

# FROM THE MARKETS OF BANGKOK TO THE MOUNTAINS OF JAPAN

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Blue Dragon | 2018 Entry

For Publication



*"We are thrilled with our new branding, visual identity and pack design. Blue Dragon's new design evokes the vibrancy of modern Asia and strengthens the brands position as the no.1 Ambient Oriental brand. We want our packs to reflect the bold and exciting flavours that our products deliver and inspire consumers to explore the best of Asian flavour from their kitchens. The feedback from customers and consumers has been very positive, and the redesign has allowed us to grow and introduce NPD within the range."*

*- PAUL WATMORE, MARKETING DIRECTOR*

## EXECUTIVE SUMMARY

Blue Dragon are pioneers in Asian Food. Since the 1970s they have fuelled the UK's desire and appetite for Asian cuisine, contributing to it moving into the mainstream and being a staple in our supermarkets. The brand led the introduction of traditional Eastern flavours to the UK market and over the years has constantly inspired consumers to explore new tastes – and were the first to introduced sweet chilli sauce to the UK!

In 2016 Blue Dragon recognised it needed to regain its relevance and leadership status in the ambient Oriental food category. Growth had slowed and the brand was not positioned for the future growth it had planned. In a competitive and increasingly commoditised category the brand needed to justify its reason for being on shelf and price premium versus private label. It was time for the brand to modernise and be more reflective of the changed cultural context of Asian cuisine to increase its relevance and maintain its position as brand leader.

Fast forward to today and Blue Dragon is now unmissable on the shelves of supermarkets and convenience stores across the UK and has been

greeted by a very positive consumer response. (ABF Annual Report)

- Blue Dragon's household penetration has increased to its highest in 3 years
- 1.3m consumers bought into Blue Dragon at Chinese New Year – the highest recorded
- Stir-fry sauce is in double-digit growth and highest penetration for the last 3 years
- The brand is growing the category with NPD in innovative Meal Kits, new enhanced flavour variants and Sriracha sauce.
- Facebook community has grown +15.9% since February 2017
- Blue Dragon is the **only major brand** in Ambient Oriental that is seeing growth across all time periods, currently +5% value and +7% units YOY

How did it turnaround in a competitive challenging market with little other marketing support around the re-launch? The answer was to recapture the brands magic, passion and authenticity by redefining what the brand stood for and shift it from being rooted in what was perceived as "Old Oriental" to a more exciting modern "Far East" and the real hustle and bustle of Asia.



# CASE STUDY OVERVIEW

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## OUTLINE OF PROJECT BRIEF:

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### KEY BUSINESS OBJECTIVES

- **Lead the flavour revolution to deliver sustainable EBIT growth**
- **Create a distinctive and ownable positioning** that will increase Blue Dragon's relevance with consumers
- **Reaffirm Category Leadership** - Increase status in the eyes of the trade as champions of great tasting and exciting Oriental food, growing the category and margin
- **Become a new lighthouse on the fixture**
- **Grow category value by driving frequency and penetration**

### BUSINESS CHALLENGE TO BE SOLVED

We needed to redefine Blue Dragon so that it could reaffirm its category leadership, lead the flavour revolution, grow its market share

and ultimately justify its premium position over private label.

### WHAT WAS THE SCOPE OF WORK AT THE OUTSET?

- Strategic Brand Redesign
- Branding Strategy
- Visual Identity
- Full Portfolio Redesign and Range Segmentation
- Brand Guidelines

### STRATEGIC THINKING TO DEVELOP THE BRIEF

To develop the creative brief a strategic phase was required upfront to help define what Blue Dragon could stand for beyond generic "Oriental" and resolve what it means to be a contemporary, vibrant, authentic brand evocative of modern Asia and the flavours within.



# CASE STUDY OVERVIEW



## PROJECT BACKGROUND AND THE BUSINESS CONTEXT

The Blue Dragon journey began back in the 1970s, built on a love of travel and food in the East the brand started out with a range of 5 products. The founders loved the unique, stimulating tastes and adventure of the Far East and wanted to share them with consumers in the UK, where Chinese food was growing in popularity. Today Blue Dragon call on the expertise of over 30 local suppliers all across Asia via a dedicated buying and sourcing office in Thailand. From quick convenient meal solutions through to scratch cooks Blue Dragon's portfolio of over 70 products caters for a wide range of products across Chinese, Thai and Japanese cuisines. The brand constantly aims to be first to market with inspiring and interesting concepts to help consumers recreate their favourite oriental dishes at home. From Beijing to Bangkok, Blue Dragon still passionately travel all over Asia to see what's cooking, so they can keep creating exciting products, bring over new ingredients and flavours as well as simple-to-prepare recipes they know the British public will enjoy.

However, over the last few years the cultural context within which Blue Dragon exists has evolved significantly, with consumers travelling more often and a variety of cuisines and flavours

increasingly accessible through out of home dining. The "out of home" food experience has become radically different to when the brand was founded in the 1970's - back then the point of reference for Asian cuisine may have been the local Chinese restaurant whereas today the restaurant scene has transformed with the likes of Wagamama's, Itsu and Dishoom all being common place on our high streets. This has increased consumer awareness of world foods shifting to a broader, more diverse range of cuisines and they are seeking to relive these authentic experiences at home. **This all led to an important challenge for Blue Dragon who needed to find a way to close the gap between what consumers were seeing out of home and the experience Blue Dragon offered.**

In addition, consumers did not have clarity of what the Blue Dragon brand was, what it offered and why the brand should be bought instead of one of its competitors (including the growing might of 'own label'). The brand found itself losing its expert category position to the trade and was struggling to justify its shelf space to retailers versus private label alternatives. Losing margin and with the entire category in danger of becoming commoditised, Blue Dragon needed our help to promote and maintain its position in the market. It was time to **strengthen and modernise**, making it clearly stand for something and be seen as hugely desirable (i.e. worth paying more for).



# CASE STUDY OVERVIEW

This was the challenge presented by the Blue Dragon marketing team – whilst the brand product offer had evolved to include exciting Japanese and Thai recipes, this wasn't matched by the packaging which was more reminiscent of traditional China. Several elements had also been copied by others and it **no longer stood out in market**. Research showed that consumers perceived it as a little tired and dated, rooted in Chinese rather than a broader more vibrant Asian cuisine they saw on their high-street and from their travels. Furthermore, there was little impact on shelf and the dragon symbol had become a generic category signifier for Chinese food.

## DETAILS OF WHAT WAS DESIGNED / SCOPE OF THE WORK DELIVERED

We created a branding strategy, visual identity, ranging strategy and packaging design including several NPD across 70+ packs for Blue Dragon that brings to life the vibrancy, modernity and

excitement of today's Asian cuisines, whilst being unmistakably Blue Dragon. We also created brand guidelines and tone of voice guidelines.

## DESCRIPTION OF THE DESIGN SOLUTION

The rebrand reflects the excitement of Asia and repositions Blue Dragon as a modern and relevant player in the World Foods Category, through a redesign of both the brand-identity and product packaging that captured Blue Dragon's magic.

*We reimagined 'Blue Dragon' as the brand icon, creating a new brand-mark which sought to guide consumers on 'Journeys of Discovery to the Heart & Soul of East Asia' from the bustling city markets of Thailand to the mountains of Japan. Successfully shifting the brand perception to evoke the excitement, colour and flavours of real food experiences so that it is perceived as an inspiring and contemporary brand reflective of today's modern Far East.*





We introduced a vibrant and inspiring presentation of photography. Shot overhead with bold and eye-catching colour-tones the photography reinforces contemporary credentials, whilst providing clear variant differentiation on shelf. The identity and more modern colourful packs bring the heart and soul of the Far East to your kitchen and seek to capture the sizzle, spice, tang, splash and crunch that you can't quite articulate but is the magic behind Oriental food.

### OVERVIEW OF THE MARKET

The UK is one of the most multi-cultural societies in the world. As a result, there is a plethora of international cuisine and consumers who are not afraid to experiment and be inspired, which is contributing to huge growth within the category. At current growth rates Nielsen predicts the world cuisine category will reach over £1Bn by 2019 (The Grocer, World Food Report 2018). An increasingly diverse UK population is driving sales in the world food aisle, with ethnic minorities now making up 14% of all shoppers. In the last decade, the Oriental food market has grown exponentially, growing faster than Mexican and Italian, representing 4% of our evening meals (Kantar Worldpanel Evening Meal Usage Report, 52 w/e 8 Nov 2015) and Meal kits are seeing strong growth with 54% value increase in the last year in Oriental and 19% growth in Indian. (Nielsen Scantrack)

The retail landscape has changed dramatically. As shoppers become more accustomed to world flavours they are seeking more authentic experiences on shelf that they can create at home. As a result, retailers are giving more shelf space to Thai, Japanese, Korean and Vietnamese products (The Grocer, World Food Report 2018) Newer niche players had entered from the likes of Spice Tailor to School of Wok, disrupting the category and changing the benchmark for authenticity.

Retailers have upped their game in the category launching their own Asian offerings to capitalise on the opportunity, improving their ranges and quality, selling at a lower cost to brands and often heavily promoting. This has squeezed the category, making it much harder for the mainstream brands to justify their price differential and that they are worth paying more for. Increased competition in the aisles has led to brands responding by heavily promoting and price wars (bringing averages prices down by as much as 2.5% in the condiments category). (The Grocer, World Food Report 2018) serving to commoditise the market and erode category value - effectively teaching consumers to habitually buy on price rather than brand preference

### KEY FACTS

- Launched February 2017
- Budget £272,854





# SUMMARY OF RESULTS

The new design, which was introduced from early 2017, is unmissable on the shelves of supermarkets and convenience stores across the UK and has been greeted by a very positive consumer response. (ABF Annual Report). Retailers are now more engaged than ever, inspired by brand plans as well as impressive performance in the market, leading to conversations on NPD and supermarket exclusives.

Since re-launch it has reaffirmed the brands category leadership to retailers, super-charged innovation and NPD, as well as leading to increased distribution in other markets.

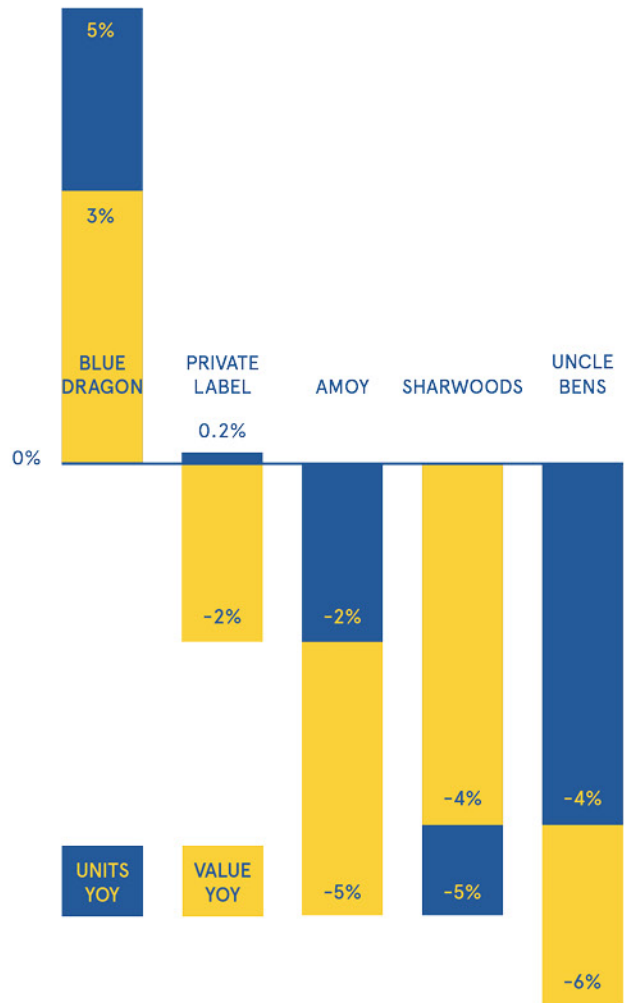
## RESEARCH FINDINGS:

The new design has succeeded in increasing brand relevance to consumers. Qualitative research verified shifts in brand authenticity perceptions and strong presence on shelf delivering both immediate impact and memorability. It transports consumers to modern Asia whilst retaining authenticity of the East, exuding a sense of discovery and excitement and the curiosity associated with travel. It delivers on expectations that the food will be full of flavour delivering a taste explosion and both the food photography and enlivening colours deliver freshness. (Qualitative Research Report).

Millward Brown research showed significant improvements in consumer perception of the brand with new packaging demonstrating a **12% increase in stand out** and a 9% increase in differentiation and modern appearance.

## WITHIN THE CATEGORY:

- Blue Dragon is the only major brand in Ambient Oriental that is seeing growth across all time periods. Currently +5% value and +7% units YOY and even stronger in the most recent 12 weeks—following noodle kits listings and strong stir fry growth; +11% value and +10% units
- Ambient Oriental at a total level is in healthy value and unit growth YOY the most recent 12 weeks
- Private Label is now in value decline YOY and in the latest 12 weeks
- All other mainstream brands; Amoy, Sharwoods and Uncle Bens are in decline in both value and units YOY meaning that **Blue Dragon is leading the category growth.**



## INCREASED PENETRATION:

- 35% of households buying Blue Dragon, **which is the highest it's been in 3 years** and is a growth of +2% vs. last year.
- Dragon Stir fry – **the highest for the last 3 years and their highest penetration of stir-fry since the redesign.**
- Blue Dragon Stir Fry Sachets in double digit growth +13% YOY, +14% latest 12 weeks
- **1.3m new shoppers bought Blue Dragon at Chinese New Year, the highest number ever for the brand! (Nielsen Scantrack)**

**15.1%**  
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HIGHEST FOR THE  
LAST 3 YEARS!

**1.3M**  
NEW SHOPPERS  
BOUGHT BD AT  
CNY, HIGHEST  
NUMBER EVER



#### **GROWING THE CATEGORY:**

- Blue Dragon is in double-digit growth up +12% units – which is helping to grow the overall condiments category
  - **Highest number of households buying into Sweet Chilli Squeezy for the past 3 years, up +4.8% YOY**
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#### **SOCIAL MEDIA:**

- The Blue Dragon Facebook community has grown +15.9% since February 2017 and now have an audience of 44.3k
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#### **CATEGORY LEADERSHIP REAFFIRMED WITH CATEGORY GROWING NPD:**

Successful NPD launched that increases margin,

brand authenticity and leads the flavour revolution

- New Sriracha sauce successfully launched
  - New Meal Kits have been a huge success, growing +75% in value and +66% in units – **growing faster than the overall category**
  - Increased distribution of Meal Kits, both Ramen and Katsu NPD listed in 660 Tesco Stores
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#### **ADDITIONAL MARCOMS:**

- The ATL campaign following the redesign came out a year after the redesign in January 2018 which reached 5m consumers. The campaign was all about bringing the brand strategy defined by us to life. Celebrating the vibrancy and excitement of the modern Far East that Blue Dragon represents. Further articulating the magic behind Blue Dragon.

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#### **SUPPORTING RESOURCES**

ABF Annual Report 2018

The Grocer, World Food Report, 2018

Kantar Worldpanel Evening Meal Usage Report, 52 w/e 8 Nov 2015

Nielson Scantrack w/e 6 October 2018

Qualitative Research Report, Conducted by Big Picture, undertaken by Blue Dragon

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