



MAXIMISE YOUR RESULTS

CATEGORY:

Packaging

SUB-CATEGORY:

Branded Non-Food

CLIENT COMPANY:

GlaxoSmithKline



DESIGN CONSULTANCY:

COWAN



DATE:

JUNE 2014

FOR PUBLICATION

02/ EXECUTIVE SUMMARY

The redesign of Maximuscle was a challenging proposition. Here an established market leader was able to deliver significant sales increases whilst making considerable changes to its packaging as well as its brand name. This was achieved in the face of both increasing competition and price compression. Crucial to this success was the partnership between Cowan and the internal GSK Nutritional design team. Beyond ensuring tighter design development the partnership also led to further effectiveness through reduced client costings and streamlined timings. Such a design change was a risk for the brand and the working relationship required total commitment from both parties. The result is a transformed brand, already delivering greater overall sales of 29% and built for a future expansion plan and ongoing growth.

WINNING STATS

Delivery of **29% year on year** net sales growth to **£36.7M** for FY14.

Achieved with **no increased brand support** on previous years.

Deep grocery **discounting halted**.

Innovation platform already delivering strong results: **+£2.1M** sales to the MaxiNutrition brand (**54% higher** than the growth of the closest, cross categories rival).

Sales **growth delivered despite price compression** in grocery.

Results achieved where **90%** of the year's **distribution increase**, in grocery multiples, was **given to competitors**.

Significantly improved **product comprehension**.

Unprecedented **collaboration** between client and agency teams.

[All data sources are detailed throughout this submission]

03/ PROJECT OVERVIEW

Project Brief

- Redefine Maximuscle as a nutrition brand in order to create a brand 'for life' not just the gym.
- Focus on consumer navigation and improve product comprehension.
- Implement a design architecture that facilitates portfolio expansion.
- Successfully launch product innovations into new channels to help reduce the brands reliance on 80% of its sales from protein powder.
- Maintain sales during a soft roll out that could take over 6 months.
- Seamlessly partner the GSK Nutrition design team to provide greater cost efficiencies.

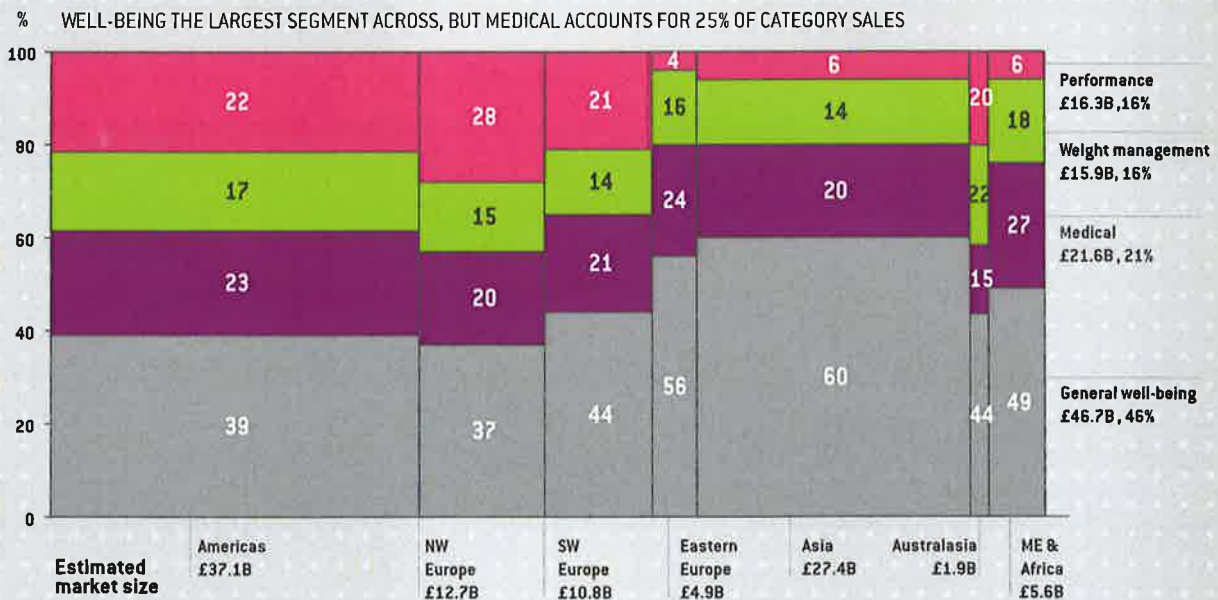
Description

Maximising an opportunity

Maximuscle was originally founded in 1995 by Zef Eisenberg and then eventually sold to GSK in December 2010. The brand has always been grounded in protein and sports supplements that it sells through gyms, sports and health food specialist shops as well as the major national multiples. They also sell online and have relatively small, international export volumes. GSK needed to increase the sales and market share of Maximuscle since buying it outright. Beyond growth within its existing market GSK also required the ability, in the future, to stretch Maximuscle into broader protein products as it was currently narrowly focused on the performance category which only accounted for 16% of the globe's latent demand for protein, valued at a total of £100BN*.

Fig 1. BCG US/UK Adult Specialty Nutritional Survey, June 2012, UN, BCG CCI, IDF, WHO, IHRSA, Planet Retail, World Bank, CIA Factbook, BCG Analysis.

Protein Consumed in 4 Core Needstates



*Source: BCG US/UK Adult Specialty Nutritional Survey, June 2012, UN, BCG CCI, IDF, WHO, IHRSA, Planet Retail, World Bank, CIA Factbook, BCG Analysis.

Delivering against a global vision

As a GSK owned brand it was critical its products provided real, scientific benefits in a clear and credible manner worthy of a global pharmaceutical company and producer of fast moving healthcare goods.

Overview of Market:

A dynamic & highly competitive environment

The UK sports nutrition market has been doubling every five years and is expected to reach nearly £400m by 2017*. Within the category, Maximuscle is the market leader in powdered protein and protein bars and second behind For Goodness Shakes in RTD protein. The broader protein market is also growing amidst calls to increase protein intake on health grounds, especially later on in life. We're also experiencing an ongoing Atkins-esque belief in high-protein eating (such as the Marks & Spencers "Fuller For Longer" range of ready meals). Such growth should have been in Maximuscles' favour but this expansion has led to greater competition with an explosion in protein brands, coupled with greater distribution as well as severe price compression. Grocery Multiples over the last year for example have increased distribution by 51%*¹ included own-label venture brands such as NutriFirst (by Tesco) whilst the overall price per unit has dropped by 18.9%*². Also the plethora of RTD brands were taking protein away from a place of science expertise to one of snacking and food-on-the-go (see Mars Milk, Wing-Co and Upbeat). So, Maximuscle was being squeezed on price; share-of-shelf and belief in science.

Project Launch Date:

The first new packaging was on shelf in limited independent retailers from January 2014 and the roll out was 80%*³ complete across the UK by the end of June.

Size of design budget:

The design budget was £145,000 for the redesign of the brand and creation of innovation products such as RTD milks. The deliverables included master artworks for key products and formats as well as new product photography and lead graphic imagery. 18 master artworks were completed as the foundation for GSK Nutrition design team to complete the range roll out, taking the total for launch to 180 SKUs.

*Source: Euromonitor via <http://www.bbc.com/news/magazine-22753620>

*¹Source: Nielsen Scantrack, Data to WE 29.03.14

*²Source: Nielsen Scantrack, Data to WE 29.03.14

*³Source: GSK

Previous design



04/ DESIGN SOLUTION

With increasing competition from all sides the brand had to stand up and bring strength and authority to the packaging. However, greater prominence alone of Maximuscle would not bring new news to existing consumers and instead would fix the brand as predominantly for gym enthusiasts. This would not open up new markets or opportunities, not deliver GSK their desired increase in sales or cut through the market noise much more effectively than current. Therefore we rebuilt the brand as MaxiNutrition whilst maintaining recognition and existing equity. The new sense of pride had to be delivered within a strong framework that would help manage the portfolio and ease the large-scale roll out and Phase 1 implementation of 180 SKUs of protein.

Simplifying Choice

Consumers needed to understand the full choice available to them. For example it was unclear how to step up for greater mass gain or to strip down bulk for greater definition, instead it was a series of sub-brand names with similar imagery of technical looking musclemen cropped differently. Yes, there was strong colour differentiation but little understanding of what these colours meant; some sub-brands were repeated on different colours, whilst elsewhere the same colour had very different products included. So the uniformity of the visuals needed to be broken and greater product education needed to be built in clearly to enable easy comparison.

Educate and Demonstrate

Here the silver shard drives the design from the foundations up, through to the brand icon. One side holds the colour-coded imagery, looking to capture the emotion of each proposition, for example Mass & Size versus Strength & Power. On the other side is the information graphics containing the critical product detail, directly linking it to science background and benefit. This travels all the way around to the back of pack, utilising the full pack to educate and demonstrate MaxiNutrition's expertise. Now experienced users can quickly shop the scale of choices in front of them, whereas the unenlightened can learn more, easily gaining the required knowledge to make an informed choice.

A Tag-Team Partnership

The level of development within the product detail and ability to make the information as simple as possible was only possible by working so closely with the GSK Nutritional design team. We worked collaboratively, tag-teaming between conceptual thinking and detail refinement to check and challenge what was possible within the regulations and the design. This close-nit partnership enabled the scientific sophistication of GSK to be brought to bear on a wide portfolio with the simplicity of effective design.

Integrated design

Furthermore the GSK Nutritional design team had direct ownership over the structural elements of the packaging. They were therefore able to move the product range into a complete silver tub to integrate with the design and further increase the brand's distinctiveness and quality cues away from the generic feeling white tub.

Now the new MaxiNutrition brand is set, the packaging architecture delivers superior brand standout with increased shopper navigation and understanding. The designs have been future focused with planned, but yet to be released, innovation and product tiers accounted for. This redesign allows GSK to maximise the returns on its investment in a way that fits the science-first ethos of the business and the future of protein.

NEW DESIGN



05/ SUMMARY OF RESULTS

Overall the Maxi Nutrition relaunch is delivering underlying growth year on year of 29% bringing the net sales of the brand up to £36.7M for FY14*.

The full design-effect

Over this period GSK have continued to support the brand to the same levels as previous years, continuing with ambassador and sampling programs. The online presence for Maxi Nutrition has been updated following the redesign but was already an e-tailer of protein products. Furthermore, deep discounting in Tesco was discontinued since the launch meaning that a large proportion of the brand's promotional activity has not been in place. With these factors in mind it is believed that the true difference in sales has been due to the design and branding. Each account and channel that has received the redesign has experienced an uplift in sales. There are several key elements that have combined to ensure a great return to the GlaxoSmithKline Nutrition business whilst also building stronger foundations, so the brand continues to move forward.

Broader engagement

These include the move away from Maximuscle and rebuilding the heartland of the brand as Maxi Nutrition. Which research shows (see Fig 2. and Fig 3. below and over) provides broader engagement from which to connect with more consumers and their wider protein needs throughout their life.

Fig 2. Brass Insight for GSK Research Debrief 16.04.13

Consumer response to new Maxi Nutrition identity

The current logo is polarising but has clear focus, whilst nutrition is amore inclusive, broader proposition

- | | | | |
|--|---|--|--|
| <ul style="list-style-type: none"> ✓ Trusted by core users ✓ Protein + muscle = clear focus ✓ For core users it is premium & modern ✗ But limited mainstream potential |  |  | <ul style="list-style-type: none"> ✓ Lions share of preference for all but core Maxi users ✓ 3 in 10 core Maxi users prefer it ✓ Broadens appeal – for all sports men and women ✓ Natural ✗ Seen as less powerful |
|--|---|--|--|



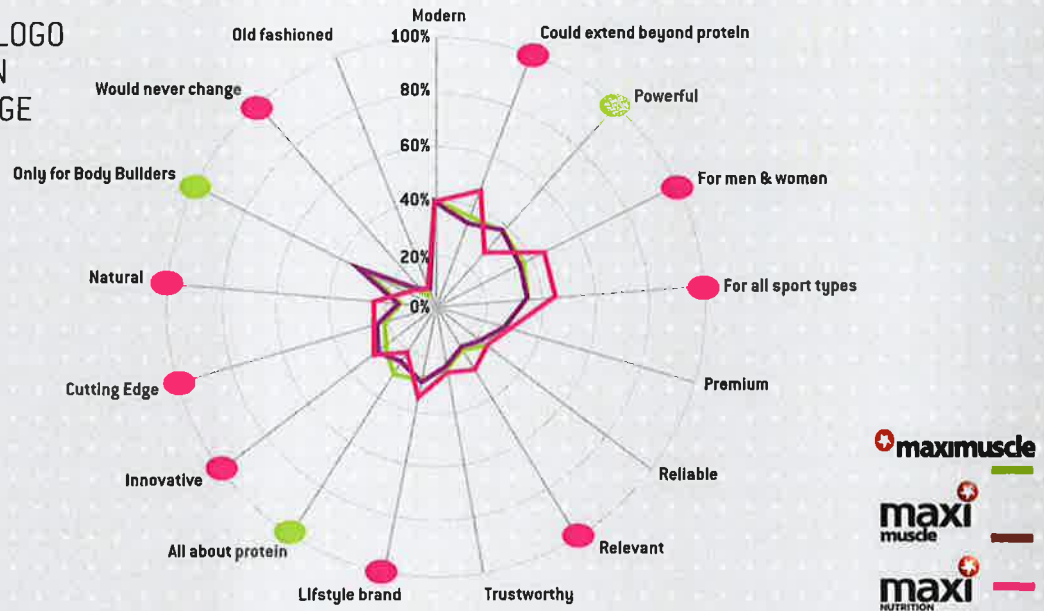
* Source: GSK

Fig 3. Brass Insight for GSK Research Debrief 16.04.13

Consumer response to new Maxi Nutrition identity

Equally Maxi Nutrition resonates more strongly with lighter users - conveying a broader proposition

IMPACT OF LOGO DESIGNS ON BRAND IMAGE



Light / Non Protein Users

Q1b. Please look at the brand logo below and select each of the statements that you agree with for the brand. Base: Light / non protein users (1046)

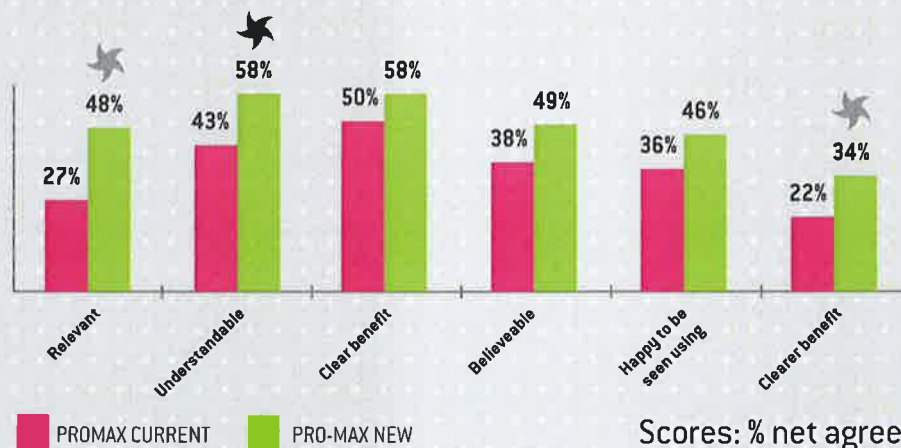
- MAXIMUSCLE CURRENT SIGNIFICANTLY HIGHER ENDORSEMENT THAN AVERAGE OF BOTH NEW LOGOS @ 95% SIGNIFICANCE
- MAXIMUSCLE NEW SIGNIFICANTLY HIGHER ENDORSEMENT THAN MAXIMUSCLE CURRENT @ 95% SIGNIFICANCE
- MAXI NUTRITION SIGNIFICANTLY HIGHER ENDORSEMENT THAN MAXIMUSCLE CURRENT @ 95% SIGNIFICANCE

Improved product comprehension

The design delivered improvements for product comprehension (see Fig 4. below) as the packaging was seen to be significantly more understandable, relevant and able to communicate clear benefits by those people who used protein the least, if at all. For frequent users who already knew the products and features well the designs delivered expected parity between new and old.

Fig 4. Brass Insight for GSK Research Debrief 16.04.13

Product Perceptions

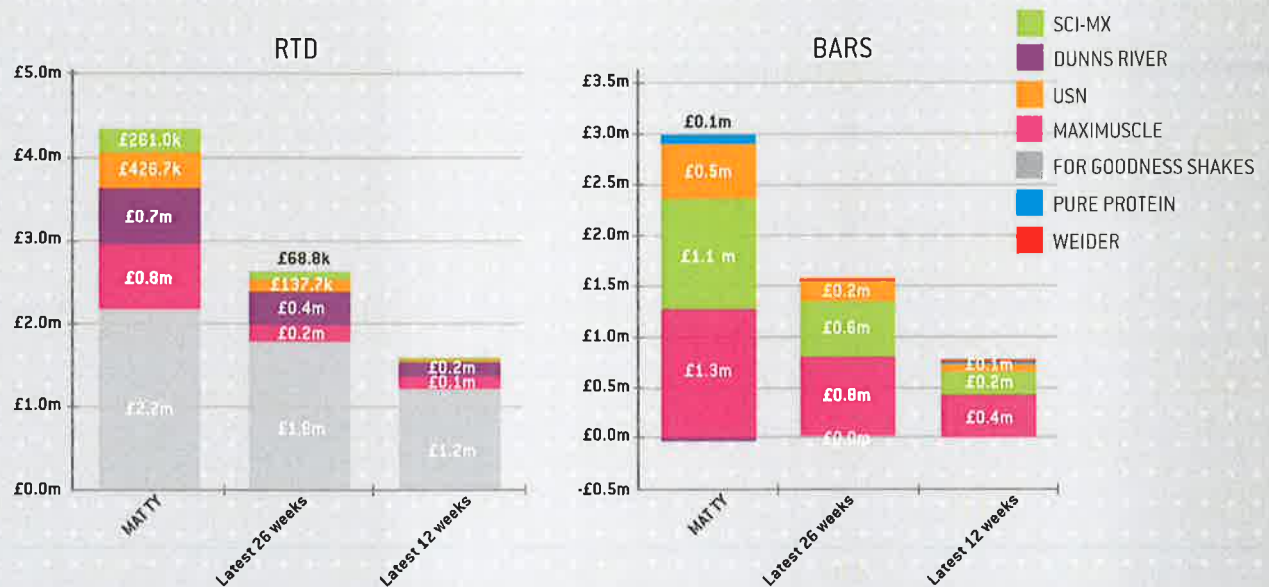


Strong Innovation Platform Results

The three planned innovations were all launched across RTD and Bars alongside the redesign of existing products which experienced a combined growth of 28% for MaxiNutrition adding £2.1M to the brand which was 54% higher than the growth of the closest, cross categories rival*.

Fig 5. GSK supplied sales and market data 29.05.14

Total Coverage +/- Value Growth / Top Product Ranges by Formats



No Lost Consumers

A key strength of the redesign has been the ability to use the best of the existing packaging whilst moving the brand forward and increasing its appeal. This is shown by the fact the brand has secured sales increases following a soft-relaunch (now 80% complete since January 2014*1). The new packaging has not created any 'wear in' lag or loss of consumers no longer finding their products.

Fig 6. Project Crater Customer Phasing, w/e 17th April 2014

	% of total business (Invoiced sales)	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	
HOLLAND & BARRETT GNC	12.4%	BTD 9th Dec		Shelf							Phase 1 17.2% of total business
Leydens Limited & other Irish Nuts & Pharmacies	2.7%	BTD 9th Dec	Shelf 6th Jan	Shelf 3rd Jan							
LA fitness	2.1%										Phase 2
TESCO & TESCO	12.7%			BTD 12th Feb	Shelf 23rd Mar						
M MORRISONS	1%			BTD 10th Feb	Shelf 3rd Mar						Phase 3 41.4% of total business
Health & Fitness (Exclu LAF)	2.2%			BTD	Shelf						
Sainsbury's	6.2%			BTD 10th Feb	Shelf 9th Mar						Phase 3 38% of total business
maxishop	19.3%			Live 3rd Mar (Phase 1)	Live 8th April (Phase 2)						
amazon.com	9.6%				BTD Phase in from April						
CLF	8.8%										Phase 3 38% of total business
Prote	4%				BTD 21st April						
ASDA	7%				BTD 24th Mar	Shelf 1st Apr					
Argos	1.6%								BTD 23rd Jun	Shelf 1st July	

* Source: GSK supplied sales and market data 29.05.14

*1 Source: GSK

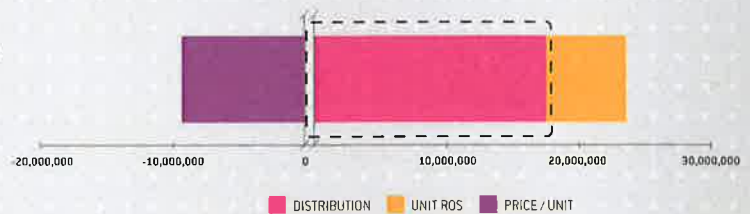
These results were achieved in a significantly more competitive market where 90% of the year's distribution increases, in grocery multiples, were handed to MaxiNutrition's competitors. This left the brand with proportionally less of the shelf at the end of the year than it started with, whilst delivering increased sales.

Fig. 7 Nielsen Scantrack, Data to WE 29.03.14

CATEGORY IS DRIVEN BY DISTRIBUTION GAINS AS MORE COMPETITORS ENTER THE MARKET THROUGH CHEAPER VARIANTS. MAXI SHARE OF SPACE IS

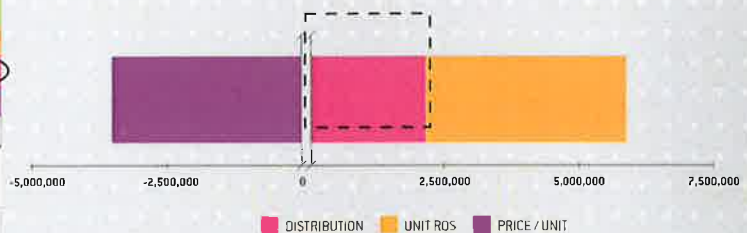
SCAN TRACK KPI TREE - GROCERY MULTIPLES (MEDICINES) - SPORTS NUTRITION - MAT TY vs. MAT YA

	MAT YA	MAT TY	% CHG
VALUE SALES	26,075,012	31,015,726	41.4
UNITS SALES	10,486,389	18,225,309	74.3
UNITS SPPO	122	141	15.3
DISTRIBUTION	85,671	129,488	51.1
PRICE / UNIT	3.44	2.79	-18.9
UNIT % PROMO	28	34	6.0
PROMOTION DIST	16,370	31,359	91.6
BASE UNITS	9,013,247	14,945,259	65.8
INCREMENTAL UNITS	1,473,142	3,330,050	126.1



SCAN TRACK KPI TREE - GROCERY MULTIPLES (MEDICINES) - MAXINUTRITION - MAT TY vs. MAT YA

	MAT YA	MAT TY	% CHG
VALUE SALES	10,071,172	10,619,371	25.9
UNITS SALES	1,364,883	2,320,667	70.0
UNITS SPPO	67	94	40.0
DISTRIBUTION	20,312	24,670	21.5
PRICE / UNIT	7.34	5.44	-25.9
UNIT % PROMO	19	32	13.0
PROMOTION DIST	3,058	5,217	70.6
BASE UNITS	1,218,988	1,910,762	56.7
INCREMENTAL UNITS	145,895	409,905	181.0



Efficient & Effective

Effective design solutions require the strong collaboration between clients and their agencies however this project built a third pillar into this. Here the design development was driven with the Marketing team and Global Design Director. Then once approved by research and all internal stakeholders the GSK Nutrition design team was able to take master products, artwork and elements to complete final implementation of the design and approved technical content. This enabled the vast portfolio of products and multitude of formats to be completed effectively and quickly within GSK's technical approvals process, which kept client budgets 80% lower than if they had outsourced all the work.

06/ RESEARCH RESOURCES:

- GSK supplied sales and market data 29.05.14
- Brass Insight for GSK Research Debrief (16.04.13)
- Nielsen Scantrack, Data to WE 29.03.14
- BCG US/UK Adult Specialty Nutritional Survey, June 2012, UN, BCG CCI, IDF, WHO, IHRS, Planet Retail, World Bank, CIA Factbook, BCG Analysis.

07/ CLIENT QUOTES

“Leading the change from Maximuscle to MaxiNutrition was a strategic initiative to redefine the brand positioning, make it easy for the consumer to understand the role of each product and its benefits and clearly differentiate ourselves from the competition.

This project hit all our key deliverables – it has been a major success for the brand and has helped us transform both the category and the overall sales growth destination for the brand.”

Elizabeth Reynolds
VP Adult Specialist Nutrition
GSK

“This redesign in a category that is very ‘muscle’ oriented was no small challenge. Cowan were appointed to partner the GSK Nutrition Design team, as they really understood the issues and were open to working in a very new way with an internal design team.

The tag-teaming and challenging of each other as we moved though concept into realisation phase created a design that is much more robustly thought through and much bolder that would normally be expected from a market leader.

The interplay between the agency and internal teams was a real pleasure to see and the results stand for themselves.”

Jamie Stone
Global Head of Design
Category Nutrition

