

1. Something's been brewing



Submission Title | Java Republic - Something's been brewing
Industry Sector | Consumer Goods (Beverages)
Client company | Java Republic
Brand consultancy | Honey
Submission date | 30th June 2017

“Every so often we work with partners, we brief them, they complete a job and move on. Honey was different, they helped us capture the essence of a truly unique and exciting new product range developing a suite of packaging that captured the premium nature of the teas inside.

We felt they “got us”, they understood our passion for our products and articulated this in the new packaging. They got to the real stories behind our products and brought those to life through fantastic illustrations and new packaging concepts.

While the initial interaction with Honey was solely around tea, they explored our overall brand image and positioning – something we had not done since our inception. They pushed us outside our comfort zone!

We trusted them with every element of the project and in times of doubt, they reassured us along the journey. They delivered a range of packaging for tea that has become a hero product for Java Republic. This new product that has opened many doors domestically but also on an international stage. They gave our brand a new lease of life, we could not have done this on our own.”



Grace O'Shaughnessy
MANAGING DIRECTOR

2. Executive Summary

- ◆ Launch in April 2014
- ◆ First year lift in sales of 62% (£462k) then in year two lift of 52% (£701k)
- ◆ Overall £238,447 increase in sales in 2015 (from £462,858 to £701,305)



Irish premium beverage company, Java Republic, worked closely with Honey to reformulate their brand proposition and define the communication task that came from that, applying it first to a range of speciality organic teas.

The result, in this highly competitive market, was a growth of 61% in online sales in the year after the redesign (2015), with an overall increase from £462,858 to £701,305, which was maintained in the subsequent year.



Since the launch of the new tea range, Java Republic has experienced an increased market share for the brand in foodservice and retail outlets, as well as a major impact in online sales, expanding its export output to four additional countries: Portugal, Czech Republic, Poland and UAE. **Traditionally known for their coffee, Java Republic has now established a reputation for organic speciality teas and is widely considered by their peers to be leading the market within Ireland.**



The design approach and brand strategy has allowed them to raise awareness of speciality teas in Ireland, which is predominantly a black tea drinking nation, and stand out with a unique identity against the strong graphic language used by competitors such as Mighty Leaf, Tea Pigs and Dr Stuart. Five percent of sales in 2015 (£11,923 per month) came from new customers, with **speciality teas now used as a point of difference to open doors with new customers and supply them with premium hand roasted coffee.**



Alongside impressive sales figures, **there have been many positive comments on the packaging from consumers via social media**, helping Java Republic to claim their own territory with confident branding and packaging that is based on their values of ethical sourcing and superior taste.



3. Project Overview



Outline of the Project Brief

Java Republic operates in a highly competitive market, with over 80 coffee companies in Ireland.

Investing in their existing range of premium teas was a way to increase their market share across both tea and coffee. This was an exciting opportunity for Java Republic to set a benchmark for premium tea in Ireland and compete on an international level.

The new range featured 18 teas, which come in pillows that contain between 2-3g of loose tea (compared to a market average of 1-2g). Although this provides a superior flavour profile and better infusion, it also requires a heavier grade hand-stitched pillow that is strong enough to support the bag when submerged in hot water. There are very few merchants in the world that supply tea at this level, especially organic tea, and there are only two other tea companies that use the same tea pillow as Java Republic. In addition to this, the use of premium tea in a pillow solves a problem within food service, where there are practical problems to using loose tea.

However, the existing packaging did not reflect the care, craft and high-quality ingredients that are central to the Java Republic story. The refreshed and revitalised packaging needed to increase sales for export foodservice and retail markets and grow the category market share. To do this Honey needed to communicate their newly defined core brand ethos of superior quality, ethics and sustainability. Many customers did not understand the benefit of buying organic tea (non-organic teas often contain pesticides and added sugar and flavourings, which arguably negate any health benefits), so this was an opportunity for Java Republic to stand out.

Java Republic tasked Honey to ensure:

- ◆ **All designs supported and reinforced Java's newly developed brand proposition and positioning as outlined above.**
- ◆ **The new design helped achieve consistency across their entire portfolio including teas, coffees and hot chocolate.**
- ◆ **The Java Republic logo and its diamond shape featured prominently in all instances.**

3. Project Overview (cont.)



Honey was convinced that Java's brand could be pushed even further to incorporate a wider growth through a realigned brand strategy. We wanted to explore the full reach of what Java Republic could achieve by investing in their expertise. We also wanted to fully understand the wider interest and trend for speciality teas. What were the customer usage habits? What was their justification for buying premium quality? Based on consumer insights, we knew that we could identify a clear brand positioning that would give Java Republic a unique identity in a competitive marketplace.

To maximise market opportunities, we ran a series of workshops to explore possibilities for the range. The insight stage included:

- ◆ **Team workshops**
- ◆ **Product demonstrations**
- ◆ **Store visits across the UK and Ireland**
- ◆ **Interviews with Java employees**
- ◆ **Product testing**
- ◆ **User observation - *taste testing and packaging feedback***
- ◆ **In-store point of sale research**
- ◆ **Competitive product surveys and in-store audits**
- ◆ **Qualitative research**
- ◆ **Online research**

Description

Java Republic is an Irish owned independent premium beverage company founded by David McKernan. The company has been discovering and blending black, green and fruit teas alongside sourcing and roasting coffee since 1999, consciously selecting 100% organic, natural ingredients as the foundation of all their products, whilst constantly challenging tastes with more adventurous combinations and blends.

They pride themselves on being ethical and transparent by only buying tea and coffee from recognised ethical traders or directly from sustainable farms and co-operatives. Over the past few years they have supported diverse causes such as Plan Ireland, Carbon Clear, & Coffee Kids. In July 2013, they became an approved member of Origin Green – the only sustainability programme in the world that operates on a national scale.

3. Project Overview (cont.)



Overview of Market

Commencement of project

Project launch date: April 2014

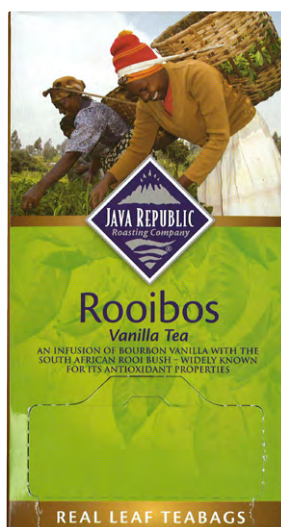
Size of design budget: £60,000

Statista estimated the global market value of tea at US\$36 billion in 2014, rising to US\$37.1 billion in 2015.

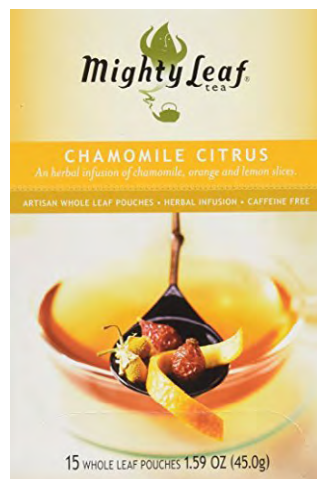
However, in the traditionally strong black tea segment of the market, there was a lack of willingness to innovate and embrace new consumer interest in health and well-being, as well as their desire to discover new flavours.

In 2014 the speciality tea sector enjoyed an 8.5% rise. This reflected the new consumer interest and certain brands were well placed to ensure they benefited from this increase. With strong brand and product stories, the introduction of a more approachable tone of voice (not common in this category that was so often steeped in history, traditions and rituals) and the use of more abstract imagery to create interest was the new norm.

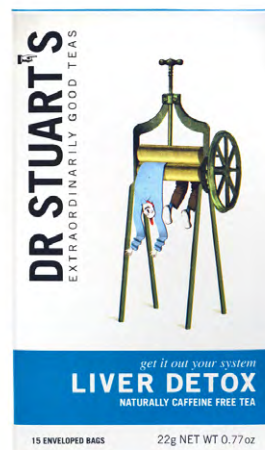
For instance, Tea Pigs captured customer interest, with a faux brown box conveying naturalness and quirky illustrations linked to the drinking occasion. They achieved 13% increased value sales in this category in 2016, while also asking far higher prices than their competitors. To compete on a global scale with brands such as Tea Pigs and Dr Stuart's as well as their long term rival Mighty Leaf, Java Republic would need an equally strong voice and packaging design to champion their innovative blends and superior quality ingredients.



Previous design



Competitors



4. Outline of Design Solution



Design Solution

The most successful brands in this sector used clear and simple pack designs with a focus on the brand story. This often continued off-pack, running consistently across all touchpoints. For example, Tea Pigs focused on flavour with an informal 'feel good' tone of voice that was consistent across their website and packaging, which was a refreshing approach to what other brands were doing when Tea Pigs launched in 2006.

To achieve growth for Java Republic, we would need to bring a different set of values and features to the forefront of the brand – ones that were increasingly desired by consumers, but as yet unfulfilled by other brands. In order to acquire a greater market share, we needed to elevate the perceived value of their offer by expressing these brand values and themes:

- ◆ **Ingredient expertise**
- ◆ **Passion for premium quality**
- ◆ **Rare blends and tastes**
- ◆ **Conscientious, ethical and sustainable**

Based on these findings, Honey recommended expanding the brief to focus on a full brand refresh rather than just a packaging redesign to maximise potential and establish Java Republic as market leaders with a clear point of difference.

Design

With an array of premium products on the shelves, the usual packaging signals of quality were already prominent in this sector. We knew that we would have to dig deeper to show what made Java Republic different.

The design solution would explore the unique stories that made each of these teas unique. Such as, the rarity of organic teas at this level, the unique and imaginative blends and the sheer variety and scope of flavours within their range. We would also ensure we captured, on pack, the sustainable methods of sourcing the teas, and the

4. Outline of Design Solution (cont.)

details that go into making a generously filled hand-stitched silken pillow to deliver extra flavour and infusion.

These stories inspired us to create bespoke illustrations that not only worked as a vehicle for storytelling, but also reflected the craftsmanship. The packaging featured evocative names and descriptions, highlighting the unique features on the front of pack and supporting the copy with a colour scheme that represents the subtlety of each flavour. As well as being a key to aid to differentiation within the range, the illustrations also added desire and collectability to the Java Republic offer.

Need states were added to the packs to communicate the associated benefits of the speciality teas. The 'hand-stitched silken tea pillows' message features on front and back of pack, in detail, to explain why this is so special.

Brand

The original name, Java Republic Roasting Company, was restrictive. Honey suggested that, by dropping the 'Roasting Company' from their name, they would be less confined with their offer and would communicate that they were more distinctly an expert in all hot beverages, not just coffee, where their journey began. The new brand name, Java Republic, took pride of place in the centre of the diamond and was joined by the refined illustrations of the Java mountain to tell the story of the brand's origins. On every tea pack there is now a message from David (founder & owner) highlighting their new brand mission and values.



Previous Identity

Long and restrictive brand name. Supporting elements overpowering, leading to a busy identity that wasn't truly reflective of the companies broader offer across all hot beverages.



New Identity

Java Republic name stands proud with clean letterforms. Secondary elements now more refined and take a supporting role. The brand is now ready to embrace its new values & positioning.

4. Outline of Design Solution (cont.)



The introduction of a white base for the pack ensured clarity and a clean background to allow the vibrant illustrations to catch the eye. The tea pillow and product benefits were clearly communicated on side of pack.



5. Summary of Results

The Java Republic branding and packaging design achieved significant commercial success (51% increase in sales between 2014 and 2015, compared to an estimated overall market increase of 3% in this same period), showing that **Java Republic outperformed the market**. During this period, Java Republic enjoyed sustained growth from £285,264 (in 2013) to £462,858 (in 2014, the year of the redesign) and £701,305 the following year (2015).

In April 2016, Java Republic lost their largest single customer, resulting in a -1% reduction in sales. However, if this customer is removed from the 2015 and 2016 sales period then **Java Republic actually showed a strong growth of 13% in 2016**. In other words, despite losing 18% of the previous year sales from one customer, they increased other sales by 13% that same year.

This growth came from retail sales (up 18%), office sales (up 27%), online sales (up 68%) and hotel sales (up 44%). In addition to increased sales, **Java Republic also expanded exports to four new countries: Portugal, Czech Republic, Poland and UAE.**

The initial investment in the project was £60,000, representing a 593% return on investment.



New export countries gained following redesign



UAE



PORTUGAL



POLAND



CZECH REPUBLIC



5. Additional Impact

Following the success of the Java Republic speciality tea redesign, the range was subsequently extended to include an additional 28 variants, featuring decaffeinated and other flavoured varieties. The range now stands at 46 teas and has since been introduced to four new overseas markets. As a result of this project, Honey were later asked to refresh Java Republic's coffee category, designing the packaging for both foodservice and retail products (approximately 20 SKUs).

The rebrand helped to raise Java Republic's profile and established them as a market leader in speciality teas. The rebrand also enabled Java Republic to increase their prices in June 2016 from €6.49 to €7.99 per pack (a 23% increase in price), with the design and presentation being a factor in surpassing any price objections – none of their existing customers traded down as a result of this increase. The interest in speciality organic teas also opened doors for up-selling coffee and hot chocolate to new customers.

Since launch, Java Republic Managing Director, Grace O'Shaughnessy was appointed to the Committee of the Speciality Coffee Association of Europe (SCAE) and Java Republic was awarded 'Business Ambassador' status by InterTradeIreland. Additional awards include:

2015 – Deloitte Best Managed Companies – Platinum Club Winner

2016 – Deloitte Best Managed Business Awards – Platinum Standard Award winner

2016 – Winner of Irish Small Firms Association Best Food & Drink Company

6. Other Influencing Factors

There were no other influencing factors supporting the redesign.

7. Research Resources

Statista

Persistence Market Research

Java Republic Financial Figures

