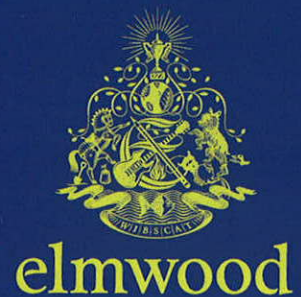


Delivering trust and sales daily.



Category
4.0 – Packaging
Sub Category
4.6 – Own Brand - Other
Client
Terry White Chemists
Design Consultancy
Elmwood
Date
July 14th 2013



Executive Summary



#1

toothbrush
in gross profit
per store



#1 and #3

mouthwash in gross
profit per store

#3

skin wash in
gross profit
per store



Picture a beauty contest: when it comes to the Australian health and beauty market, the competition is hotter than a runway show. While supermarkets sit firmly in the front row clutching at lower cost structures, the traditional pharmacy channel is forced up the back, looking for new ways to compete.

That's exactly the challenge that faced mass retailer and family-owned franchise, Terry White Chemists, when they approached us in 2011. Even with 'Terry White' branded products on the shelves, in the world of personal beauty, they needed to introduce a more premium offering ... something that was exclusive to all 160 stores, built trust with customers and looked simply stunning. For the brand to be truly effective, therefore, we needed to flip traditional perceptions of own-brand health and personal care products as 'cheap and nasty' completely on its head. How? By creating a brand that Terry White's target market, Australian families, genuinely trusted and loved to use every day.

Indeed, "24 Daily" was born from our overarching brand belief of 'looking after family', but it wasn't just Terry White's consumers that we needed to impress. The design also needed to build trust with its franchisees, who had previously fought against stocking private label. If they loved the brand and trusted its quality, they'd choose to order more, and ultimately, sell more of it too. Now the brand's not only standing out on shelves, it's flying off them ... daily.

By creating a fresh, pharmacy-endorsed brand that's full of trusted family value, we helped to deliver:

- **343% sales increase**, with **300+ units** sold per store per month in 2013
- **14% gross profit** increase to the everyday mouthwash segment per store
- **5.5% gross profit** increase to the therapeutic skin care category per store

Executive Summary

Our task:

“To create a quality ‘own brand’ health and beauty label for Terry White Chemists that won the trust and hearts of both customers and franchisees...”



Outline of brief

Terry White Chemists asked us to create a premium brand identity and design packaging for a NPD health and beauty range. This meant creating an entirely new ‘private label’ range from scratch, one that allowed enough flexibility to extend across multiple health, beauty and wellness categories in stores. From positioning to colour palette, we were required to execute all design elements and create brand guidelines for production – all on a very limited budget.

The key objectives included:

- Increase sales to protect market share
- Increase profit margin
- Build the trust of franchisees and staff
- Win the trust of consumers in an extremely difficult market

Description

Mr Terry White has been in the pharmacy game for over 50 years, opening his first ever pharmacy in 1959 on the outskirts of Brisbane. The Whites wanted to make pharmacy ownership more accessible to graduating pharmacists here in Australia – and so the Terry White Chemists franchise was born. Today, the network includes more than 160 individually owned pharmacies across Australia and employs more than 4000 people.

A destination for the biggest national brands, Terry White Chemists has also historically ranged its own ‘Terry White’ branded products. However in order to compete with longstanding market leaders in the world of health and beauty, it needed a more premium offering in-store.

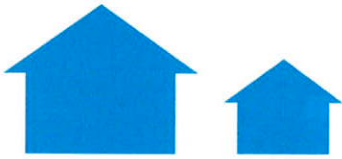


Project Overview Cont.

Our challenges:



Family vs Franchisees



Supermarkets vs Pharmacy



Building trust and
winning hearts

Overview of market

In today's retail landscape, supermarkets are expanding their offering to include traditionally pharmacy-based categories such as health and beauty – and doing so on a much lower cost structure. The result is a significant overlap in brands carried by both pharmacy and supermarket, making it difficult (if not impossible) for chemists like Terry White to compete on price alone.

The traditional pharmacy channel is finding itself forced into a corner, looking for alternative product opportunities to protect market share and gross profit margin.

One of these avenues for differentiation is of course the development of a private label brand ... However, naturally its success isn't as simple as an effective brand design. It also depends significantly on the uptake and acceptance from franchisees and staff. Hence why for both buyer and seller, delivering our overarching design theme of 'trust' was critical.

Project launch date

July 2012

Size of Design Budget

\$46,000 AUD.



Project Overview Cont.

Outline of design solution

First things first, we delved straight into the daily life of the brand, developing its unique propositions, reason for being and personality traits. This helped us to discover one all-important insight: when it came to basic beauty needs, the target market (Australian families) wanted to look good and feel great.

It also highlighted two central brand discriminators: “same quality product as the brand leader” and “trusted value”. This information helped to inform all of our design considerations and to devise the brand’s story.

So, what was the story? For us, it was all about family. In the midst of the daily grind, families needed a brand they could rely on around the clock, one that was always there for them. And it was from this simple insight that 24 Daily was born ... trustworthy, approachable and recommended by experts, 24 Daily would become part of every moment, every day. The name also echoed the brand’s need for flexibility, extending across a range of categories in-store from hair care to sun care and beyond.

Next came the design elements - each of which was considered to build acceptance and trust. If we could create a brand that Australian families were proud to have on display in their homes, after all, Terry White Chemists could start to compete and regain market share.

Our Big Idea:

Looking
after family
always.



Project Overview Cont.

Now 24 Daily is being ordered in more stores by more franchisees, making them more sales and a profit too....

To align with the brand's attributes of credible quality, we wanted the identity to feel fresh, simple and honest. To achieve this, we kept the design and typography clean, confident and straightforward, making it easy for customers to understand and navigate in store. We also incorporated reassuring and confident 'white coat' medicinal cues to evoke trust and a true sense of pharmacy endorsement.

Another key design consideration was bringing the brandmark and packaging to life. Using semiotics and sensory triggers, we introduced a combination of 'cusps' and 'curves' to the 24 Daily brandmark. The sharp edges command attention, purposely highlighting the brand and its strength, while the curved 'arc' in the 24 Daily brandmark reflects its soft, caring nature. Representing a warm, welcoming hug, the arc forms a halo over the product information while our hero supporting graphic, the 'Rhythm of Life', ties the whole design together. Capturing the motions of everyday life, these overlapping shapes bring 24 Daily full circle, making product claims and iconography the focal point.

Once the identity and packaging were designed, we created a 24 Daily brand style guide that clearly explained how to use and apply its components, while also allowing for flexibility across categories. This guide was critical. Not only did it enable Terry White Chemists to quickly and easily assume control of the brand, it's also helping to facilitate the introduction of brand new 24 Daily products and ranges as we speak.



Summary of results

The first two ranges for 24 Daily were Dry Skin Care and Oral Care, launched in July of 2012. Both were made up of six SKUs, through which we used premium category cues to deliver trust and credibility.

This has seen not only an [increase in uptake by franchisees](#), but also an [increase in gross profit](#) and [customer sales](#). And by [exceeding expectations](#), there are even more new 24 Daily products being added to the range...

Our key objectives were:

300+

Units sold per store
per month in 2013

Increase sales to protect market share

The start of 2013 saw an uptake in orders from franchisees and gave our new 24 Daily design more prominence in stores. Since then, 24 Daily sales have increased from an average of 99 units or \$236 per month (July to December 2012) to **above 300 units or \$1045 per month** (January to May 2013). That's a monthly dollar sales increase of 343% per store.

343%

Increase in monthly sales
per store in 2013

Increase profit margins

In the first two months alone, the new design and packaging led to 24 Daily being **#1 in gross profit** across the mainstream toothbrush and mouthwash categories per store, as well as **#3 for Dry Skin Wash** in gross profit per store. This resulted in a 14% gross profit increase in the mainstream mouthwash category and 5.5% gross profit increase in the therapeutic skincare category per store.

14%

Increase in gross profit
in mainstream mouthwash

Build the trust of franchisees and staff

By creating a quality brand identity that looks the part on shelf, the 24 Daily design has completely changed the perceptions of staff members. Terry White franchisees are not only ordering more 24 Daily than the branded equivalent, they're confident in recommending it to their customers.

5.5%

Increase in gross profit
in therapeutic skincare

[“At our Franchisee Conference, many store managers sought me out directly to praise the packaging. They previously fought against private label offerings. Now we've seen a significant uplift in stores ordering 24 Daily products versus other branded competitors and they are asking for specific 24 Daily POS.”](#)

– *Kylie Gerhardt*
Product Brand Manager

Summary of results



Win the trust of consumers

The 24 Daily design has been described as strong, relatable, high quality and easy to sell to customers – this coming from an employee base who once fought against private label alternatives. And with sales increasing month on month, the only way is up...

“The design of the 24 Daily brand has enough versatility to be able to stretch across multiple categories and still maintain relevance and presence in each execution. Designed as a private label brand, it still comfortably sits as a standalone brand that our customers can relate to and just as importantly our stores are confident in recommending against the market leading products.”

– Todd Clarkson

Category Business Manager Mass Beauty



“Easy to sell and recommend due to strong yet simple design. Doesn't look cheap. Portrays a great value, high quality product.”

– Vahid Khalessi-rad

Owner TWC Rockingham



“The design of this new private label brand has received a lot of positive feedback ... the brand identity is simple yet reflects quality and competes strongly on shelf within the product categories.”

– Kylie Gerhardt

Product Brand Manager



Exceeding expectations

24 Daily has already taken share from branded competitors and attracted new customers. And with trust and credibility right at the heart, our brand identity has created the demand for additional 24 Daily product ranges and SKUs to be added to the range, going into production in 2013.

“24 Daily has continued to deliver results, with the introduction of new products to the range in recent months.”

– *Kylie Gerhardt*

Product Brand Manager

Any other influencing factors?

Aside from minimal POS, inclusion in its own catalogue, and a pick up in News Limited’s Body + Soul, Terry White Chemists carried out no advertising or PR campaigns. This brand identity project was the only external investment made for the 24 Daily range.

Research resources

All sales figures provided by Terry White Chemists