with straightforward signposting and strong product messages.

Finally, your chosen range of lightbulbs is then presented in clean colours and bold typography, explaining the role of the product within the rest of the range and clearly presenting its benefits to you and to the environment.

Research' proves that this seamless structure makes it less likely a consumer will walk away without purchasing.

This radical thinking and clear design achieved the type of shifts in behaviour normally associated with major advertising investment. Philips has effectively stolen the high ground – outpacing the market and outperforming their competitors in every major country⁴.

“Make the Switch” was launched September 2007, with a budget of €70,000.



Energy saving segment headers



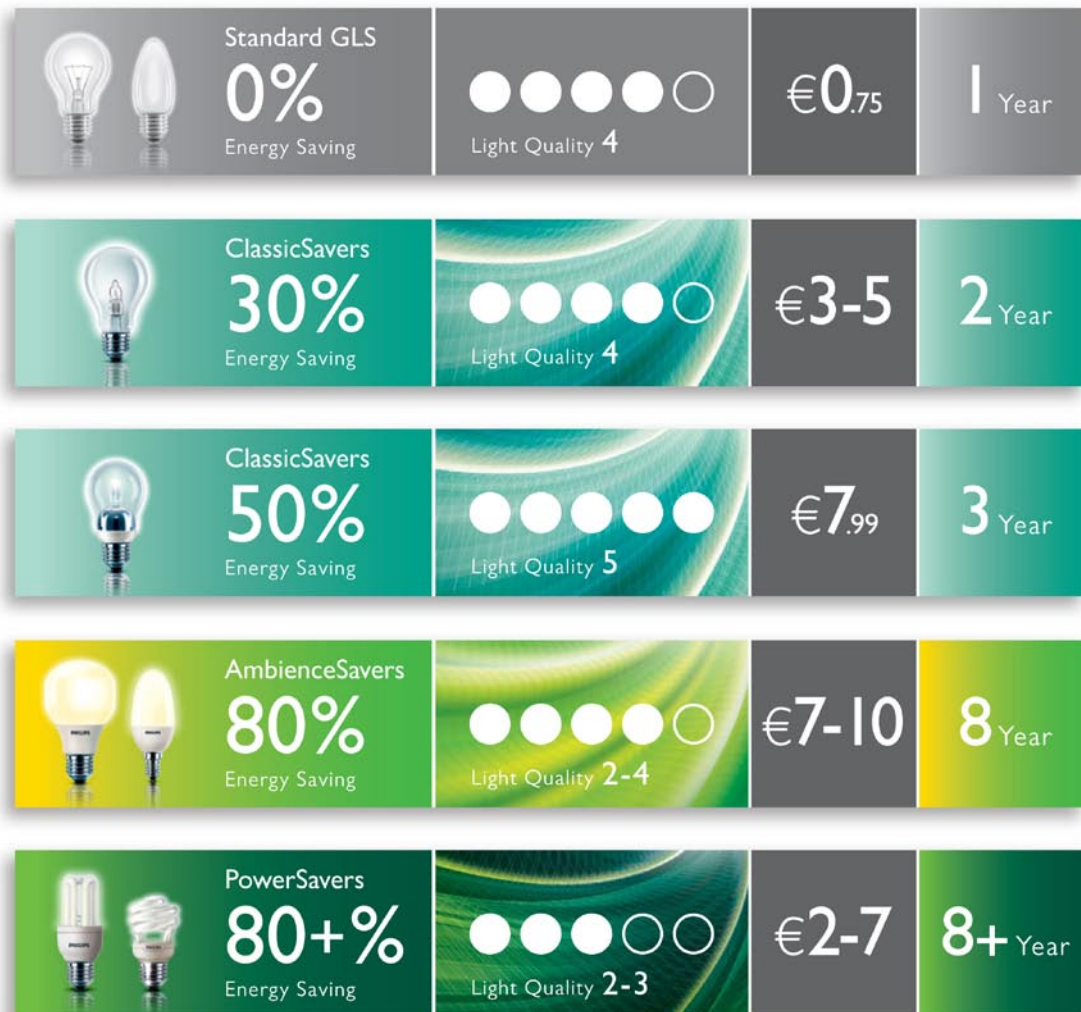
Standard segment headers



Fixture wings



Upgrade tool



Shelf information strips

“Make the Switch” has driven such important increases in sales and brand share³.

The scale of the effect is enormous and driven simply by powerful point-of-sale design:

Sales:

- Total Sales increased after the launch of “Make the Switch”²
- Halogen sales **increased** in 2008²
- Eco-Halogen sales dramatically increased in 2008²

Market Share:

- Philips performed more than twice as well as the rest of the market. Philips’ Energy Saving segment **hugely outperformed the average market growth.**
- All markets were positive but some markets saw remarkable results, for example:
 - Italy – Philips reached its **highest share ever**
 - France – Philips reached its **highest share ever**
 - Turkey – captured brand leader position for the first time
 - Netherlands – Philips volume share in was the highest of any country

Market Distribution:

- Prior to this, Philips was battling to protect its distribution, with the loss of two big retailers in Europe; the launch of "Make the Switch" reversed that trend, bringing in two large new distributors. As Hein van Gorp Vice President Philips Lighting says, **"Our green gospel has brought us Castorama in France and Sainsbury's in the UK"**.
- The retailers have seen the benefit and enjoy the halo effect of the green positioning. Philips Lighting in Spain was awarded **"Supplier of the Year"** by Iberdrola – an award whose objective is to promote Quality, Sustainable Development and Environmental Care⁴.

Changes in Perception:

Consumer research showed that the “Make the Switch” fixture was making a massive contribution to ease of purchasing!

- Consumers were asked if the “Make the Switch” display made them want to purchase energy saver bulbs. With Philips’ action standard set at 20 points, **every country achieved more than double that goal.**
- Consumers were then asked if they thought that the store was helping them make the right choice about lightbulbs. With the action standard set at 25, **every country but one scored over 80.**

Appendix

1 Tangible Research, 2008 .

2 GfK, AC Nielsen, IRI, 2008 Retail Panel Data.

3 Philips Company Data.

4 Philips' Press Release on Iberdrola.

Other influencing factors

The Make the Switch instore design was not supported by PR or ATL.