



ARMSTEAD TRADE
Household Goods & Home Construction
AkzoNobel
Springetts Brand Design Consultants Ltd
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EXECUTIVE SUMMARY



This is a story about how a brand died and how we created a new one to phoenix-like, rise from the ashes. AkzoNobel, owners of Dulux, also owned Glidden, a brand in the decorative trade paint. PPG (AkzoNobel's biggest competitor) acquired Glidden and, as a result, AkzoNobel could no longer continue to sell the Glidden brand in the UK. And nothing of the Glidden brand could be used by AkzoNobel in the future.

- Our job was to **create a completely new brand** that could **replace Glidden without losing any sales** and act as a platform for future growth.
- We identified a position that appealed to the straightforward contracting decorator. A no-nonsense, on your side brand, the savvy choice.
- **We created a name and identity** that hit the market hard, stood out, forging confidence.
- We created a brand for the trade market that engages with the audiences, turning awareness into something more tangible.

ARMSTEAD WAS BORN



BRILLIANTLY STEADY RESULTS

**There was no loss of volume sales
as Glidden disappeared and
Armstead took its place**

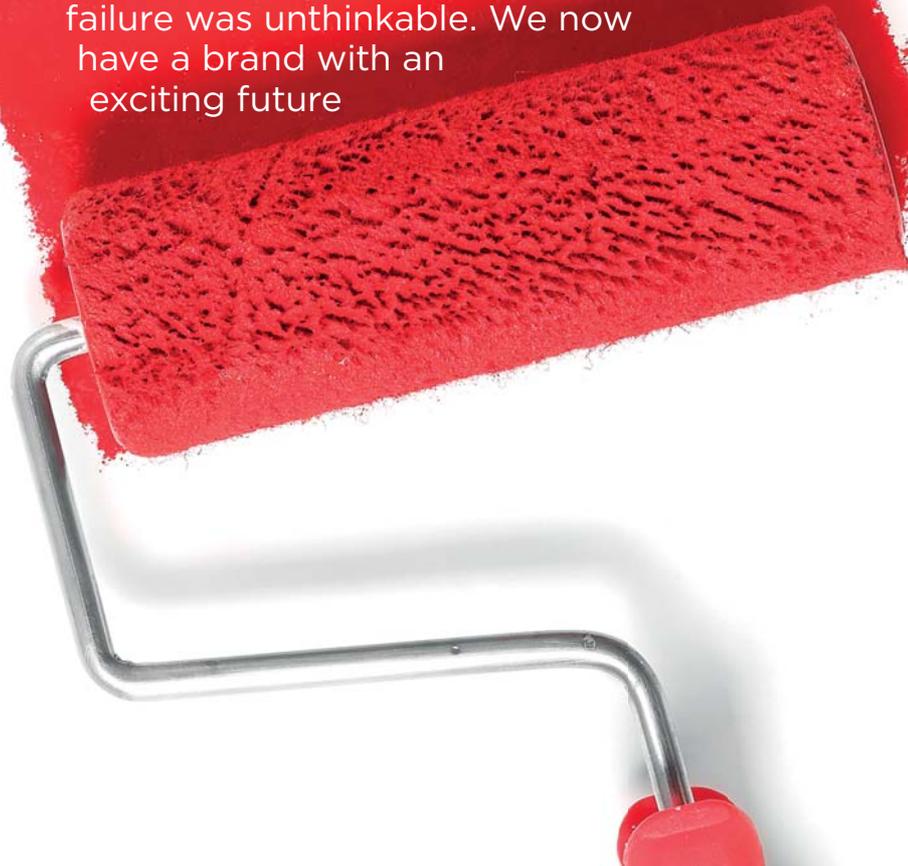
Armstead has grown +5% against
Glidden in 2012

**Distribution secured and up 8% in 2015!
All the 1350 current stockists stocked and
more in 2015**

**Dulux Trade has a friend in the trade
market to help it fight the competitors
and retain its premier status**

Awareness and image ratings have built to
Glidden levels establishing Armstead in the
minds of the decorative trade

With a major AkzoNobel brand at stake,
failure was unthinkable. We now
have a brand with an
exciting future



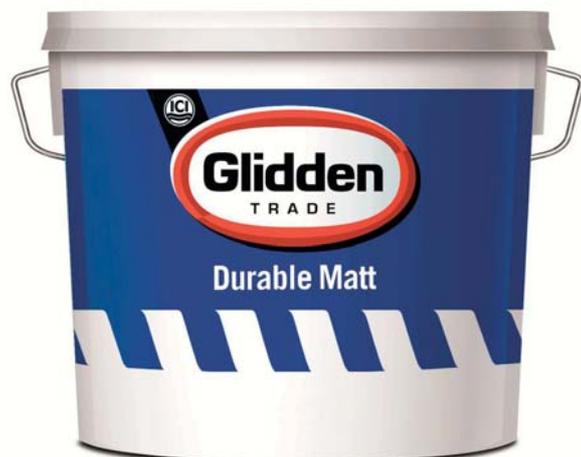
OUTLINE OF PROJECT BRIEF

When on 14th December 2012, PPG (AkzoNobel's biggest global competitor) announced the global acquisition of Glidden for \$1.05bn, AkzoNobel (who previously owned the Glidden brand) faced the ultimate downside in the UK. The deal meant that AkzoNobel could no longer sell the Glidden brand in the UK. It faced the instant elimination of of £millions in sales. A massive hole in the AkzoNobel business in the UK with far reaching consequences.

Clearly AkzoNobel considered whether its core brand Dulux could absorb the sales from the disappearing Glidden, but the two brands were positioned very differently: Dulux Trade, as the leading quality brand in the trade market, versus Glidden, the mainstream decorator's choice, the Championship to Dulux's Premiership. We considered the risk that Dulux could damage its hard earned reputation by over-stretching the brand to appeal to a more price sensitive needstate. So using Dulux, as the brand to absorb Glidden, was not an option.

The only possible solution was to replace the Glidden brand and endeavour to secure the sales that could so easily be swallowed up by AkzoNobel's competitors in the trade paint market: Johnstone's, Leyland, Macpherson's, Crown Trade and trade brands like Brewers' Albany.

This wasn't a situation where a company chooses to change the branding in the interests of international consistency like Opal Fruits to Starburst or Marathon to Snickers, where existing brand iconography can remain. AkzoNobel were prevented from any explicit or implicit association to Glidden, or the legal fallout would be heavy.





The commercial objectives for the project were therefore ambitious:

- To establish an 'all new' successful brand (to succeed Glidden) in the market under the AkzoNobel umbrella.
- To absorb the volume vacated by the demise of Glidden.
- To establish a platform in the 2nd tier market from which to grow without cannibalising Dulux.

In the professional decorating market, like any B2B market, the final end user is always a consumer and also decorative trade products are bought in shops just like everyday brands. So the decision process is absolutely not solely functional and the emotional power of 'brand' plays a key role.

We helped Dulux identify a position for the new brand that allowed it a complementary role with Dulux and yet to stand on its own feet. Glidden was a quiet brand that tended to be overshadowed by the brasher and noisier brands like Leyland and Johnstone's. We were looking to give this replacement brand a dose of attitude, but in its own distinctive way.

So our design objectives could be summarised as:

- Identify a differentiated and compelling position in the 2nd tier.
- Create a new brand name, positioning, logo, pack design, and tone of voice to project this.
- A design that didn't alienate existing Glidden users and consequently lose current share.
- Be clearly competitive in our competitive set.
- Leverage the strength of AkzoNobel endorsement, and use the opportunity to complement Dulux Trade.



The trade decorative paint market is valued at over £500 million. The brands sold through this market are often, but not always, different from the Retail DIY market. For instance Dulux paint in a retail outlet such as Homebase is a different product and branded differently from Dulux Trade paint sold in a Brewers. Brands such as Johnstone's, Leyland and Glidden do not exist in the retail DIY market and are mainly targeted at the professional decorator market.

AkzoNobel is a global leader in paints and decorative coatings. Its brands include Dulux, Dulux Trade, Cuprinol, Polycel, Weathershield, Hammerite, Sikkens, and of course Glidden.

With Dulux commanding prices at the top end of the category and with a reputation for quality, innovation and technical leadership that the decorative trade could trust, Glidden was in many ways a more straightforward brand. A limited range of popular colours and finishes, Glidden was always competitively priced and was used by the trade for simple, minimal demand jobs. Glidden Contract Matt had become the shorthand for first coat work on housing projects.

The competitors (Johnstone's and Leyland particularly) have always seen Dulux Trade as the king to topple from his throne, and Glidden had become a useful ally to fend off aggressive competitive activity, particularly on pricing.

- Project Launch Date: Monday 14th May 2014
- Design budget: £150,000



BRAND POSITIONING

We looked for the insights in the trade paint market. Glidden had a particular appeal to contractors and small decorators, businesses where the difference between a successful profitable job and either not securing it or the costs over-running is like walking a tightrope. Our bullseye position for Armstead was expressed through the following insight: **“for cost-competitive jobs, it takes skill and experience to choose the right paint, as it’s a fine balance between achieving the right finish, ease of application and price that maintains profit margin”**.

Our proposition for the new brand was that it should be the **‘Savvy Choice for cost-conscious jobs....the right brand at the right price’**.

Brands in this space are very basic, it’s a world where function rules. And many of the **brands have built affinity over a long time, gradually building loyalty. They don’t have to prove anything,** they are trusted through product experience. **We didn’t have any of these things so we had to build them IMMEDIATELY!** To achieve our objectives we had to rapidly appeal to the ‘calculating’ hearts of contractors.

Building the Brand: Name and Identity

We explored hundreds of names that suggested our desired personality. We wanted it to feel reliable, grounded, uncomplicated, a savvy team player.

Our shortlist was brought to life with design ideas around the names and researched. There were a number of strong contenders but **Armstead was our winner. The name suggesting strength and reliability,** a feeling that quality is built-in. Yet there’s an easy informality about it. It wouldn’t challenge the decorator. There’s no need to explain his or her choice of paint brand. In a market full of function it looks and sounds reliable and well established. The A looks robust and firm like a decorator’s ladder; the arm with closed fist denotes strength and confidence. The dark blue A with silver pin-stripping looks best in class not basic!

ARMSTEAD
TRADE



- A powerful brand mark in the “A”
- Armstead centrally integrated into the “A”
- The brand mark IS the iconic design
- Distinctive and ownable
- Stand out at fixture
- The reassurance of AkzoNobel
- Adaptable for marketing and communications campaigns
- Easy colour navigation: key in the complex world of paint formulations

Armstead launched into the market on Monday 14th May 2014.

SUMMARY OF RESULTS



WE DID IT!

Note: there are no +plus+ signs here because on 14th May 2014 we were effectively at ground zero. **As Glidden disappeared, Armstead had to build itself from the ground up.**

The Armstead brand successfully replaced Glidden with NO lost volume

Armstead's presence in store was so arresting that it was easy for contracting decorators to choose it instead of Glidden and not be lulled into competing brands (despite heavy discounting activity by them!).

*Volume sales maintained in the launch year and grew volume in 2015

An astonishing feat to prevent any drop off in sales and then to start an increase of +5%.

*No evidence of any cannibalisation of the Dulux Trade brand

Indeed in Armstead's launch period Dulux Trade paint sales grew and have continued that momentum

*Distribution secured and up **8%** in 2015!

The presentations to the trade had gone so well, every outlet was supportive of Armstead's replacement of Glidden. The exciting new design and commercial rationale secured our distribution.



*The Armstead brand cut through immediately now beating the previous level of Glidden awareness

*"Armstead is very successful at converting salience to consideration" (Market Probe)

Indeed the Armstead brand is considerably more successful than Glidden was in persuading those aware to consider it

2013 Glidden: Spontaneous Awareness Consideration Index 64

2015 Armstead: Spontaneous Awareness Consideration Index 133)

- Brand Equity has quickly been built on key measures like "a brand I trust" at over **50%**

Armstead is now already on its way to being in the hearts of decorators with as many claiming to trust the brand as the long established Leyland, and more than Crown . And in terms of engagement Armstead beats both Crown and Leyland for being "For painters like me". Not bad for an 18 month old brand!



Business means jobs

About 500 people at AkzoNobel UK&I are involved in some way or other with Armstead, even if it's not their core responsibility. While it is very difficult to quantify the effect had the Glidden business just been allowed to disappear, the resource required would clearly have been less. Armstead is earmarked as one of the key brands to be produced at AkzoNobel's soon to be complete state of the art factory at Ashington in the North East, where recruitment is a much needed boost for the local economy.

- **Sustainability! Yes that too.**

AkzoNobel has been ranked top of the Dow Jones sustainability index for the fourth year in a row. And with Armstead being manufactured in Ashington, one of the world's most sustainable paint factories, the success of the brand ensures the decorative trade have the right sustainable options to choose from.

- Decorators aren't too vocal but...The anecdotes add depth to the numbers that demonstrate equity has built in the brand.
- "Armstead Durable is my go-to ceiling and wall paint"
(Tony, Decorator, 28/4/16).
- "I've been a big fan of Armstead quick dry satin since it first came out. Lovely finish & great covering" (Mark, Decorator, 30/4/16).
- "The Armstead quick dry satin is the best" (Anthony 23/4/16).
- AkzoNobel senior management summed up the achievement "The transition from Glidden to Armstead has been an enormous success. As well as ensuring no lost sales it has set up a terrific platform for our future ambitions in the trade decorative market. The Armstead team should be rightly proud of their achievements" Matt Pullen, Managing Director AkzoNobel UK&I.

INFLUENCING FACTORS



This is an unusual story because it is rare for a brand like Glidden to find itself in this situation.

Distribution

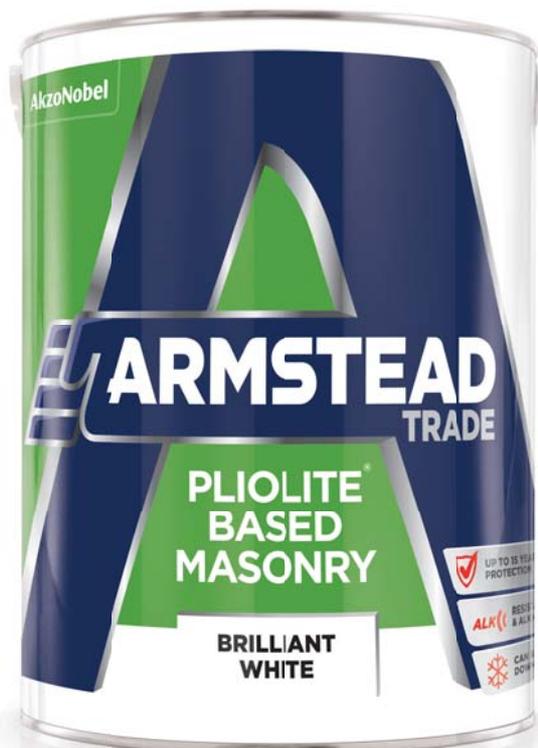
Clearly the existing distribution was helpful to the new Armstead brand establishing itself. A compelling brand strategy had to be communicated to the outlets but AkzoNobel was replacing one brand pretty much like for like with another, so the logistics of shelf space were simple to manage.

Promotion

The iconic branding for Armstead gave a strong, impactful look to the promotional work to establish the brand. The campaigns were successful but at the heart of their effectiveness was the brand voice.

AkzoNobel

Without a doubt the strength and trust of the AkzoNobel brand was more likely to help than hinder the adoption of Armstead. The decorative trade knew that like Glidden, Armstead came from a pedigree stable.



Research resources:
AkzoNobel internal data
Market Probe Europe
Your Future