

FOR PUBLICATION - REDACTED FOR CONFIDENTIAL DATA
HÄAGEN-DAZS

The Redesign
of Häagen-Dazs

Entry 2018

DBA Design Effectiveness Awards

LOVE.
We See What You Won't



Executive Summary

In 2015, Häagen-Dazs was in trouble. Consumers were lacking a clear and compelling view of the brand due to communication touchpoints that had become antiquated and monotonous.

In a growing category, Häagen-Dazs wasn't growing, and were losing market share to both new and established competition.

With the ice cream industry projected to grow to over \$100bn by 2019, Häagen-Dazs needed to dramatically increase consumer appeal and brand fame, by reconnecting with a younger demographic.

Our response saw us reinvigorate the entire brand. Starting with the packaging design of all core products, before addressing shop spatial design, instore customer journey touchpoints, innovation product design and new format developments.

How Do We Know It's a Success?

- UK sales have increased by 37%
- UK market share increase of 1.7%
- Penetration has more than doubled, from 10.2% to 20.6%, as more (younger) consumers are attracted to the brand, leading to an explosion in social media engagements by 500%
- Refurbished stores in Europe & Latin America have earned the company a 22.9% sales increase (driving revenue gains of *redacted for confidential data*), outperforming an ambitious target of 15%.

Project Overview

Objectives

- Reinvigorate the Häagen-Dazs brand and reignite growth after a decade of flatlining sales
- Recruit more millennials to the brand globally
- Drive a sales uplift of 10% in the UK market
- Drive a sales uplift of 15% in Häagen-Dazs stores globally
- Increase Häagen-Dazs' market share in the UK by 1%

Business Challenges

With a rich history and a reputation for excellence, Häagen-Dazs was once the luxury ice cream of choice. But, though the ice cream inside remained peerless, the brand look and feel felt stale and out of touch with a modern consumer.

In the previous decade, Häagen-Dazs' packaging underwent a series of minor design adjustments but remained rooted in an old world of indulgence-centric and faux luxury aesthetics. Flatlining sales in a growing category led to market share declines, as established competitors and new entrants stole a march on the brand.

We saw an opportunity to bring Häagen-Dazs back to its brilliant best, and back to positive growth, by making it more appealing and accessible to a younger audience. To do this we needed to reinvigorate every brand touchpoint - leading with a future facing packaging design.

Business Overview

Häagen-Dazs is a leading worldwide brand of super-premium ice cream, founded in the '60s by Reuben and Rose Mattus. Now it is owned by the multinational manufacturer and marketer of branded consumer foods, General Mills.

Häagen-Dazs products are sold in wholesale distribution worldwide and via owned retail, with an estate of over 850 Häagen-Dazs shops in 50+ countries.

Strategic Unlocking

Brand History

We revisited the brand's roots and discovered a rich story: a USA émigré turned entrepreneur, Reuben Mattus, who wasn't afraid to dream big. Obsessed with quality ingredients, he worked for years to perfect his recipes; an obsession matched only by that for Scandinavian design. Born in New York but Scandinavian inspired, the Häagen-Dazs name was born.

Using Reuben as our 'strategic unlock', we mapped the brand story, delving deeper into his motivations, approach and methodologies. Armed with insight, we worked in tandem with Häagen-Dazs' global team and their communications agency to develop a new brand purpose, vision and belief that influenced every design solution from there on:

- The brand purpose - "We exist to create extraordinary moments".
- The brand vision - "To be the world's most desirable ice cream brand".
- The brand belief - "We believe little luxuries have the power to elevate the everyday".

The Scope of Work Being Delivered

Our packaging refresh soft-launched in the UK in February '17. Seeing the dramatic increase in sales, Häagen-Dazs appointed us as their lead creative and strategic partner for all retail, limited-edition and innovation design projects. To date, this has included:

- A new brand-book & brand film
- A major packaging update across the entire Häagen-Dazs portfolio
- Three limited-edition ranges (the third collection due to go live in 2019)
- An in-depth new retail design toolkit across 6 formats for global licensees to adopt

New Format Opportunities

With younger millennials becoming increasingly health conscious, we spotted an opportunity to explore indulgence in smaller formats. The solution? Portion-controlled new products – the 'mini pint' and 'stick bars'.



New product formats: Mini-cups, stick-bars.

Innovation Product Design

Then another rich opportunity caught our attention: our consumers' love for must-try, limited-edition experiences. We encouraged Häagen-Dazs to start introducing seasonal limited-edition ranges – an opportunity to engage millennials and gain reach over Instagram.

The Design Solution

Inspired by Reuben Mattus' love of Scandinavian design, we reintroduced the principles of simplicity, elegance, balance and proportion across the entire brand.

• Packaging Redesign

We redesigned the entire Häagen-Dazs packaging portfolio: all ice-cream pint pots, mini-cups, stick-bars and mini-sticks, sorbet and frozen yogurt products, and all new innovation products since.

With the subtle intention of associating the brand with art, we commissioned artists from around the world to represent the flavour of each product. Over 50 were taste-tested, developed, art directed and drawn. These art pieces became the central feature on all packaging and beyond – being used throughout communications, shops and menus.

• Logo Refresh

In the spirit of Scandinavian simplicity, and to improve brand recognition, we simplified the iconic Häagen-Dazs logo from a two-colour black and gold version to an elegant mono burgundy colour.

Before

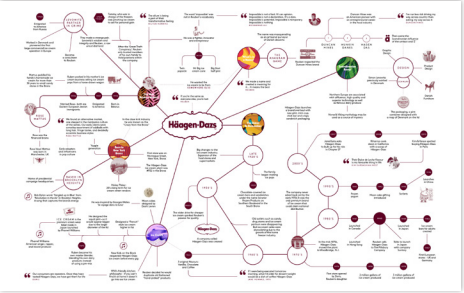
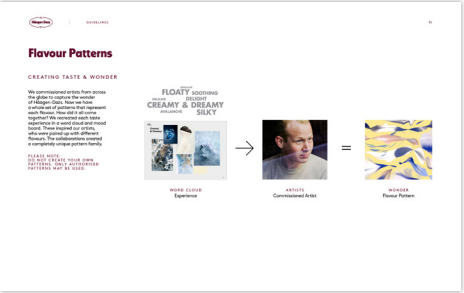
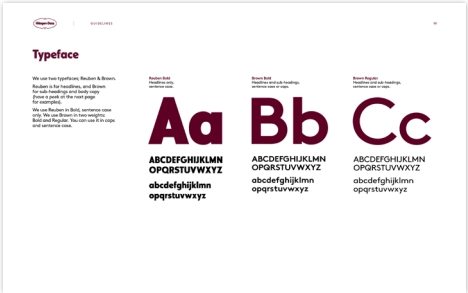


After



A New Brand-Book

A large format “look book” was then designed, enshrining the new brand look, tone and feel.



Design Solutions Beyond Core Packaging

Limited Edition Range

Introducing limited-edition designs created an opportunity to further engage young consumers, using art to do so. In 2016, we worked with an illustrator to launch our first limited-edition range - 'Flower Power'. The 'floral' concept gave us license to test and learn, exploring monochrome logo design and taking the pattern across the entire pack.

The powerful use of illustration communicates the exotic flavours available, taking Häagen-Dazs into a more contemporary space with stand-out power on shelf, whilst driving further millennial buy-in.



Limited-edition ranges

Global Retail Shop Designs

Häagen-Dazs' shops were dull and dated, so, using our brand story to inform every element of the design, we developed a global scheme that our target audience would want to explore and be seen in.



New shop spatial designs

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A space fully connected to the packaging design, reflective of Scandinavian design and packed with Instagram enabled moments. The scheme is designed to flex across six different shop formats of varying scales and experience, across all 850 shops. Our retail design ensures stand-out, social media moments and an air of contemporary luxury throughout.

Retail Global Menu Design and Art Direction

To support the renovation of the retail stores, a complete visual overhaul of the brand's menu was designed; introducing fresh, minimal product photography along with a sharper tone of voice and a cool new functional format, in both physical and digital outputs.

The photography used for the menu designs drove both consistency and economies of scale, being used across window displays, outdoor posters, lightbox units, freezer graphics, plasma screens, social media and instore wall murals.



Collaborations Between Agencies and Business Units

At certain periods between launching the packaging refresh and rolling out new shop refurbishments, there has been ATL and BTL activations lead by Häagen-Dazs' communications agency who we work closely with.

Overview of Market

The Market Context

Back in 2015, Haagen-Dazs was experiencing *redacted for confidential data*.

Between 2010-2014, the ice cream category had grown at a compound annual rate of 6%, from \$63.4B to \$78.9B in real terms, with the category expected to grow to \$109.5B by 2019. (Source: Euromonitor International, 2010-2014).

Despite the growth in the category, Haagen-Dazs had *redacted for confidential data*. Compounding the issue, new premium "artisan" competitors were moving into the market and also stealing share.

The sales problem was driven by an equity problem. In 2015, Haagen-Dazs brand equity score of *redacted for confidential data*.

With the 'super-premium' segment performing strongly, this should have been Häagen-Dazs' time. Instead, its external lack of distinction saw it being squeezed from both top and bottom. Häagen-Dazs had become lost in a sea of vanilla, getting more complicated and less confident over time, eroding emotional resonance with younger consumers leaving a consumer base who were typically aged 40+.

With the ice cream category projected to grow to almost \$120bn by 2019, Häagen-Dazs needed to dramatically increase consumer appeal and brand fame and reconnect with a younger demographic to take advantage of a highly dynamic market.

Overview of The Results

Launch Dates

- Packaging refresh - February 2017 (UK)
- Limited-edition innovation projects
- February 2017 (Asia)
- April 2017 (Europe)
- April 2018 (Europe)
- Menu designs - March 2018 (across Europe)
- Retail roll out - First stores opened March 2018 (Europe) and September (Latin America)

Design fees

Total (excluding production costs): *Redacted for confidential data)

Results

Increase in Sales

Our packaging soft-launched in February '17. The results were instantaneous, with the new look and feel driving both sell-in and sell-out. Upon sale in the UK, Häagen-Dazs reported an uplift of 66% in sales. This momentum was maintained beyond the initial launch period.

For the 12 months to the end of Sep 17, the brand reported a 37% uplift in UK sales completely outperforming sales increase objective of 10%.

It should also be noted that the first 6 months of this reported period featured the "old" packaging, suggesting the initial launch success has been maintained.

Annual market share during this period grew by an impressive 1.7%, again exceeding the original objective of 1%.

Category growth during this period was reported at 9.9%, meaning Häagen-Dazs significantly outperformed the market.

Haagen-Dazs' internal reporting stripped out the impact of external factors such as increased media spend and instore promotional activity, to isolate the impact - attributing 62% of the sales growth to the impact of the packaging design.

Millennial Recruitment

It's difficult to assess the recruitment of millennials in isolation, however the penetration stats for the brand since relaunching are striking.

Graph removed - redacted for confidential data.

In October '18, Häagen-Dazs overtook *redacted for confidential data*, having more than doubled their penetration since the last consumer survey in 2016.

Having attracted 1 in 5 UK consumers to try the brand, it's

safe to assume the recruitment of new, younger consumers to the brand played a leading role in these statistics.

Further evidence of the relaunch impact on younger consumers is the growth in Instagram posts featuring the brand since the new packaging designs landed – the internal Häagen-Dazs marketing team reported a +500% increase in posts featuring the #haagendazs hashtag.

Consumer Perception – Key Equity Metrics

To examine the impact in further detail, Häagen-Dazs commissioned a key shopper study: weighted towards millennials (53%), but also including other key consumer groups - generation X (38%) and baby boomers (9%). (Source: The Nielson Company, June 2017)

The groups each visited five UK core Häagen Dazs retailers and answered a number of post-visit questions. The clean Scandinavian-inspired design resonated well with shoppers, with 'simple' (75%), 'indulgent' (73%) and 'modern' (71%) being the three highest ranking brand associations. Importantly, millennials drove the 'indulgent' and 'modern' responses, a key sign that previous barriers to purchase were being dismantled.

The same study also measured three key equity drivers:

- Most indulgent: old pack 30% v new-pack 70%
- More taste appeal: old pack 30% v new-pack 70%
- Most premium: old pack 29% v new-pack 71%

Increase in Shop Sales

The new shop designs are being rolled out gradually, with Europe & Latin America the first markets to launch from April '18.

Results across these refurbished stores show an average sales increase of 22.9%, significantly outperforming the original target of 15%

A 22.9% increase in sales across refurbished stores in Europe & Latin America has delivered a *redacted for confidential data*.

The Cause and Effect of The Design Solution

In 2015, Häagen-Dazs' consumers were lacking a clear and compelling view of the brand, with dated packaging and in-store aesthetics playing a key role. Häagen-Dazs was in poor health, seeing a serious decline in key brand equity metrics, losing market share to its competitors and subsequently, not growing in a category that was seeing significant growth.

The impact of the relaunch has been staggering:

- UK sales uplift of 37% (in a 12-month period where the old packaging was on shelf for 6 months), completely outperforming the stretch ambition of 10% sales growth.
- Penetration has more than doubled, from 10.2% to 20.6%, as more (younger) consumers are attracted to the brand, leading to an explosion in social media engagements by 500%
- Retail stores with the new format design delivering a 22.9% sales increase from the same locations

The Proof of Effect and Any Influencing Factors

- ATL activity - May 2017-18
- BTL activity - May 2017-18
- Weather – wettest summer on record. Yet, temperatures between June-August 0.41c above average.
(Source: Met office 2017)