

CATEGORY
4.2 Branded Drink

DESIGN CONSULTANCY
999 Design Group

CLIENT COMPANY
Highland Spring

DATE OF ENTRY
28 June 2013

99 4.2.17

DBA DESIGN EFFECTIVENESS AWARDS 2014

Purple Reign



CATEGORY
4.2 Branded Drink

DESIGN CONSULTANCY
999 Design Group

CLIENT COMPANY
Highland Spring

DATE OF ENTRY
28 June 2013

EXECUTIVE SUMMARY

Highland Spring's packaging relaunch of spring 2012 has proved to be its most effective ever in terms of increase in retail sales, UK market & category growth and positive consumer brand appraisal. Not only did these successes help Highland Spring poll as Britain's favourite water, they led to the brand officially becoming the UK's No.1 bottled water brand beating Evian and Volvic. An outstanding accomplishment - the first British water ever to reach this status.

Base value sales (non-promoted) jumped by almost £3M (+7.2% YOY), a very strong indicator of the health of the brand and even more remarkable given that the year before, Highland Spring's base sales were in decline within major multiples (not the whole retail market).

UK Market growth in 2012 exceeded all expectations for the brand. Market volumes increased by +9.2%, almost 3 times faster than the market rate, resulting in a market share of 10.6% in 2012 (up from 10.0% in 2011 and 9.6% in 2010).

Category growth also reached new heights from an already strong position, having the highest market penetration of any brand of bottled water (most households buying it), Highland Spring further increased their lead to 13.9% in 2012, successfully attracting 700,000 households/new shoppers to the category. When we look specifically at Still water, the Highland Spring Still range overtook Buxton's Still range (its closest British competitor) in household penetration in 2012 – representing a significant milestone for the brand.

Finally, independent consumer research wholly endorsed the new look packaging showing increases across all key brand metrics: 'stands out well', 'communicates freshness', 'gives a pure and natural impression', 'makes you more likely to buy the brand'.

This is even more remarkable given the backdrop: in the past year (52 w/e 4th Feb 2012) Highland Spring's base sales were again in decline (-0.5%) and -3% in 2010, and even though Highland Spring was gaining ground on its French competitor Evian, it was still the No.2 water brand in the UK.

No.1

BRAND OF BOTTLED
WATER IN THE UK -
A 1ST FOR A UK BRAND

+2.9M

INCREASE IN
BASE VALUE (NON-
PROMOTED) SALES

+700K

NEW SHOPPERS
TO THE BOTTLED
WATER CATEGORY

CATEGORY

4.2 Branded Drink

DESIGN CONSULTANCY

999 Design Group

CLIENT COMPANY

Highland Spring

DATE OF ENTRY

28 June 2013

PROJECT OVERVIEW: SUMMARY OBJECTIVES

In summer 2011 we were tasked with improving Highland Spring's brand appeal and stand out in the water aisle. It was quite a challenge:

Business Objectives

- Increase value and volume sales
- Add value to the brand overall
- Attract new consumers to buy Highland Spring and into the water category
- Position Highland Spring as the UK's leading supplier of Bottled Water
- Raise profile as a 'British' water especially in London and SE England

Design Objectives

- New labelling for fifteen bottles of all shapes and sizes (from 330ml - 2L)
- Design principles to apply to both Still and Sparkling water variants
- Workable layouts across portrait and landscape format shrink packs
- Consideration of bold colour blocking for multipack shrink wrap designs
- Satisfy the brand's desire to 'own' a colour in the retail environment
- This colour was to be at the heart of fresh, new contemporary packaging which would help re-energise the brand
- Retain the iconic Highland Spring components that consumers identify with

CATEGORY

4.2 Branded Drink

DESIGN CONSULTANCY

999 Design Group

CLIENT COMPANY

Highland Spring

DATE OF ENTRY

28 June 2013

PROJECT OVERVIEW: CLIENT BACKGROUND

Highland Spring Group is the UK's largest supplier of bottled water (branded and private label) to the home market. With a volume share exceeding 20%, one in every five litres of bottled water sold in the UK is supplied by The Highland Spring Group¹.

Highland Spring (the branded water) accounted for 10.0% of the overall bottled water market in 2011. Their still water range represents 80% of Highland Spring's volume sales – Sparkling, the remaining 20%¹.

However, Highland Spring (the brand) has, until now, struggled to beat off aggressive competition from the continental waters Evian and Volvic. Until 2011, Highland Spring was still 2nd overall behind Evian in the UK having been consistently outspent, year on year, by big-spending Danone's brand marketing.

NB. Their brand profile also suffered a significant blow when they lost their sponsorship deal with Andy Murray before his Olympic triumph in 2012.

CATEGORY

4.2 Branded Drink

DESIGN CONSULTANCY

999 Design Group

CLIENT COMPANY

Highland Spring

DATE OF ENTRY

28 June 2013

PROJECT OVERVIEW: MARKET BACKGROUND

In 2009 & 2010, the UK bottled water market (excluding coolers) had returned to growth following a period of decline in 2008 during what was a challenging backdrop, with a tightening of household budgets and relatively poor summer weather negatively affecting waters and the wider soft drinks category. Despite the more recent growth, volumes had yet to surpass 2006 levels (2006 was an exceptionally hot summer – impacting positively on demand for the bottled water category).

More specifically, in the past year (52 w/e 4th Feb 2012), Highland Spring's base sales were again in decline (-0.5%). (NB. Major Multiples - not the whole retail market). Due to the economic climate consumers were trading down to budget brands and supermarket own label waters. The trend amongst consumers to buy homegrown, locally sourced produce, had a negative effect on the overall attitude towards the brand, even though the perception of Highland Spring, a Scottish brand, is that it's one of the purest waters.

The key aspect of the brief was to halt brand decline and provide sales with a much needed boost by delivering a pack with great brand appeal and stand out on shelf.

PROJECT LAUNCH DATE

March 2012

SIZE OF DESIGN BUDGET

The project was delivered for £61,805 (design fee)

CATEGORY

4.2 Branded Drink

DESIGN CONSULTANCY

999 Design Group

CLIENT COMPANY

Highland Spring

DATE OF ENTRY

28 June 2013

OUTLINE OF DESIGN SOLUTION: OUR APPROACH

It had been 3 years since Highland Spring last updated their packaging, and a lot had changed during that time. Our research revealed that consumers spend less than 10 seconds in the water aisle deciding on which brand to buy, being drawn to competitors' packs with simpler, stronger colour definition. Highland Spring had used their Organic credentials to underpin the last redesign. With its watercolour tartan and hand-finished typography the design worked well up close, however to ramp up their in-store presence and stand out we had to think differently about our approach to the new pack design.

There were certain elements in the brand's DNA that we were able to tweak slightly; the Highland Spring logo and tartan, for example. However, it became apparent that we needed something more dramatic and impactful to make the design work. We shifted our focus to colour, exploring and supplementing the brand's palette, and undertook an exhaustive colour selection process with the client and through consumer research.

The master logo was simplified to its basic elements and recoloured to sit on white, making it really visible on shelf. We then developed a contemporary take on the brand's tartan, reshaping it into a sweeping arc of colour, cradling the logo rather than running through it as it had done on previous pack designs. And to reinforce the brand's provenance, we introduced a simple graphic mountain range as a backdrop to reference the pure, natural source of the brand's organic catchment.



Previous design

New design after refresh

999

CATEGORY

4.2 Branded Drink

DESIGN CONSULTANCY

999 Design Group

CLIENT COMPANY

Highland Spring

DATE OF ENTRY

28 June 2013

OUTLINE OF DESIGN SOLUTION: FINAL OUTCOME

As with previous brand refresh projects for Highland Spring we undertook extensive consumer research, both qualitative and quantitative, to measure the effect of our design direction. In the end our bright, vibrant purple route came out on top as anticipated. We then knew it created, amongst the target consumer, the strong shelf appeal and colour ownership that Highland Spring so desired.

Practically, the label shapes across all bottles remained unchanged. Bottle shape was also outwith the scope of the project - not only for logistical reasons, but to enable Highland Spring to measure what improvement in sales the bottle redesign, in its own right, would bring about. The labels now print using five colours rather than seven as they did previously.

The cap colour was specially commissioned to reflect the printed purple used on the labels. For the first time Highland Spring's Still product now uses a coloured cap which, in itself, delivers an all important point of difference.

(Cont'd)



Still PET Detail

Sparkling Glass Detail

999

CATEGORY
4.2 Branded Drink

DESIGN CONSULTANCY
999 Design Group

CLIENT COMPANY
Highland Spring

DATE OF ENTRY
28 June 2013

OUTLINE OF DESIGN SOLUTION: FINAL OUTCOME Cont'd

Launched early in 2012, this contemporary and distinctive new packaging has already achieved fantastic cut through in the extremely competitive bottled water market, helping propel Highland Spring to the number one brand of bottled water in Britain.

It prompted Paul Condron, Head of Brand Marketing, Highland Spring, to say:

“THIS BOLD REBRAND APPEALS TO OUR EXISTING CONSUMERS WHILST ALSO ENCOURAGING NEW CONSUMERS TO CONSIDER BUYING THE BRAND. THE NEW BRANDING IS VIBRANT, CLEAN AND CONTEMPORARY YET IT STILL RETAINS THOSE ELEMENTS WHICH CONSUMERS INSTANTLY RECOGNISE AS HIGHLAND SPRING”.

(496 words)



Still & Sparkling Range

CATEGORY
4.2 Branded Drink

DESIGN CONSULTANCY
999 Design Group

CLIENT COMPANY
Highland Spring

DATE OF ENTRY
28 June 2013

SUMMARY OF RESULTS: PAGE 1

Increased sales

Base value sales (non-promoted sales) jumped +£2.9m to £44m in 2012 – that's +7.2% YoY and a very strong indicator of the health of the brand. Source is IRI Major Multiples, 52 w/e 02.02.13. This is all the more remarkable given the year before (52 w/e 4th Feb 2012), Highland Spring's base sales were in decline (-0.5%). NB. Major Multiples (not the whole retail market). Volume sales increased +9.2%, that's almost 3 times faster than the market rate (+3.3%) – resulting in a growing market share from 9.6% in 2010 and 10.0% in 2011 to 10.6% (2012)¹.

Increased market value

- Highland Spring's brand attained a growth in value share (up from 12.8% in 2011 to 13.5% in 2012) with turnover +£6.4M².

Increased market share

- Highland Spring contributed 33% of the total market growth in 2012, more growth to the bottled water category than any brand. £1 in every £3 growth in the category was directly attributable to the brand².
- Highland Spring was the fastest growing brand in all store formats, highlighting their strength in 2012: Convenience, High St and Out of Town³.
- Driving retail growth ahead of Private Label, the No.1 brand (Evian) and the No.3 brand (Volvic)².
- Success in the important London market during a year of celebration despite losing the sponsorship of Andy Murray. Highland Spring growth in London was 46% higher than the nearest competitor Buxton and 62% higher than Evian².

NB. Highland Spring honoured their brand ambassador Sir Chris Hoy with a limited edition bottle 'HOYLAND SPRING' in Q3 2012 however sales of this SKU are not included in the figures quoted.

9.2%

INCREASE IN MARKET VOLUMES - 3X FASTER THAN THE MARKET

33%

OF TOTAL MARKET GROWTH DUE TO HIGHLAND SPRING

46%

HIGHER GROWTH IN LONDON THAN THE NEAREST COMPETITOR

CATEGORY
4.2 Branded Drink

DESIGN CONSULTANCY
999 Design Group

CLIENT COMPANY
Highland Spring

DATE OF ENTRY
28 June 2013

SUMMARY OF RESULTS: PAGE 2

Increased market penetration

- Highland Spring now has the highest market penetration compared to any other brand of bottled water (more households buying)
- With a penetration of 13.9% in 2012, they grew their base by almost 700,000 households in 2012 – successfully attracting new shoppers to the category¹.
- Looking specifically at Still waters, the Highland Spring Still range overtook Buxton's Still range (a leading British competitor) in household penetration in 2012 – representing a significant milestone for the brand

Increased customer performance

In retail accounts, Highland Spring successfully attained No.1 brand position within two of the UK's leading Grocery Multiples².

Reductions in label production costs

The redesign of the labels with white areas top and bottom allowed for more efficient print finishing reducing finishing costs (not print costs) by 50%.

Improved consumer brand appraisal

Independent consumer research endorsed the strong packaging and its positive impact on key brand metrics: Stand-out; Communicating Freshness; Gives a Pure & Natural Impression; Makes you more likely to buy the brand:

- *Stands out well*
'Agree' moved from 54% (old) to 72% (new)
- *Communicates freshness*
'Agree' moved from 50% (old) to 60% (new)
- *Gives a pure & natural impression*
'Agree' moved from 56% (old) to 59% (new)
- *Makes you more likely to buy the brand*
'Agree' moved from 39% (old) to 41% (new)

No.1

BOTTLED WATER IN
TWO OF THE UK'S TOP
MULTIPLE GROCERS

33%

'AGREE' INCREASE IN
STAND OUT VERSUS
PREVIOUS PACKAGING

700K

NEW SHOPPERS
TO THE BOTTLED
WATER CATEGORY

CATEGORY
4.2 Branded Drink

DESIGN CONSULTANCY
999 Design Group

CLIENT COMPANY
Highland Spring

DATE OF ENTRY
28 June 2013

SUMMARY OF RESULTS: PAGE 3

Return on investment

Given that base value sales (non-promoted) increased +£2.9m in 2012, with a design budget of just under £62K, this increase in sales represents at least a return on investment of 4670% or 1 : 46.7 within the first year. In other words the design has already paid for itself nearly 47 times over.

Improved internal (Highland Spring staff) appraisal of the brand

Official statement on behalf of staff:

"The redesign has been universally supported by the people at Highland Spring Group; we're very proud of the brand and its new look is a brilliant reflection of the modern, progressive company we are and the quality of the product we bring to market. The positive, confident nature of the design has elevated appeal and confidence in the brand internally; quite an achievement given the affection the brand already enjoyed."

ROI WITHIN
12 MONTHS
OF AT LEAST:

4670%

£2.9M

INCREASE IN
BASE VALUE (NON-
PROMOTED) SALES

CATEGORY
4.2 Branded Drink

DESIGN CONSULTANCY
999 Design Group

CLIENT COMPANY
Highland Spring

DATE OF ENTRY
28 June 2013

SUMMARY OF RESULTS: PAGE 4

Improved perception by trade

'We are hugely impressed by the increased level of clarity and stand out that the new packs give us. The feedback from our customers (large multiples) has been very positive, with comments praising the confidence, single-minded look and impact of the new purple livery. Base sales growth has been positively affected, indicating that the new look has delighted consumers too; our brand health is in good shape. Clearly this results in a motivated, confident sales team - essential for selling in to new, and existing, accounts. For me, it's an identity befitting the No.1 British Bottled Water.'

Connor Smyth, Senior Category Manager

Improved perception

Our efforts have cemented Scotland's credentials and reputation as a source of the 'Purest and freshest' bottled water¹.

Other key research findings

Highland Spring were polled as the nation's favourite brand of bottled water¹ beating Evian (2nd), Volvic (3rd) and Buxton (4th).

CATEGORY
4.2 Branded Drink

DESIGN CONSULTANCY
999 Design Group

CLIENT COMPANY
Highland Spring

DATE OF ENTRY
28 June 2013

OTHER INFLUENCING FACTORS

The new packs were the most significant change in the marketplace. The water (obviously) was not changed or altered. The other factors in the marketing mix were as follows.

No increase in sales promotion spend. Price promotion continued however the figures quoted have been calculated using base (non-promoted).

The sales teams' selling approach remained the same before, during and after the pack redesign.

Consumer Advertising spend - increase

NB Highland Spring's brand marketing budget is consistently and considerably outspent, year on year, by their main competitor Danone (Evian).

Trade Advertising spend - increase

PR budget - unchanged

Website spend and digital activity - unchanged

Lewis Macintyre

DESIGN DIRECTOR

lewis.macintyre@999design.com

Stuart Duncan

SENIOR ACCOUNT DIRECTOR

stuart.duncan@999design.com

Glasgow

Trinity Towers

33 Lynedoch Street

Glasgow G3 6AA

Phone +44 (0)141 332 2684

Fax +44 (0)141 333 9195

www.999design.com

999