

For publication

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Gressingham

Helping Ducks Fly



Category
4 Packaging

Sub Category
4.1 Branded food

Client
Gressingham Foods

Design Consultancy
Elmwood

Date
June 2013



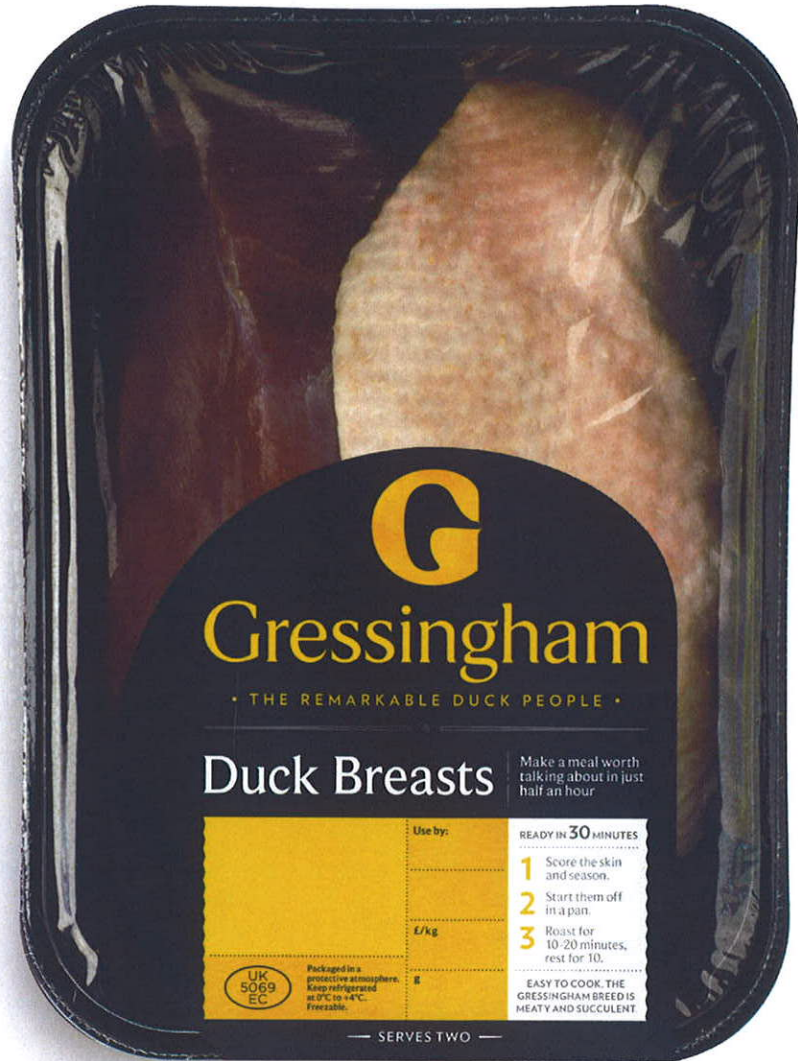
elmwood

2. Executive summary

Gressingham Duck



Before: The Old Gressingham packaging



Only 7% of households cook duck at home.

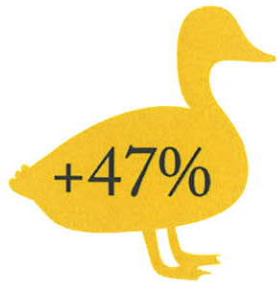
Duck is a marginalised meat. Although it's often ordered in restaurants, most people are reluctant to try it at home, (only 7% do) - it's seen as a high value, high risk item. Consumers don't know how to cook it and can't afford to get it wrong.

Against a background of rising production costs and a brutal trading environment, it became apparent that the brand, and the category, needed some fresh thinking to encourage consumers to buy more duck, more often, and make an impact in mainstream grocery sales.

Working directly with the owners, our work with Gressingham focused on sharpening the strategic direction of the businesses. Repackaging their existing range to increase the prominence of the brand in a small section of the poultry fixture has brought impressive results.

2. Executive summary continued

Gressingham Duck



increase in sales value for
Gressingham brand 2012

+£10m

increase in Gressingham brand sales

+11.5%

sales volume increase in 2012
reversing a -14.5% decline in 2011

Gressingham brand sales increased 47% in 2012.

Total volume sales (units) of fresh duck increased +11.5% in 2012 reversing a decline the previous year of -14.5%.

Retailer perceptions of Gressingham have changed. ASDA converted from own label to Gressingham branded products. Other branded business that was threatened, in other accounts, has been retained.

The improved branding system means greater discipline, lower design and origination costs - all of which translate into savings for Gressingham.

Gressingham has become the first ever fresh meat brand to be awarded **Coolbrands** status 2013. Quite an achievement for a meat brand!

The work has been an outstanding success for Gressingham, the brand and the business. It has made money, and made duck more accessible to consumers.



3. Project overview

Gressingham Duck



The Old Branding

Outline of brief

By 2010 Gressingham's turnover had reached £90m, achieved largely through acquisition. The company was supplying a large proportion of fresh duck to UK retailers and this business accounted for 45% of turnover. To maintain organic growth and increase penetration, Gressingham had a clear strategy to market the category and invest in its own brand.

Total volume sales (units) of fresh duck were falling, evidenced by whole bird sales which had been in long term decline.

Historically sales had been supported by major promotional activity, particularly in 2010 - 2011. In the year prior to launch total volume sales (units) of fresh duck had declined by -14.5%.

Gressingham's decision to review their brand coincided with the most challenging trading conditions. Margins have been squeezed as a result of huge increases in costs - feed accounts for 50% of production costs and prices have doubled in the last five years. This meant that deep cut promotions were no longer viable and the business cut back, resulting in a reduction in feature end space. Investment in the brand was essential to defend the business against spiralling costs and reduced promotional activity. At the same time, it would help to build the inner strength of the business and make it more resilient in volatile trading conditions.

Duck is a marginalised meat - a popular choice in restaurants rather than something cooked at home mid-week. Gressingham wanted to reposition duck as an affordable treat and also create a brand that would allow them to extend the range through NPD. The challenge was to reassure consumers - remove the fear of cooking and inspire use. However, we needed to retain existing consumers, keep the premium cues of existing brand - black and gold - and build on the subtle nod to duck in the logo.

In short we needed to improve shelf impact, product visibility, help people locate it and make it accessible to all.

3. Project overview continued

Gressingham Duck



Before: The Old Gressingham packaging

The design brief was simple

- 1. Help people find it** - drastically improve in store visibility and brand standout at the fixture.
- 2. Create real brand authority**, by becoming the consumers signpost for the category. With the aim of putting Gressingham on the shopping list – not just duck.
- 3. Make it more accessible**, remove the fear of cooking duck – Instil confidence and offer know-how so consumers buy more duck.

Gressingham set themselves a visionary goal – making a public statement through their marketing strategy. With the rebrand Gressingham sought to attract half a million new shoppers to the category over a three-year period. Kantar and Nielsen June 2011 both estimate penetration at 7% for fresh duck.

The return on investment objectives for the project were also clearly identified.

- 1. An immediate uplift on rate of sale** for existing sku's resulting from improved visibility and on-shelf impact in-store. - Aspirational Target +5%.
- 2. Increased distribution** for new and existing sku's resulting from greater retailer confidence and support for the new brand-led category strategy.

The target was firstly to protect the existing Tesco and Waitrose existing branded business then to grow branded business converting one retailer to Gressingham brand, and finally to gain retailer acceptance of, and listings for 2 new products.

- 3. Greater consumer engagement with the brand** through the introduction of a new identity driven primarily by on pack marketing communications.

Target: A +25% increase in web visitors driven from on pack communications.

Before: The Old Gressingham packaging was hard to locate on shelf



3. Project overview continued

Gressingham Duck



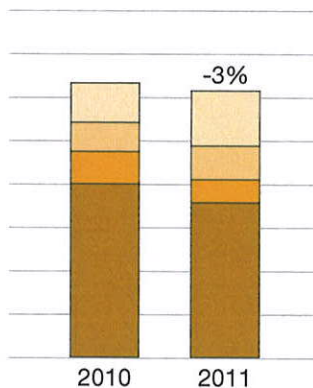
The Buchanan Family

Description

A family business founded in 1971, Gressingham Foods is the only company in the world licensed to produce Gressingham Duck, a unique cross-breed of wild Mallard and Pekin renowned for its superior taste, higher percentage of breast meat and succulent taste. Having built on the success of the Gressingham Duck, the company has extended its product portfolio to include geese and speciality poultry as well as speciality meats and ready meals under the Gressingham Foods name.

The Gressingham range: The focus of the Gressingham range is fresh duck – typically whole ducks and portions which account for 45% of retail. Other products are segmented under cooked duck, aromatic duck, and a small range of speciality poultry products such as poussin, guinea fowl, and quail.

Gressingham unit sales by product area



- Fresh Duck
- Cooked Duck
- Aromatic Duck
- Specialty Poultry

Overview of market

2011-2012 witnessed a brutal trading environment characterised by a +50% increase in feed prices and reductions in heavily funded promotions.

There's a marked absence of strong brands in premium fresh/chilled meat. It is generally regarded as a commodity product sector - 'meat'. There are a small number of brands in processed chilled meats but if anything these work against the sector with poor quality perceptions. Consequently, Gressingham saw the potential to develop its brand in the category as a beacon of quality and reassurance.

The fresh duck category is a small section lost in the much larger fixture of fresh chicken. It is a limited area that is not open to increasing its footage or product range. Gressingham therefore needed to maximise their impact within the existing small canvas.

Yet the opportunity for duck was evident. **Household penetration for duck was low at 7%, compared with 32% for lamb.** 27% of those who buy duck say they buy it monthly compared with 60% for lamb.

However, 51% eat duck in a restaurant, so the key aim was to close this gap. 90% of those who don't cook duck at home say they would, and 83% claim "I don't know how to cook duck" - perhaps the biggest barrier. Also two thirds of the people who buy duck do so only once a year.

3. Project overview continued

Gressingham Duck

x2

duck breast is more than double
the price of chicken

So, making an impact with duck would be difficult.

Duck is a high value item (see price comparisons) - a perception that's exaggerated in the depth of a recession. To complicate matters, people are scared of cooking duck, reluctant to experiment and place it in front of the family for fear of rejection. It's all a bit high risk.

Most like the taste of duck but few cook with it, so the challenge for the brand is to give people the confidence to have a go. Attractive packaging with reassuring instructions are therefore vital components, coupled with inspiring recipes and new products that appeal to a new generation of duck buyers.

| Comparative Protein | Price per kg |
|-------------------------------------|---------------|
| Gressingham Duck Breast | £21.42 |
| Tesco Sirloin Steak Fillet | £18.00 |
| Tesco Lamb neck fillet | £15.00 |
| Tesco Finest Cornfed Chicken Breast | £14.00 |
| Tesco Healthy Living Chicken Breast | £10.00 |
| Tesco Everyday Value Chicken Breast | £7.70 |

Project launch date

April 2012

Size of design budget

£87,970

3. Project overview continued

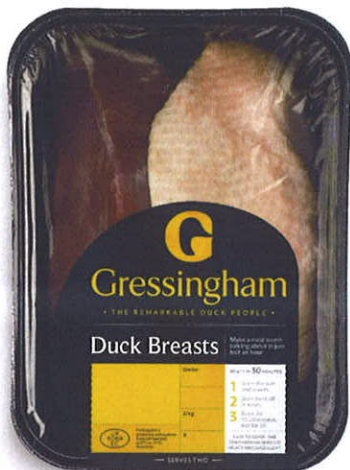
Gressingham Duck



Old logo



New iconic marque



New label design

Outline of design solution

Redefining the brand:

Working with a cross section of Gressingham stakeholders to redefine the brand, we repositioned them as, "The remarkable duck people". This line was added to the identity to help distinguish between ordinary duck and the Gressingham breed, elevating Gressingham's status and communicating why it's worth paying more.

Creating an iconic new marque: The previous brand mark was a lower case 'g' with a subtle typographical nod to duck - rather too subtle for most consumers. We created a distinctive new amber and black brand mark to make Gressingham immediately synonymous with duck. Our aim was to deliver an intelligent mark, 'a smile in the mind solution' giving a sense of discovery when consumers recognise the duck's head within the 'G'.

Standout packaging: The black and dull gold of the old packaging offered generic premium quality cues. We recognised the need to build on this, taking existing consumers with us but at the same time attracting new customers. We replaced the gold with mottled amber - the colour of a duck's bill - to deliver warmth and standout in a cold category. We crafted the Gressingham wordmark to add a sense of quality, style and authority appropriate to the product and the breed.

Our packaging redesign took inspiration from the curves of the G mark and applied those to the label shape. By creating a contrast with the square labelling typically employed in the meat cabinet, we visually disrupt people's scan of the fixture, improving standout and establishing Gressingham as the consumers signpost to the category.

The category is dominated by the mandatories of the price/weight label, with large areas of the pack covered by technical information, Use By dates and so on. We recognised the opportunity to reinforce the brand in this area too by introducing the amber colour behind this information.

Introducing an approachable tone of voice: We introduced the simple 3-step cooking process on the label, to communicate the ease of cooking. We flagged the 30-minute cooking time and used aspirational language - 'Make a meal worth talking about in just half an hour' - suggesting a reward for the cook.

MAKE A
TAKEAWAY IN
40
MINUTES

1 Roast the duck,
prep the pancakes
and your veg.

2 Use forks to shred
the duck meat.

3 Assemble the
pancakes and
tuck in.

EAT OUT WITHOUT GOING OUT

3. Project overview continued

Gressingham Duck

Outline of design solution (Continued)

The back of pack was designed to make it easy to use and understand. Recipes were featured to help overcome consumers' fears about cooking and to inspire them to use duck more often.

Merchandising impact: The category typically features trays stacked on their sides so the visible area is greatly reduced. However, we were able to use this face as a hot spot, signposting shoppers towards the Gressingham brand.

Accessible to all: The range was simply structured to make it easy to shop and try duck products. Easy 'scratch cook', takeaway, interesting roasts, treats made easy, and options for culinary foodies. - all following the distinctive house style.

Guidelines were created to enable Gressingham to control the brand consistently across all touch points. New 'scratch cook' products with sauces were introduced later in the year to provide new culinary inspiration.

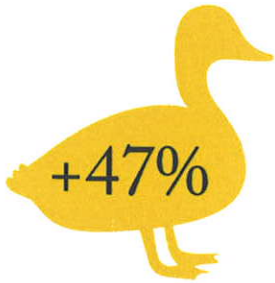
496 words

Strong merchandising impact at the point of sale



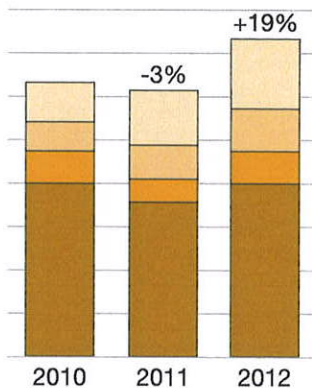
4. Summary of results

Gressingham Duck



increase in sales value for Gressingham brand 2012

Gressingham unit sales by product area



- Fresh Duck
- Cooked Duck
- Aromatic Duck
- Specialty Poultry

+11.5%

sales volume increase in 2012 reversing a -14.5% decline in 2011

Results

Gressingham has fulfilled all the ROI criteria and objectives outlined at the beginning of the project.

1. An immediate uplift on rate of sale for existing sku's resulting from improved visibility and on-shelf impact in-store. (5% target set)

The Gressingham brand is highly visible making a major impact in store, helping the consumer to locate duck products among the vast range of fresh poultry. Once located the range is easy to navigate and shop at the shelf.

"The packaging looks good, it's neater and makes it better quality. I can see more of the bird"

Quote from consumer research

In a brutal trading environment, with no increase in fixture space allocation Gressingham has increased brand sales and turnover. **Gressingham brand sales increased +47% in 2012.**

Turnover figures jumped £6m to £98m in 2012 up from £92m 2011 and £90m 2010 – the lower increase in turnover being due to some switching from own brand into the Gressingham brand. Though significant organic growth was also achieved with the brand driving this. The company expects to break through the £100m mark in 2013.

Total unit sales for all product segments Fresh Duck, Cooked Duck, Aromatic Duck and Specialty Poultry **increased by +19% reversing the -3% decline of the previous year.**

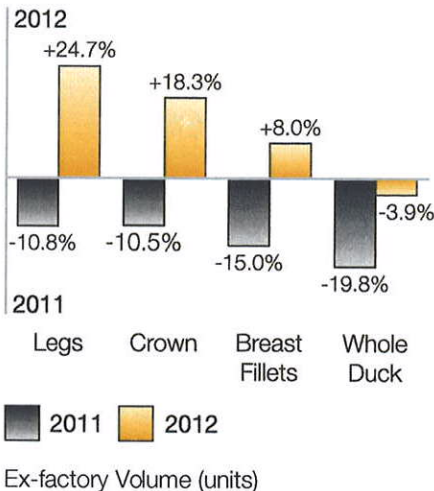
Looking at the core range of fresh duck, **total volume sales (units) of fresh duck increased +11.5% in 2012 reversing a decline the previous year of -14.5%**

Investment in the brand was an essential component of defending the business against spiralling costs and reduced heavyweight promotions. **Sales in Q1 2013 were at parity with Q1 2012 but with much reduced end space promo activity.** Consequently the brand work has enabled Gressingham to build the inner strength of the business and making it more resilient in volatile trading conditions.

4. Summary of results continued

Gressingham Duck

2012 Fresh Duck Sales Performance



We also wanted to remove the fear of cooking duck – key to encouraging people to purchase.

Sales across the core range of fresh products (45% of turnover) saw great improvements and trial from consumers.

Leg sales volume

+24.7% 2012 vs 2011 (compared to -10.8% 2011vs 2010)

Crown sales volume

+18.3 % 2012 vs 2011 (compared to -10.5% 2011vs 2010)

Breast fillets sales volume

+8% 2012 vs 2011 (compared to -15.0% 2011vs 2010)

Whole Duck

-3.9%* (compared to -19.8% 2011vs 2010)

* Whole bird sales have been in long term decline over the last five years as more consumers move to portions, and less promotional space is allocated to whole bird.

+222%

increase in sales of aromatic duck

Sales of redesigned products such as Aromatic Duck are up a huge +222%

Given the large increases in feed costs, small price increases were implemented in late September 2012 but are not significant. In fact overall £sales show slightly less growth at 10.8% than the 11.5% unit growth largely due to the change of product mix - less of the higher price point whole bird with more of the lower price point portions and new products designed to attract new consumers.



2. Increased distribution for new and existing sku's resulting from greater retailer confidence and support for the new brand-led category strategy.

The target was to protect the existing branded business, to grow new branded business, converting one retailer to Gressingham brand and finally to gain retailer acceptance of, and listings for 2 new products.

The Gressingham brand received a hugely positive trade response to the rebrand work. The stronger brand offer and the strategic category development plans have changed retailer perceptions of Gressingham resulting in distribution and listing gains across the retail trade. Market growth is being driven by the brand.

4. Summary of results continued

Gressingham Duck

+85.4%

sales volume increase in Morrisons

The Gressingham brand remains in place and Waitrose performance still very strong (significant overtrade relative to grocery share and sales up +16% in 2012).

ASDA switched from entirely own label to Gressingham brand products in July 2012, a strong signal to the trade of their confidence in the Gressingham brand. Other gains and subsequent sales increases came from a blend of organic growth, especially Tesco, Morrisons and Sainsburys.

Morrisons a retailer who significantly underperformed in the category made a decision to increase support for the Gressingham brand, increasing listings and distribution. As a result, sales volume leapt +84% 2012 vs 2011. The latest Kantar figures to 17th March 2013 show an +85.4% increase.

Tesco who had previously switched from own label to the Gressingham brand in 2011 saw sales increase. With the relaunch of the brand in 2012 they saw double digit growth again. **The Dunn Humby figure for 52weeks to end March (i.e the rebrand period) is +15.1%**

Even the most established retailers like Waitrose and Sainsbury who over index in duck sales saw significant sales volume increases with:

Waitrose: +15.9% 2012 V 2011

Sainsbury: +9.3%2012 V 2011

+15.9%

sales volume increase in Waitrose

4. Summary of results continued

Gressingham Duck

+£1m

sales value in only 4 months

NPD: The listing target of two new products was achieved. Three new 'simply duck' products with sauces such as Boozy Duck, Tangy Duck and Sticky Duck were launched in Sept 2012. Their challenge to establish themselves was particularly difficult with no increase in footage, which meant the range had to work harder within restricted space. Nevertheless the products achieved over £1m sales value at RSP in only 4 months from listings in Tesco, Sainsburys Ocado and Waitrose. Since 2012 some of the range has been listed by Morrisons, and the Co-Op.

Overall: Following the rebrand Gressingham now has added confidence...

"You just don't get strong brands in chilled particularly in meat! This brand work has now enabled us to have conversations with the retailers that we would not have had previously."

**William Buchanan, Commercial Director,
Gressingham Foods**



One of the new NPD products

4. Summary of results continued

Gressingham Duck

+50%

increase in daily site traffic



3. Greater consumer engagement with the brand through the introduction of a new identity driven primarily by on pack marketing communications.

Target: A +25% increase in web visitors driven from on pack communications.

Gressingham is not a business blessed with a huge marketing budget. Its annual budget of £350k remained static year on year 2012 vs 2011. (NB: a split of how this spend is structured is included in the other influencing factors section) Consequently, Gressingham has had to think and act differently, maximising consumer touchpoints. Hence its marketing drive, primarily driven from the packaging itself.

Consumer engagement was driven from the pack and back of pack copy played the major part in this. The simple pack layout and down to earth tone of voice promoted ease of cooking and use. The website address featured prominently on the back of pack, driving traffic to the site for helpful tips and recipe information. Recipes were also featured on the reverse of peel-off labels or tray sleeves.

On-pack competition leaflets and recipe books have been given away with packs helping to increase traffic to the website, where consumers can learn more about how to cook duck and be inspired by further recipes.

Relaunched in October 2012, the website acts a consumer hub and as well as recipes, features how-to videos and stockist information.

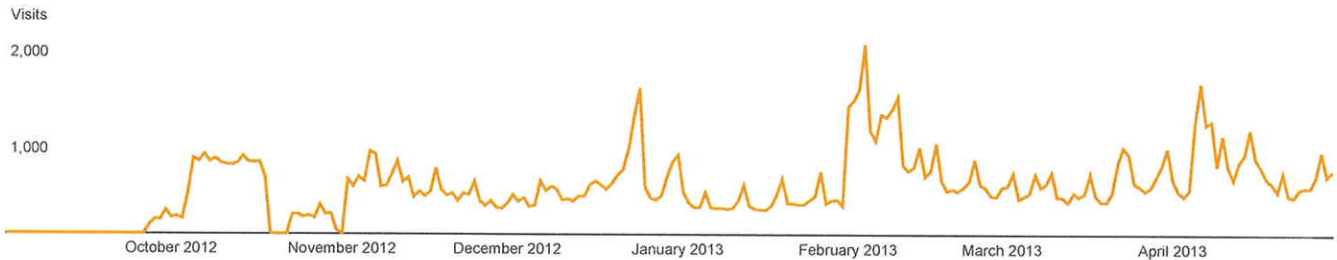
Daily traffic to the new site is up +50% compared to the old site, significantly beating the +25% ROI target set at the beginning of the project. All purely driven from the on-pack communications.

4. Summary of results continued

Gressingham Duck

Audience Overview

1 Sept 2012 - 30 April 2013



95,278

people visited the site since launch 1st October 2012

The graph provided shows the dramatic spike of activity and interest in people searching for duck recipes over the Christmas period 2012 followed by the Valentines Day on-pack promotion.

Latest figures show that in the 7 months since the new site was launched on 1st October 2012, Gressingham has had 95,278 unique visitors.

The web analytics are significant. The start of the growth coincides with the introduction of the new packs which featured the site address much more prominently.

59%

brand preference verses own label 17%

Increased Brand Awareness

Consumers are now recognising the Gressingham brand in a category that traditionally has no major brands New consumer research* shows **spontaneous brand awareness in an unknown category at an impressive 28% and prompted brand awareness is 63%**

Brand preference versus own label reveals 59% Gressingham 17% own label, 24% don't know.

Brand preference versus own label on key attributes such as best quality, tastiest, most ethically reared, freshest, and cheapest, Gressingham wins by far on all but price.

* Quantitative research conducted by Insight track April 2013 with 600 consumers 50% current duck buyers and 50% non duck buyers.

4. Summary of results continued

Gressingham Duck



Gressingham has become the first ever fresh meat brand to be awarded Coolbrands status 2013. Quite an achievement for a meat brand!

Gressingham was voted branded supplier of the year for meat, fish & poultry by buyers in The Grocer's recent awards, where retail buyers said:

"We have chosen Gressingham for its professionalism in managing our business and developing a refreshing new innovative packaging format to drive new sales, reacting to challenging markets."

Source The Grocer magazine 2013

Cost savings: The success of the brand work and the resulting conversion of retailers from own brand to Gressingham brand has reduced own label presence on fixture. As a result of the brand update Gressingham have been able to streamline their packaging process, are seeing lower levels of packaging write off compared to its retailer brand and are better able to manage brand standards and consistency on shelf.

We said that the start of this entry the brief was simple. Working together as a client and agency team we have delivered on every aspect and every measure.

At the start of the project we said we wanted to achieve several things...



We said we wanted to help people find duck: The iconic Gressingham 'G' identity with integral duck's head is a landmark for consumers and their way of locating the wider category on the fixture.



We said we wanted to create real brand authority: Retailers are embracing the Gressingham brand and converting from own brand to Gressingham brand.



We said we wanted to make duck more accessible and remove the fear of cooking duck: Consumers are now buying more duck. The simple, approachable presentation and helpful tone of voice, has encouraged people to embrace duck and removed any fears about cooking.

For the Gressingham team, that's three ducks in a row.

5. Other influencing factors

Gressingham Duck

Other influencing factors

Was the success due to TV advertising?

No. Gressingham does not have a huge marketing budget. It does not do any advertising. Its annual budget of £350k remained static from 2011 to 2012. As we have demonstrated, Gressingham's marketing has been largely driven from the packaging itself as a platform for the brand.

The £350k Gressingham marketing budget was roughly apportioned as follows.

£160k packaging and identity relaunch and origination
£95K digital website
£95k on pack mechanics

Was the value growth due to price increases?

No. Given the large increases in feed costs (over 50% of production cost) small price increases were implemented in late September 2012 but are not significant. In fact overall sales show slightly less growth at 10.8% than the 11.5% unit growth largely due to change of product mix - less of the higher price point whole bird with more of the lower price point portions and new products designed to attract new consumers.

Were the increases due to lots of new products?

No. This project was essentially the repackaging of an existing brand and range of fresh duck products that form 60% of turnover. Some new revenue was attributable to the 3 new products introduced into the fixture and these have been very successful additions at a price point that is attractive. However, these were only launched in September 2012 - after the main range which was relaunched in April 2012. We expect bigger things from them in the future.

Were the results due to heavy promotional activity?

No: As we have highlighted earlier in the entry, deep cut price promotions which had been a feature of previous year's performance were no longer economically viable. Price promotional activity reduced year on year with less promotional gondola end activity for whole duck. Indeed sales for 1st quarter were equal to last year's without the intensity of price cuts.

6. *Research Sources*

Gressingham Duck

Research resources

Data sources quoted are from Kantar data, Internal Business data and Tesco Dunn Humby data.

A large statistically quantitative consumer research study was conducted in April 2013 by Insight Track among 600 shoppers (50% current duck buyers, 50% prospective duck buyers). The fieldwork took place in April, so provides a picture one year after the launch of the new identity.



Gressingham

• THE REMARKABLE DUCK PEOPLE •