



jkr

Penhaligon's Musical Christmas Boxes 2013

Category
4.0 Packaging

Sub Category
4.5 Structural

Client
Penhaligon's

Design Consultancy
jkr

Date
June 2014

For publication



By appointment to
HRH The Duke of Edinburgh
Manufacturers of Toilet Requisites
Penhaligon's Limited London



By appointment to
HRH The Prince of Wales
Manufacturers of Toilet Requisites
Penhaligon's Limited London

PENHALIGON'S
LONDON

PERFUMERS EST. 1870



Executive summary

'A captivating design that goes far beyond the role of simply packaging the product. An enchanting piece of brand theatre in its own right, which will be kept and treasured for years to come.'

Winner Design Week Awards 2014

Christmas is the key period for luxury brands, accounting for almost 40% of annual sales.

With limited budget for marketing, Penhaligon's decided that they needed to be bold if they were to grow their sales in a flat market. To this end, they made the decision to invest in design alone to achieve their ambitions of sales growth.

Beautiful tin birdcages captured the imagination of shoppers achieving 23% sales growth, a reduction in manufacturing costs and a step change in profitability.

Word count: 81

23%

Overall sales increase

5%

Cost reduction



Project Overview

Business objectives

- **Grow sales through the medium of design:**

Create a premium Christmas gift box that would increase sales by 10% – with no support from any other marketing activity.

- **Build affinity:**

Design something enchanting that would have a place in consumer's homes for years to come.

- **Produce the gift sets at parity cost:**

The chosen design should not exceed the manufacturing costs of the 2012 collection.

Description

Penhaligon's is a boutique English perfume house. Founded in the Victorian era by William Penhaligon, the brand is renowned for its original scents and unique personality.

For many, Penhaligon's is a well-kept secret. Once discovered, people often become lifelong advocates of the brand.

The Christmas period is an opportunity to reward loyal consumers and attract new ones through unexpected, engaging and beautiful gift packaging.

Christmas boxes retail between £35 and £105.

Overview of the market

In 2013, sales in the prestige fragrance category were flat. The only notable shift came from a small value growth of +0.1% year-on-year maintained by price increases.

For the crucial Christmas season, beauty brands faced relentless competitive pressure:

1. Price sensitivity: The economic downturn had a key impact on the 2013 Christmas shopping period. Cautious shoppers prioritised their spending on food, drink and decorations, with reduced emphasis on gifting. The first challenge for Penhaligon's was to convert consumer spend towards their premium priced gift items.

2. Online shopping: Online retail was a growing option for Christmas shoppers (with one in five goods bought online). Brands like Penhaligon's needed to give consumers a reason to visit brick and mortar shops to experience their offering and purchase items.

3. New entrants: A final challenge was posed by increasing competition in the British premium beauty retail landscape with the arrival of newcomers such as Harvey Nichols *Beauty Bazaar* and *BeautyMart* and Selfridges *The Beauty Workshop*.

Word count: 307

Project launch date:

October 2013

Design solution



‘These gorgeous gift sets have been inspired by traditional Victorian music boxes and feature beautiful illustrations of singing mechanical birds. While the packaging is stunning in itself, inside you will find an array of scented treasures, sure to please anyone on your list. Covetable, beautiful and keep-able, the “A Songbird’s Christmas Collection” is perfect for gift-giving or saving future collectibles.’

Etiket blog, 2013

Penhaligon’s rich heritage and Victorian provenance were the base inspiration for the 2013 Christmas collection. By exploring the artifacts of this era we uncovered the decadent music boxes that would act as the perfect expression of the Penhaligon’s brand.

Our interpretation of the music box took form as an ornate birdcage filled with mechanical songbirds. By using tin instead of the traditional cardboard substrate, we were able to deliver a more premium offering for the brand and ensure a place in consumers homes for years to come.



The Penhaligon’s birdcages. Perfectly stacked for display in-store.



The 'hero' musical tin that rotates to the sound of birdsong.

'Even if you give her just this pretty music box alone, it will make a lovely accent for her vanity table, and she will be able to elegantly store her treasured jewellery or items in it.'

Top 10 Christmas Gifts 2013 for Women

Revealing the contents within The mini tins delivered a 66% increase in sales for Penhaligon's.



The range of tins containing the brand's signature products.



The intricate hand-drawn illustrations echo the craftsmanship that goes into every scent and the opulent vivid colours reflect the eccentric character at the heart of the brand.

Contrasting matte and gloss finishes, coupled with detailed embossing, create

a sense of depth and Trompe-l'oeil – every element evoking the preciousness of its content.

To enhance the theatrical aspect of the collection we created a mechanical 'hero' tin that revolved to the sound of birdsong. Unlike the rest of the range,

consumers were invited to hand-select its contents and curate a truly personalised gift experience.

This unique creation actively encouraged consumers to upscale their purchases whilst reducing production costs as less material was used in the making.

Word count: 201

The results



23% Sales increase

Our sales target for the Christmas boxes was 10%.
In a flat market faced with price sensitivity, sales increased by 23%.

Alongside this, sales of the brand's mini tins collections increased by 68%.

Up-spend

Unlike previous years, the 2013 gift collection contained an additional 'hero' box that allowed consumers to curate their own gift sets. Retailing at £35 for the empty box (with the mini tins which include products also priced at £35), this provided a prime opportunity for consumers to upscale their purchases by filling the boxes with their favourite Penhaligon's products.

5% Reduction in production costs

Challenged with producing a more premium gift box at parity cost, we exceeded expectations by delivering a 5% reduction in production costs.

This was achieved by switching from cardboard to tin substrate. Not only did this save money for the brand, it was also a prime factor in enhancing the overall experience for the consumer.

Environmental impact

The tin structure also ensured that the boxes had a much longer after life than previous cardboard creations and many other competitor products. Once the content had been used, the empty tin provided a perfect vessel for storing future collectibles.

Award wins

Winner

Packaging Category
Design Week Awards 2014

First Place

Health & Beauty
The Dieline Awards 2014

Finalist

Special Editions &
Promotional Packaging
New York Festivals 2014

'Hands down the Christmas sets from Penhaligon's are the most gorgeous that we've seen for 2013... Something to delight your grandchildren (even if they're a long way off yet), your great-grandchildren – and theirs...'

The Beauty Bible, 2013

23%

Overall sales increase

5%

Cost reduction

*'Plain gift boxes are so 2013.
Head on down to Penhaligon's
and pick up one of their
stunning Hero Boxes – a
rotating music box that sings
the sweet tune of a songbird.
Cute enough even without a
present inside, we say!'*

Grazia Daily, 2013

Other influencing factors



Penhaligon's chose to invest purely in packaging for their 2013 Christmas gift collection. Besides the brand's standard PR drive, no advertising or other marketing activity was used to support the launch of this gift range.

Research sources

NPD Group
Centre for Retail Research, 2013
The Premium Beauty Market Report, 2013
All sales data supplied by Penhaligon's