



# HiPP Organic

## Branding & Packaging Redesign

Advancing brand prosperity in a declining market

Category 4 Packaging

Sub Category 4.1 Branded – Food

Client Hipp UK Ltd

Design Consultancy Design Activity Ltd

6 July 2012





**Sales increase**



**Incremental revenue**

## Executive summary

HiPP was the number two brand in wet baby food behind Cow & Gate but was only marginally ahead of Heinz. As the original 'organic' food brand, HiPP's proposition was unique, but this platform had been eroded by new competitor offerings and the launch of new style formats such as pouches. In particular, 'organic' was being devalued in jars (the biggest category) due to permanent cross brand multi-buy promotions across all supermarkets, allowing mums to buy any brand for the same price.

The launch of pouches with their premium positioning and organic status, was further eroding any premiumisation HiPP had, through the perception that pouches were fresher, more natural and less processed than jars. The increasing negative perceptions about jars (and their contents) made it clear to HiPP that re-establishing food values in this format was an absolute necessity.

The existing HiPP design still retained a degree of shelf impact through its liberal use of yellow across the range, but this undermined HiPP's organic premium status and there was a distinct lack of food credentials... the hallmark of HiPP's heritage founded over 50 years ago.

Following the recent and commercially successful redesign of HiPP's organic milk range, Design Activity were briefed to look at the branding and redesign of the HiPP baby wet food range, with the objective of strengthening HiPP's No.2 position in the whole market and becoming the No.1 brand of choice in jars.

The baby food market is quite complex with its wide range of product categories, three distinct life stages of baby development, a raft of legislative constraints and a very discerning purchasing guardian in mothers! To make matters more challenging, HiPP have an extensive repertoire spanning seven different packaging formats across 100 SKU's!

Word Count 292



# Project overview

## Design objectives

- ♥ **1. Branding.** To update and modernise the HiPP branding, it's organic essence and it's relationship with the packaging through subtle evolvement.
- ♥ **2. Food values.** To instil food values through the infusion of freshness and creation of product believability.
- ♥ **3. Ranging.** To create a design architecture capable of working effectively across a diverse range of sizes, formats and substrates.
- ♥ **4. Simplicity and clarity.** To facilitate improved consumer engagement and better understanding of the product offer through single minded hierarchy.  
To introduce a clear, simple and easily recognisable life stage regime to help mothers with navigation and choice.
- ♥ **5. Differentiation.** To create a design proposition that is both ownable and clearly differentiated from the competitive set.
- ♥ **6. Shelf impact.** To establish a livery that works effectively to create real impact on shelf, leveraging the HiPP brands credentials to grab consumer attention.

£190,000

Design Budget

FEB 2011

Launch date





# Project overview continued

## Marketing & business objectives

- A) To reverse the negative perceptions of jars and elevate HiPP's position away from non-organic brands Cow & Gate and Heinz, by reinforcing HiPP's premium organic values.
- B) To reverse the decline in HiPP jar sales by injecting elements that mums buying into pouches were looking for i.e fresh, food values.
- C) To be the No.1 brand in wet foods.
- D) To achieve HiPP dominance by value and volume in the biggest segment of the market... jars.
- E) To become the No.1 player in tray meals.
- F) To own the 'food experts' positioning in wet foods and create a leadership status in terms of consumer trust.
- G) To build and promote HiPP's brand essence as 'the best' organic offering... organic plus!

## Overview of the baby food market

The baby food market splits into four categories:

- i) Wet foods
- ii) Dried
- iii) Drinks
- iv) Finger foods

The total market in December 2010 was approximately £242 million, of which wet foods account for £156 million.

Wet food comprises of jars, cans, pots, pouches and tray meals; collectively they account for 64% of all sales in the baby food market.

Within wet foods 60% of all volume is in jars and cans.

Jars and cans as a category has seen a 5% year on year decline, despite heavy promotional activity by the trade.

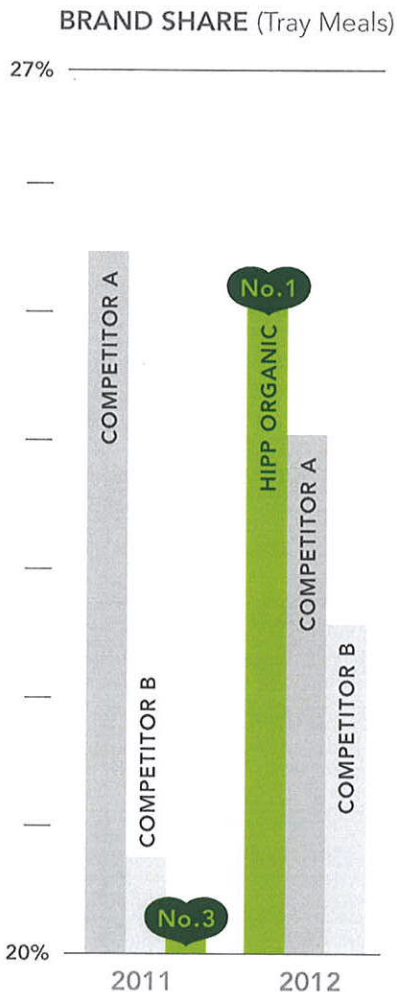
The baby food sector is driven by three life development stages, addressing specific needs of the baby (and mum) through meal regime, flavour, texture and variety.

From 4 months (weaning)

From 7 months

From 10 months

HiPP's status in wet foods pre redesign was a distant No.2 overall, No.2 in jars and No.3 in ready meals.



HiPP tray meals, value sales increased by 28%, representing £1.2 million moving from No.3 to the UK's number 1!

## Outline of design solution

100

SKU's across four  
different variants

70 Jars

13 Savoury pots

10 Fruit pots

07 Tray meals

Although the HiPP range extends across several categories, each with varying sizes and formats, we recognised from the outset that central to success would be the ability of any design to work effectively on jars.

Jars dominate the baby food category in terms of space on shelf, but individually their small labels make it inherently difficult to create impact through design. Our focus was to capture freshness and create strong food values, even on the smallest labels, whilst still communicating HiPP's brand essence as the best organic baby food offering.

The final design chosen after extensive and very conclusive research puts ingredients at the heart of the packs. The HiPP brand marque has undergone a refresh with some tidying and modernisation, but retaining its home spun clunky charm. The brand marque is anchored firmly at the centre of gorgeous ingredients photography by the use of a simple market stall label device that adds to the natural feel of the brand proposition.

Executing the approved design in a way that lost none of its freshness and flavour in translation was creatively and logistically very challenging. Everything was dependant on fastidious ingredient sourcing, meticulous preparations and masterful close up photography.

The jar range extends into some 70 flavour varieties. Not all ingredients were in season when commencing the photographic shoot so this had to be timetabled into the shooting script. Ingredient shots with similar looking components needed careful consideration to allow the consumer to "read" the contents instantly.





## Outline of design solution cont.

Legislation dictates a strict visualisation of the ratio of ingredient quantities contained within each jar, detailed sketches of each photograph needed to be analysed and signed off before committing to the final shot. To this end, client servicing of the highest calibre was deployed to ensure the whole process ran on time and on budget.

In spite of the complexities of execution, the final design livery is remarkably uncluttered, with clear hierarchy that communicates very effectively the product variety and easily identifies the life stage. The nature of the creative solution enabled easy transference on to other pack formats in HiPP's diverse range, delivering enhanced brand impact through consistency of application and clear differentiation from the competitive set.

To further improve the in-store shopping experience for the consumer, the shelf ready packaging (SRPs) became an integral part of the design consideration, rather than the usual after thought.

Recognising the monotony of the single coloured non-descript 'card wall' of SRPs which invariably partially cover individual packs, we introduced photography into the SRP design, a first in category!

With the HiPP packs and their SRPs working together on shelf, the HiPP proposition is more clearly identified and the consumer is able to more easily navigate the fixture.

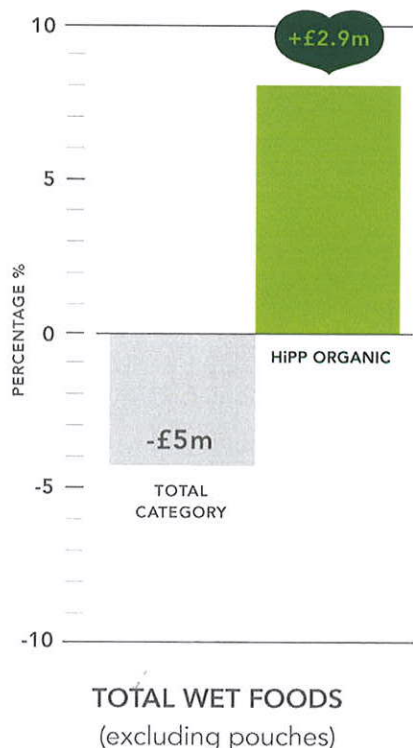
Wordcount 452



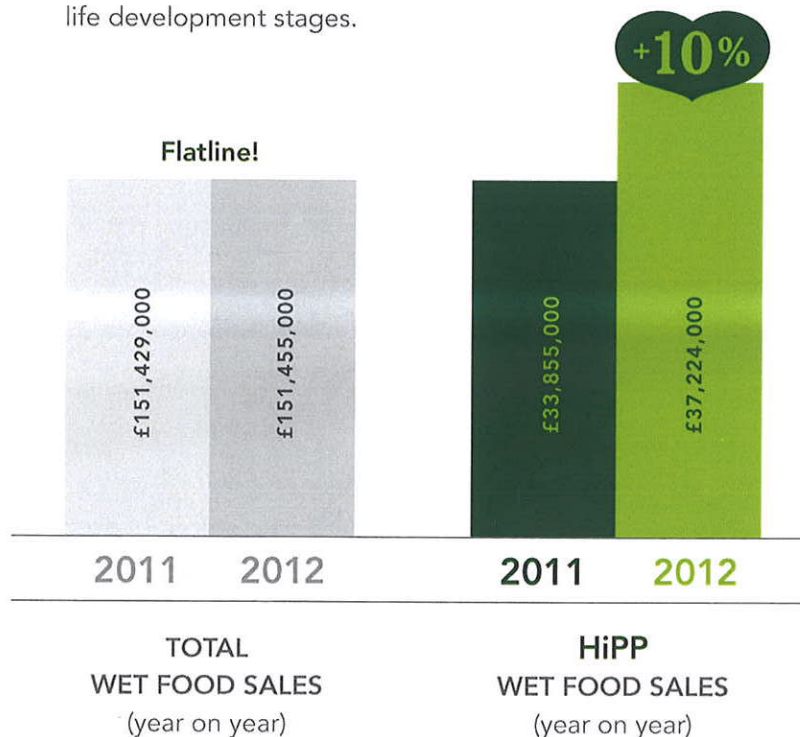
## Summary of results

The full introduction of the new branding and packaging redesign into the market has had a remarkable effect on HiPP's performance, in both value and volume sales, but also achieving more wide spread distribution and penetration across the marketplace.

### In the year ending April 2012



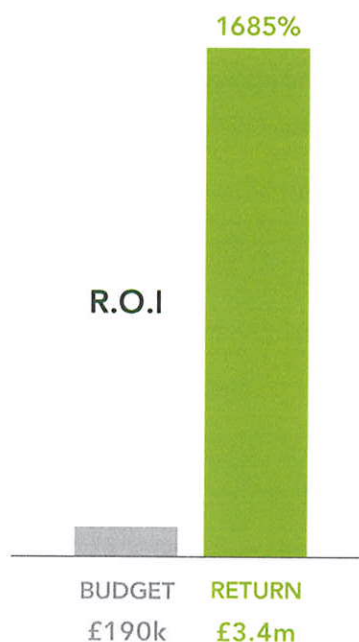
- HiPP total wet foods value sales have **increased by 10%**, representing a gain of **£3.4 million**, against the backdrop of a static market.
- Total wet foods excluding pouches (at the time HiPP had no real presence in this category) declined by £5 million (-4.2%) in contrast to HiPP's gain of **£2.9 million (+8%)**.
- HiPP Jar value sales **increased by 7%**, against a market decline of -5%.
- HiPP's Jar position by volume in this period moved from No.2 to **No.1**.
- HiPP tray meals value sales **increased by 28%**, representing **£1.2 million**, in a market only seeing 3% growth.
- HiPP's tray meal brand share by value moved from No. 3 to **No.1**.
- HiPP jar rates of sale have **improved on average by 15%** across the three life development stages.



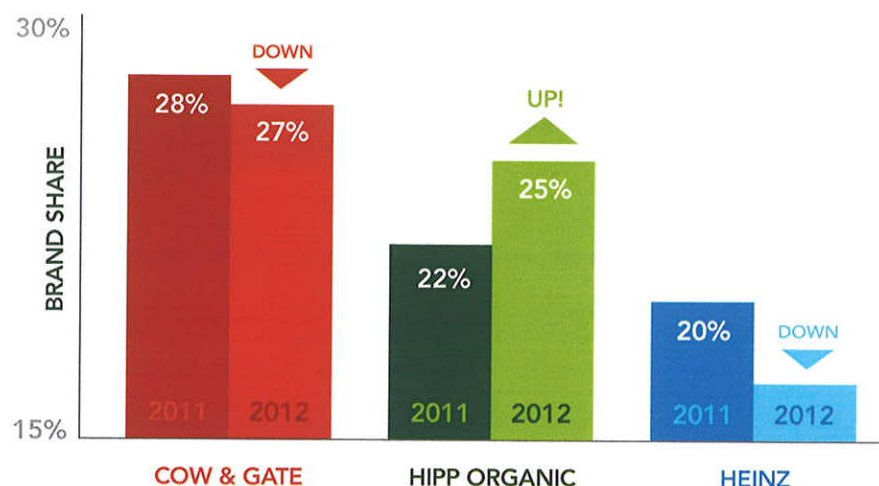


## Summary of results continued

- ♥ In 'all jars' the on-going supermarket cross brand multi-buy promotions have shifted the greatest weighted penetration percentage from C2 to D socio economic groups. In contrast, HiPP jars greatest weighted penetration percentage has shifted to AB. This suggests that the new design with its strong food values is attracting more affluent mums.
- ♥ HiPP jar volume sales as a proportion of the total jar market have increased from **31% to 36%**, in spite of continued and heavily promoted **non-brand specific value offers**.
- ♥ The new design has helped to leverage **new distribution** in Asda and Morrison's and **extended distribution** of existing SKU's in Sainsbury's and Waitrose.
- ♥ A recent survey through HiPP's baby club asking for comparisons between the old and new design received 1614 responses, **97.4%** of which were **strongly positive**.
- ♥ HiPP has strengthened it's No.2 position in total wet food by value, advancing its brand share by **13.6%**. In contrast, the brand share of Cow & Gate and Heinz has both declined by 3.5% & 15% respectively.
- ♥ In the first year post redesign, HiPP's Return On Investment was **£3.4m** against a design budget of £190k, creating a return of almost **18 times** the investment.
- ♥ The redesign has shifted HiPP's overall brand perception positively which has created a believable platform from which they can now launch into pouches.



### Wet Food Brand Share (by value)





## Other influencing factors

Jars as a category have been heavily promoted across all multiple grocers during the last 3 years, but the level of activity has been relatively consistent between the years.

In the last 18 months, promotional activity has shifted from brand specific to a multi-buy across all brands making all the same price! In spite of this, HiPP's share of jar sales has increased clearly indicating that the consumer is engaging with the new design and choosing HiPP over its competitors.

HiPP operate a baby club but there have been no significant initiatives that might impact sales between the 2 years.

There has been no other significant activity across the marketing mix that was incremental to the previous year. In fact, HiPP foods marketing spend has reduced by 20%!

Source: Symphony IRI. 52 w/e 21 April 2012



“ This was an extremely important project for HiPP at a time when the category was becoming increasingly competitive. We needed to re-establish HiPP's food credentials whilst creating strong shelf standout. Our large number of SKUs and different packaging formats created many challenges but Design Activity managed to deliver against all our objectives whilst adding some unique elements not seen before in our category.

The whole process from start to finish was managed exceptionally well. Not only has the redesign delivered us great results, it has also given us a strong platform for our recent launch into pouches... but that's another story! ”

Karen Smith  
Group Product Manager  
HiPP UK Ltd

