Müller Corner

From Müller to Müllerlicious. How Müller regained the no.1 spot

Design Business Association
Design Effectiveness Awards 2014

Project Title: Müller Corner Re-brand
Category: Packaging
Sub Category: Branded - Food
Client Company: Müller Dairy
Design Consultancy: Coley Porter Bell
Current Date: July 2014

FOR PUBLICATION

COLEY PORTER BELL

Executive Summary

Once the pinnacle of indulgence, when Müller launched into the UK market in 1988 with Müller Corner, the unique twin pot propelled it to market leader in 1992, making it the UK's best loved yogurt brand in just 5 years.[1]

However, with fierce competition, by 2010 Müller was deemed to be a Fading Star [2]. Müller's master brand strategy of brand blocking at shelf adopted in 2011 was failing to deliver appetite appeal. The 'wall of blue' was acting as a signpost to the brand, but failed to invite people in or help them find their favourite at shelf [3], resulting in brand share falling and declining penetration.

This is the story of how Müller and Coley Porter Bell relaunched the flagship Müller Corner brand as part of the overall redesign of the whole Müller range, with phenomenal success.

We did it by recognising the new role of food in people's lives, namely pleasure, and acknowledging that with the advent of celebrity chefs on TV consumer's perceptions of what delicious food looks like have been raised. Our new design solution therefore looks utterly delicious, or, as Müller likes to call it, 'Müllerlicious'.

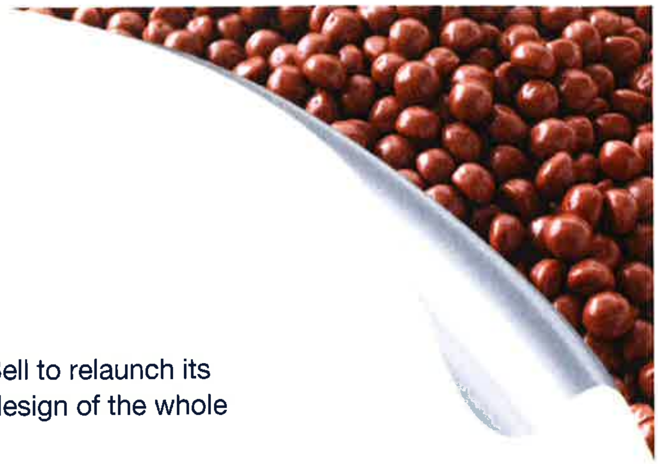
However, more than just looking delicious, what we have crucially done is to deliver individual propositions and personalities for each of the sub-brands to aid navigation and bring back the excitement that had always been there, but consumers were failing to see.

The results speak for themselves, with Müller hitting all their pre-defined objectives. Since the relaunch Müller Corner has returned to being the number 1 brand in CYPD (chilled yogurt and pot dessert) versus Activia, with a 10.3% value share[4]. Brand penetration increased from 43.7% to 45.7% YOY[5] with Müller Corner enjoying a £13m uplift in sales[6].

Word Count: 295

"Coley Porter Bell's leadership thinking and design played a fundamental role in returning Corner to number 1."

Michael Inpong Marketing Director
(Top 4 Marketing Society's Marketing Leader of the Year 2014).



Outline Of Project Brief

In May 2012, Müller Dairy approached Coley Porter Bell to relaunch its flagship Müller Corner brand as part of the overall redesign of the whole Müller range.

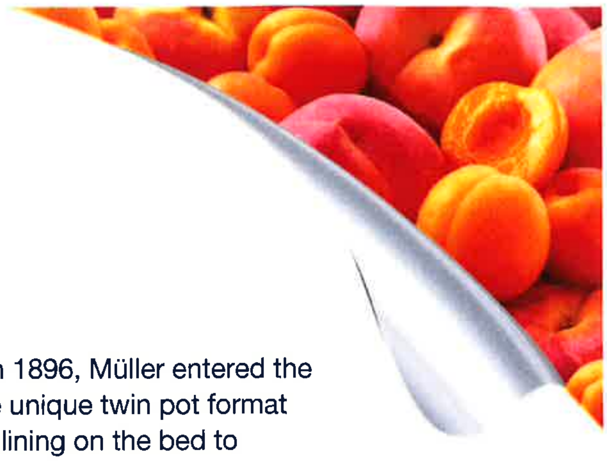
Müller's strategy of brand blocking at shelf was failing to deliver differentiation or appetite appeal. The 'wall of blue' acted as a signpost to the brand but failed to invite people in or help them find their favourite at shelf, resulting in brand share falling and declining penetration.

Design Objectives

- Increase pleasure and appetite appeal to create desire
- Deliver a more premium feel
- Redress the balance between brand blocking and sub brand differentiation – to aid navigation
- Define individual propositions and personalities for each of the sub brands within Corner: Greek Style, Fruit, Crunch, Breakfast, etc.
- Improve flavour differentiation

Business Objectives

- To regain the No1 spot from Activia
- To drive sales
- To increase penetration



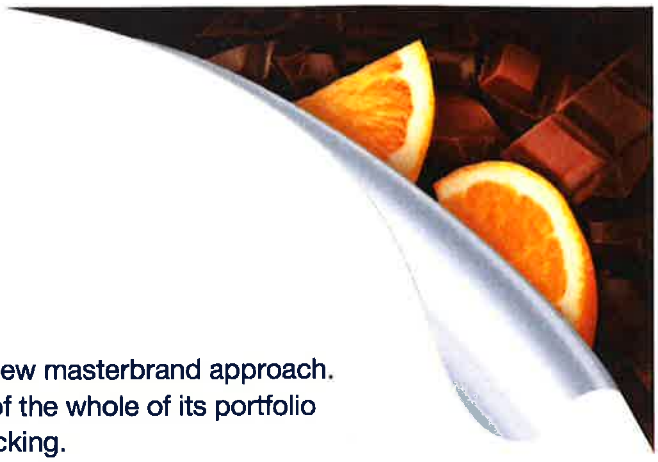
Description

Established by Ludwig Müller in a Bavarian village dairy in 1896, Müller entered the UK market in 1988 with the launch of 'Müller Corner'. The unique twin pot format and accompanying TV support, with Naomi Campbell reclining on the bed to indulge in her delicious Corner, caused a real sensation at the time, injecting some much needed excitement and indulgence into the CYPD category.

Its phenomenal success, together with the launch of Müllerlight and Müller Rice in 1990, propelled the brand to market leader in 1992, and the UK's best loved yogurt brand in just 5 years[7].

However, with fierce competition from Danone Activia, Rachel's Organic and Yeo Valley and own label upping their game, Müller was starting to lose its lustre with BrandZ categorizing the Müller brand as a Fading Star in 2010[8].

(CHART DELETED FOR COPYRIGHT ISSUES)



With Müller poised for decline, the brand adopted a new masterbrand approach. As part of this strategy Müller underwent a redesign of the whole of its portfolio (including Corner), working to a strategy of brand blocking.

However, research conducted by The Big Picture[9] in 2012 showed that the masterbrand approach was working to take customers to the brand but not through the brand.

There was minimal differentiation between Müller Corner, Müller Rice and Müllerlight or the Corner sub-brands (Greek Style, Fruit, Crunch, Breakfast etc) or flavours. People were confused, asking "Where is my Corner?". The range lacked excitement as consumers were failing to notice Limited Editions or new flavours:

"I've never noticed any limited edition flavours before, I didn't even realise they did them".

The packs failed to tempt or deliver intrigue at shelf. "The packs just don't look as good as it tastes. I know Müller and I know it's going to taste good but if I'd not seen it before I wouldn't be impressed."

Overall, it felt cold, unfriendly and stuck in the past: "The text on Corner is very processed, it's less friendly more hostile." "It looks like a pack from the 70's".

Before

Overview Of The Market

CYPD is a growing but competitive market, with Müller facing competition from other well established brands such as Danone's Activia, Rachel's Organic and Yeo Valley. There have also been a number of exciting new entrants such as Danone's Oykos and Perle de Lait. Matters came to a head in 2010 when Activia had taken the number 1 spot from Müller Corner in terms of market share (value)[10].

Within CYPD, key competitors all have strong identities reflected visually in their packaging. Activia with its active digestion imagery and arrow, Rachel's with its founder's signature and sense of purity and Yeo Valley with its innocence and naturalness. In contrast, Müller failed to have a strong visual identity, and in terms of packaging it was simply 'blue'.

Müller was also failing to play to the new rules of the food category. Consumer's expectations of what delicious food looks like have gone up. M&S had raised the bar and coined a new phenomenon; 'food porn', and with own-label and brands such as Gü had followed.

In developing our Corner design solution, we would therefore need to ensure that Müller Corner looked utterly delicious.

Size Of The Budget

(CONFIDENTIAL)

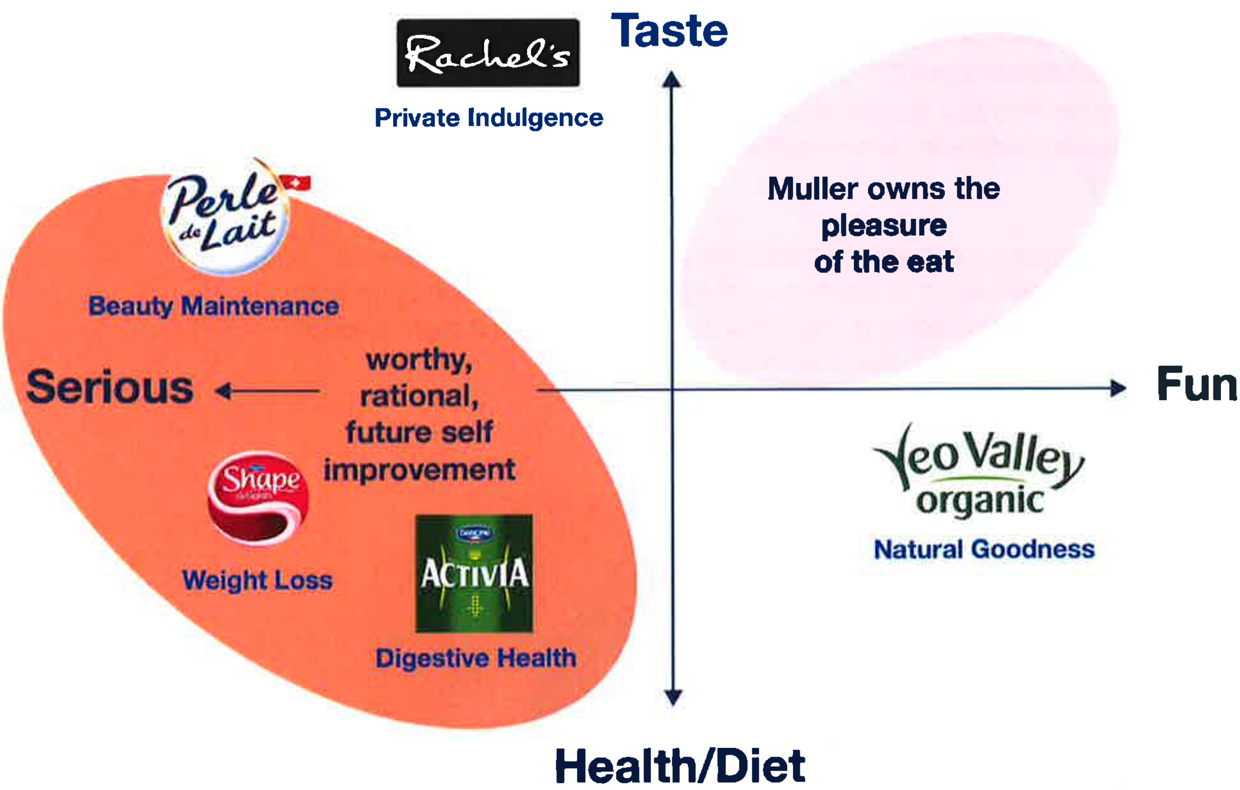
Project Launch Date

Phased launch from end November 2012, with all new Corner packaging in market by end December 2012.

Outline of The Design Solution

A New Brand Position For Müller/Müller Corner

Client analysis of the market showed that major brands could be mapped on 2 axis: with Müller's key competitors Activia, Shape and Perle de Lait being quite worthy, rational and about future self improvement.



Source: Müller Dairy

We all know yogurt is intrinsically healthy. It's a given. The opportunity for Müller therefore lay in embracing the pleasure of now and offering 'food for pleasure'.

This fits with the new zeitgeist of food pleasure for its own sake rather than rational/functional needs. People today are looking for indulgent snacks that are healthy vs pure healthy, new flavours and textures to deliver sensory experiences and 'good mood food'.

Müller Corner's new positioning was defined as 'The pleasure to put a smile on everyone's face'.

With the advent of celebrity chefs on TV and programmes such as the Great British Bake Off, consumer's perceptions of what delicious food looks like have moved on. We therefore defined an overarching proposition for Corner around desirability: 'Beautifully delicious and enticing'.

The advertising and packaging had two different yet complementary, purposes: advertising to capture consumer's imagination and bring them to fixture, and packaging to then 'seal the deal' by guiding them through the fixture. Clear navigation was crucial.

A new architecture to aid navigation and drive penetration

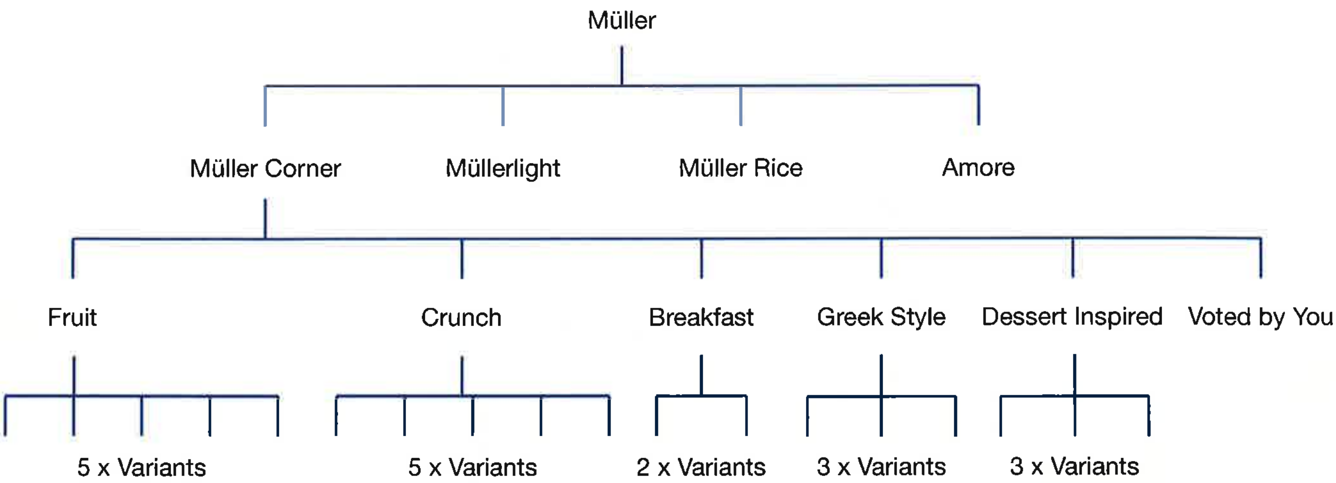
A new Corner architecture was therefore developed based on individual sub-brand propositions and personality.

- Fruit and Crunch – absolutely the most delicious, enticing yogurt
- Breakfast –the obvious breakfast choice
- Greek Style – delicious, sunny, blue skies, a Greek holiday post card
- Voted by You – exciting flavours chosen by you
- Dessert Inspired – delicious dessert combinations, luxuriant, feminine, multi-sensory

Operating in a market where penetration is high, highlighting the unique aspects of the sub brands not only helps navigation, it also aids excitement and drives consumer penetration. As highlighted in consumer research prior to relaunch[11]:

"I can spend quite a while on the yogurt aisle. I like to look for new things…but I don't look in Müller because they don't change their flavours and never bring out anything new".

We renamed Limited Edition to 'Voted by You' to highlight new news and give British Classics (previously part of Limited Editions) its own sub-brand pillar 'Desserts Inspired', all to increase



The Design

The new design for Corner reintroduces the iconic Corner peel back as an enticing invitation into the delicious combination of Müller yogurt and the individual flavour/sensory experiences. It also communicates a sense of spontaneity, giving into 'the pleasure of now'.

The Corner logo has been redesigned to be more modern, feminine, curvaceous and enticing, whilst a reduced Müller logo allows greater emphasis on appetite appeal.

Blue has been kept as a brand colour across the range, but, changes in tonality as it is gives meaning to aid differentiation. Azure blue is used to convey 'picture postcard Greece' for Greek Style, or 'a bright sunny morning' for Breakfast. Dessert Inspired has been given a tea shop feel with the pink polka dot peel back and a 'Voted by You' rosette. This effectively gives a distinct personality to each of the sub-ranges to aid differentiation and give greater stand out to the ever changing 'Voted by You' range.

Word count: 528 (including quote of 34 words)

The Results

Müller has hit all three objectives of the relaunch :

The improvement began from the launch of the new packaging at the end of December 2012 and the success is ongoing.

In this first section we have focused on the long term success of the relauch over a 12month period.

1. Müller Corner has regained its no 1 position

Since the launch of the Müller Corner redesign at the end of December 2012, Müller Corner has regained its market leader position over Danone Activia[12].

Ranking: Last 12 months

	Value % Share of CYPD L12M
MÜLLER CORNER	10.3
DANONE ACTIVIA	9.7
MÜLLER LIGHT	7.3

Source: Nielsen Dec 2013

Of note, is that this has been achieved on a last 12months basis i.e. proving that this ranking has been over a sustained period.

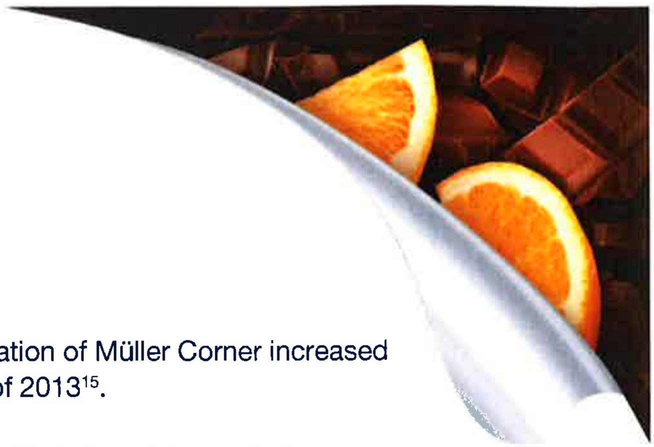
2. Value sales of Corner have increased by £13 million (yoy)[13]

Müller Corner have enjoyed an uplift in value sales of 6% year on year, from £202m to £215m (MAT Dec 2012 v Dec 2013)[14].

And the trend is strong.

Value % share of CYPD	L12M 2011	L21M 2012	L12M 07.12.13	L6M 07.12.13	L3M 07.12.13	LM 07.12.13
MÜLLER CORNER	10.0	9.8	10.3	10.5	10.7	10.8

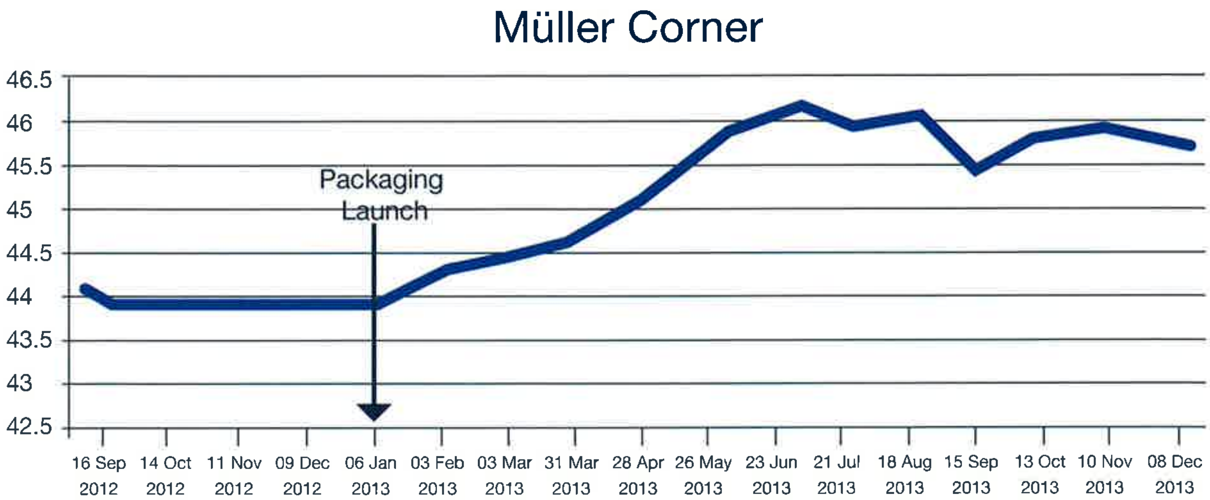
Source: Nielsen Dec 2013



3. Penetration has increased

After a long term decline in penetration, brand penetration of Müller Corner increased from 43.7% at the end of 2012 to 45.7% by the end of 2013[15].

The upturn started with the introduction of the new pack design at the end of December and has been ongoing.



4. Müller won Brand of The Year at The Grocer Gold Awards 2014

The results for Müller Corner, and the Müller brand overall, have been recognised industry wide, with Müller winning the coveted 'Brand of The Year' at The Grocer Gold Awards 2014.

Other Influencing Factors

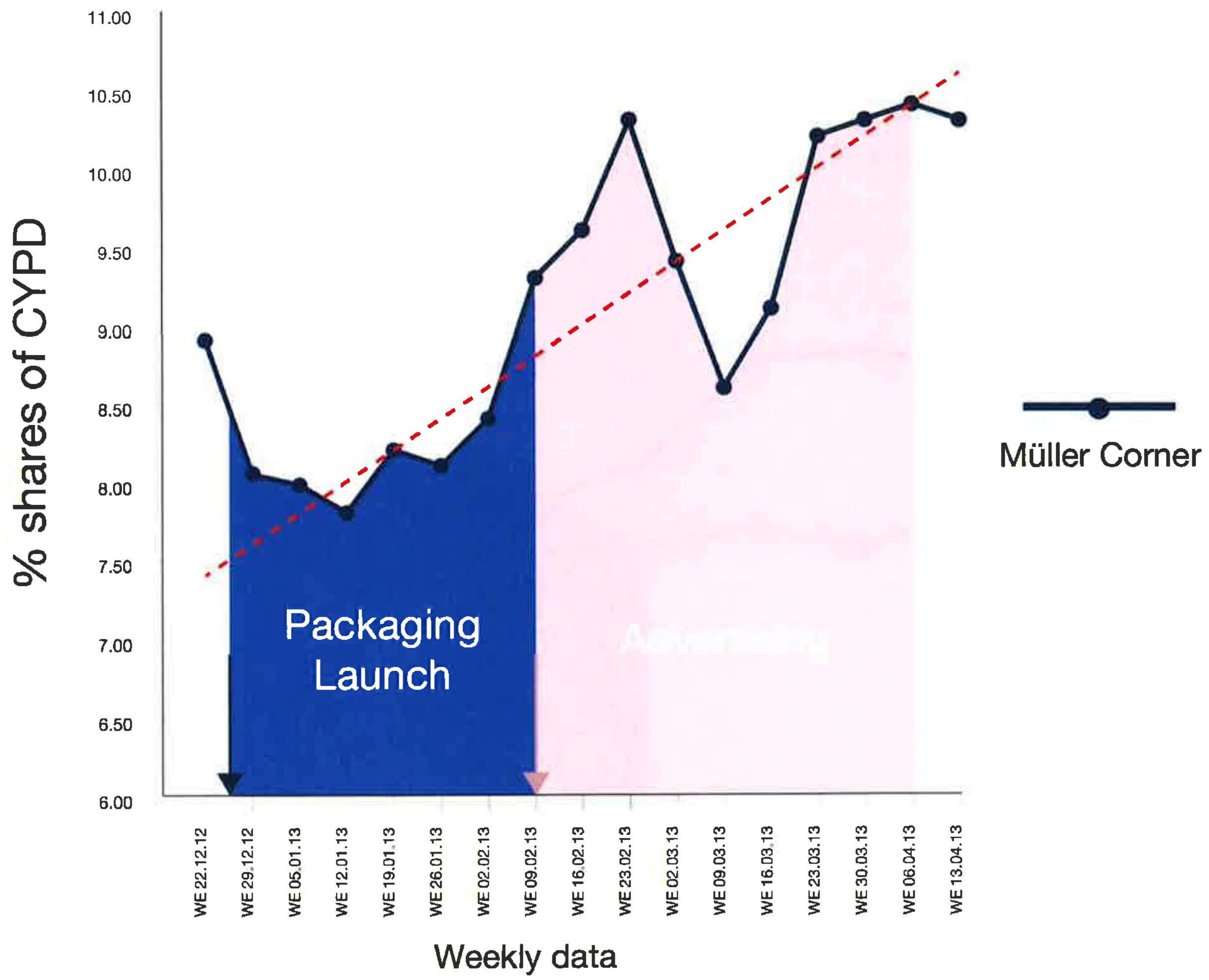
Given that Müller Corner had advertising running on and off throughout 2013, it is difficult to pull apart the individual effect of the new packaging design. However, there was a period of approximately 7 weeks immediately after the relaunch when the new packaging was instore but not supported by advertising.

We have therefore looked at this period in detail to give us a cleaner read on the business impact of our new Corner design. The period covers the first 7 weeks from the launch, to when advertising first started and up to April 2013.

What we see from the following charts is that the turnaround/improvement began from the launch of the new packaging at the end of December and was accelerated by advertising from February.

1. Müller Corner Weekly Value Sales

From the period the new design went into market, the brand's decline has been arrested and reversed – and further accelerated by advertising.



Source: Nielsen

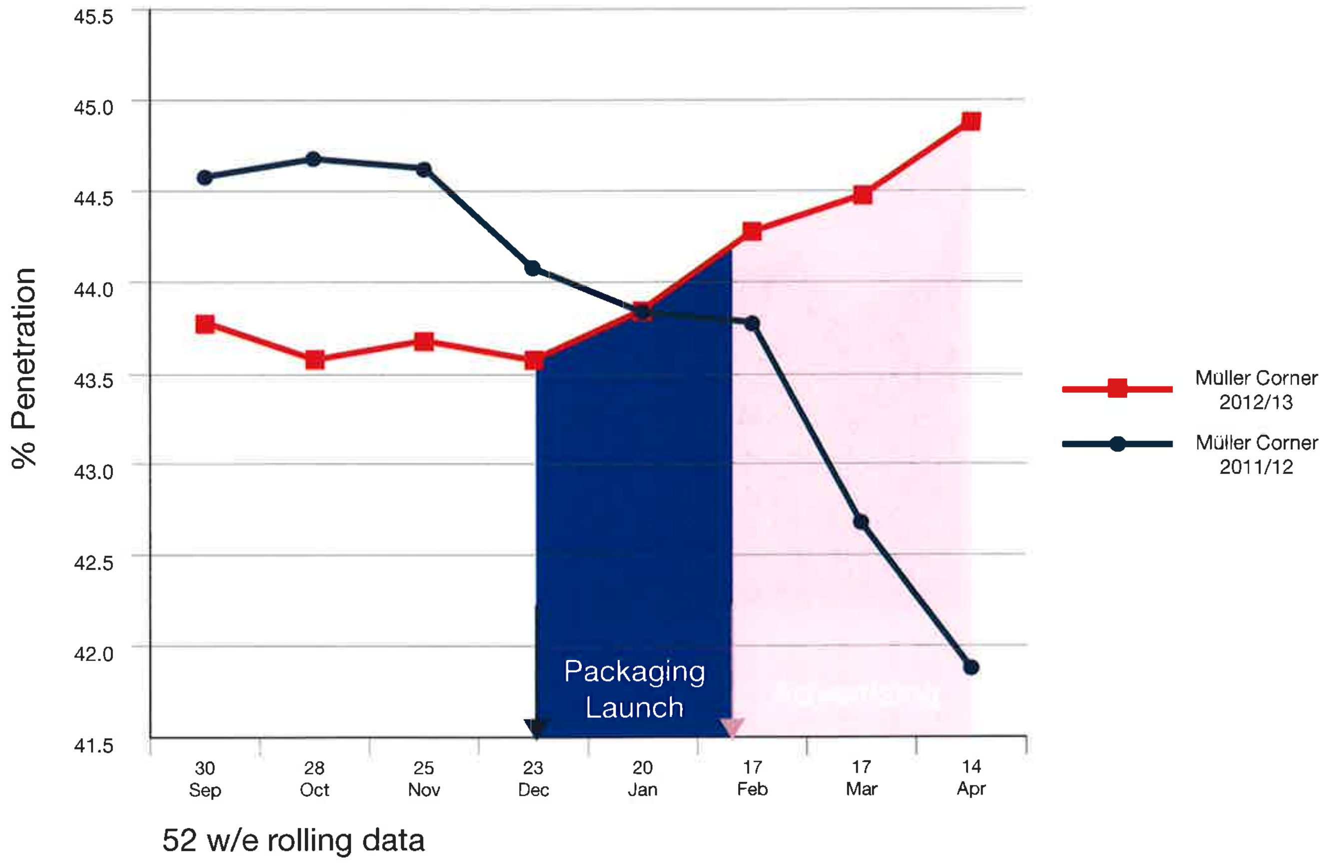
Müller Corner has experienced a huge uplift in value of 17% from £15.7m to £18.3m from the launch of the new redesign through to 13.04.13[16] (4 weeks ending).

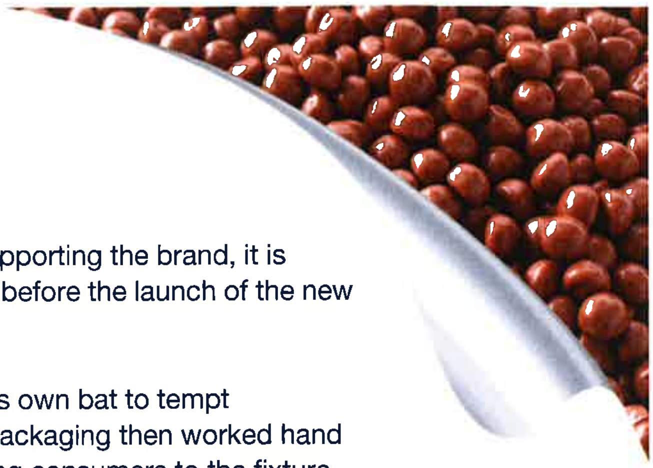
2. Penetration

The introduction of the new packaging reversed a long term decline in penetration (and again, advertising accelerated this).

Brand penetration of Müller Corner increased from 43.7% (w/e 23rd Dec) to 44.3% (w/e 17 Feb) in the 8 week period from when the packaging went into store[17]. It subsequently increased to 44.9% after the advertising began[18].

Overall, the Müller Corner brand has experienced an increase from 41.9% to 44.9% yoy (52 w/e 14 April 2013)[19].





Advertising

As shown above whilst advertising played a part in supporting the brand, it is clear from the sales figures that brand growth started before the launch of the new advertising.

Prior to being on air, the packaging was working off its own bat to tempt consumers in with its enticing Müllerlicious offering. Packaging then worked hand in hand with the advertising: with the advertising driving consumers to the fixture and packaging inviting consumers in and helping them navigate and discover the totality of the range.

Price promotions

Looking specifically at the 4month period directly before and after the Corner redesign, Müller Corner has enjoyed an increase in sales at a time when it was much less reliant on price promotion.

There was an overall 4.7% decrease in volume sold on promotion comparing the 4month period before and after the launch of the redesign[20]. More specifically, there was a 24.3% decrease in volume sold on a multibuy[21]. However, the fact that Corner was offered less on promotion did not hold back sales. Non promoted base sales increased by 4.6% from 52.6m (Sep 2012 to Dec 2012) to 55m (Jan 2013 to April 2013)[22]. Moreover, the average price per pot increased from £0.38 to £0.41[23].

Promotions can therefore be reasonably discounted as a major influencing factor. Arguably, our new pack design was enticing them with a more Müllerlicious and exciting offering that was worth paying more for.

Distribution & Display

Corner has enjoyed similar distribution since the relaunch as it did previously. Moreover, the improvement is not down to positioning at gondola ends, or point of sale materials.

Comparing the 4month period immediately after the relaunch with the 4month period before, there was a 10.5% reduction on sales from gondola ends or special display units, and 13.5% reduction in sales from shelves with point of sales materials[24].

Again, it would appear that our new packaging designs are working hard to attract sales at shelf without the additional support of point of sale or gondola ends.

Research Resources

1. Nielsen
2. Millward Brown BrandZ 2010
3. The Big Picture Packaging Research Debrief 2012
4. Last 12months Dec 2013 Müller Dairy
5. Kantar Worldpanel 2012/13
6. Nielsen
7. Nielsen
8. Millward Brown BrandZ 2010
9. The Big Picture Packaging Research Debrief 2012
10. Nielsen
11. The Big Picture Packaging Research Debrief 2012
12. Nielsen
13. Nielsen
14. Nielsen
15. Kantar Worldpanel 2012/13
16. Nielsen
17. Kantar Worldpanel 2012/13
18. Kantar Worldpanel 2012/13
19. Kantar Worldpanel 2012/13
20. Nielsen Scan Track 2012/13
21. Nielsen Scan Track 2012/13
22. Nielsen Scan Track 2012/13
23. Nielsen Scan Track 2012/13
24. Nielsen Scan Track 2012/13