



WHERE EATING GOOD IS DOING GOOD

Client:
Samworth Brothers

Agency:
Ape Creative

DBA Design Effectiveness Awards October 2019

EXECUTIVE SUMMARY

Samworth Brothers is one of the UK's largest own label food to go (FTG) producers to UK supermarkets. However, its branded food-to-go business was facing some big challenges. Its 'Deli Bite' range of sandwiches and wraps had failed to build momentum following its launch in 2016 and was now unable to offer its retail buyers the same breadth of range, or margins, as its key competitors.

At the same time, the distribution of Samworth Brothers' other FTG brand, Ginsters, was under threat through new calorie requirements in Royal Voluntary Service (RVS) managed outlets.

Samworth Brothers approached us to redesign Deli Bite, but we knew that a simple packaging redesign wouldn't change many of the issues it was facing. Instead, working in complete partnership with Samworth Brothers, we went back to the drawing board and implemented our challenger brand thinking process, and Honest Crust was the result.

Honest Crust is a brand based on sound ethical principles that resonate with its key audiences, and has had phenomenal success in its first year:



It has secured contracts with key customers for its target audience – NUS and TUCO, and secured its existing business with RVS.

£5m

It extended its reach into Budgens and Londis with Booker Retail Partners – stealing £5m in RSV from key competitor Urban Eat.

It surpassed its RSV target of £7m by

71%

securing an extra £5m in RSV in year 1

Honest Crust's year 1 sales are

200

 times

more than Deli Bite achieved in 18 months.

Honest Crust has donated

£50k

to charity FareShare to provide **200,000 meals** to help feed vulnerable people.

3.5tn

of plastic has been prevented from entering the production cycle – the equivalent of **420,000** carrier bags or **70,000** 2-litre drinking bottles.

The design achieved an ROI of

55:1



EXECUTIVE SUMMARY

Before



After



It's evident that the brand's success was down to the fact that every single aspect of its design was considered from the ground up and closely aligned to a core purpose and belief that consumers share.

Honest Crust offers consumers a healthy lunch in environmentally friendly packaging, while at the same time offers retailers competitive margins in a way that is in keeping with their own principles, and those of their consumers. And more importantly, it's helping to tackle the UK's food waste and poverty issues and helping to provide healthy meals to the most vulnerable people in society.

CONTEXT + OVERVIEW

BACKGROUND + BRIEF

The business challenge

Samworth Brothers is one the UK's largest food-to-go producers (FTG) and suppliers to UK supermarkets. They're also the owners of the Ginsters brand of savoury pastries and deep-fill sandwiches, which has been a stalwart of the FTG market for many years.

Part of the Ginsters brand has always been about hearty and filling products for hungry people, but as food trends evolved and tastes changed, retailers and shoppers were asking for lighter, healthier alternatives to the deep-fill nature of Ginsters. In answer to this, in 2016 Samworth Brothers launched 'Deli Bite' as part of its branded FTG offer, and also as a way to extend its product offer to outlets outside of its core supermarket customers.

However, after a year on shelf, main rival and branded market leader, Urban Eat, carried out a brand refresh with brighter, bolder packaging and new products. After initial positive feedback from retailers, Deli Bite was unable to build momentum and offer those retail buyers

the same compelling proposition, breadth of range or margins as Urban Eat. This was also the reason why historically Samworths had not made inroads into the higher education sub-segment of the FTG market. They had been unable to meet the commercial terms offered by other national brands or regional suppliers.

At the same time, the existing distribution of Ginsters, was under threat in outlets managed by the Royal Voluntary Service (RVS) in NHS environments. New Public Health England guidelines required that 50% of food ranges sold there must be under 400 calories. Neither the Deli Bite or Ginsters ranges met those criteria, and the Ginsters brand didn't have license to stretch into this lower calorie, healthier food territory.

So against this backdrop of ever-evolving consumer tastes and pressure from its trade customers, Samworths decided it was time to pause, reflect and change.

The brief

Samworth Brothers asked us to come up with a new design to replace Deli Bite, but in light of the above context, we challenged the brief, as we felt that if the product and brand values were the same, the end result was unlikely to be different. Instead we suggested we employ our 5-step challenger-thinking programme to identify the ambitions of a new brand and its key challenges. Ultimately we felt that Samworths needed a repositioned, rather than a revitalised, branded offer if it was to grow its FTG business in existing channels and attract new business wins.

Objectives

Our key design objective was to appeal to both trade customers as well as end consumers, with the ultimate aim of:

Increasing distribution

Particularly through securing contracts with NUS, TUCO and RVS (trade objective)

Students eating habits and behaviours make them a core audience for FTG. Distribution into universities comes via agreements with individual universities themselves, the National Union of Students (NUS) and through The University Caterers Organisation (TUCO). Therefore, key targets were to secure listings with both of these organisations. Although Ginsters had been part of the NUS meal deal for years, TUCO had proven difficult for Samworths in the past.

Achieving a retail sales value (RSV) of £7m in year 1 (consumer objective)

From initial positive conversations with potential stockists and the growing market, it was clear that opportunities were there for the taking if the brand was right. Samworths was confident it could take Honest Crust from a standing start to around £7m in its first year – a hugely ambitious target
REDACTED CONFIDENTIAL DATA.



CONTEXT + OVERVIEW

OVERVIEW OF MARKET

According to analysts at Kantar Worldwide, in the 52 weeks w/e 9 September 2018, almost all consumers (97.8%) had engaged with the FTG market, purchasing 4 times per week on average, and in a market that was worth £17.8bn in 2018 (IGD, 2018). Essentially, that means that the FTG shopper is broad and diverse.

Sandwiches dominated these purchases valuing £5.6bn in total, which was +3% on last year, but despite a -0.9% drop in volume. This was due to many consumers trading up from standard triangle sandwiches to more premium wraps and baguettes.

Over the next five years, a compound annual growth rate (CAGR) of +5% is forecasted, making the total UK FTG market worth an estimated £22.8bn by 2023.

Retailers such as NUS and RVS sit under the second smallest sub-segment of 'convenience, forecourt and High Street retailers', but are still dwarfed by the larger retailers here – meaning that it's difficult to get exact data on how much the sub-segment is worth. However, it still posed an opportunity for Samworth Brothers as established key sandwich brands sold in this sub-segment include Urban Eat, valued at between £80-90m, Greencore owned businesses Munch at £30m and Sutherland Deli worth between £15-20m.

In 2017 IGD noted that activity in the convenience segment was becoming more credible and competitive. Younger shoppers in particular are likely to drive growth here, as 18-25-year-olds have been found to be twice as likely to buy FTG in convenience stores, compared to their older counterparts, who are more likely to shop in coffee specialists or supermarkets.

The Institute of Grocery Distribution (IGD) breaks the FTG market into five segments:

Segment	Forecast* Value for 2018 (£bn)
Food-to-go specialists – e.g. Pret, Leon, Greggs, etc.	4.9 [-3.9% on LY]
Supermarkets and hypermarkets	1.4 [+7.7% on LY]
Quick service restaurants (QSRs) – e.g. McDonald's, Burger King, etc.	5.6 [+3.7% on LY]
Coffee specialists – e.g. Costa Coffee, Starbucks, etc.	3.1 [+6.9% on LY]
Convenience, forecourt & High Street retailers – e.g. Spar, Boots, Londis, independents, etc.	2.8 [+3.7% on LY]
TOTAL	£17.8 bn [+2.3% on LY]

Health and wellness driving innovation

In recent years FTG growth has been dominated by supermarkets, but as shoppers become more sophisticated in their tastes and demands, many FTG specialists are focusing on health and wellness and setting the pace on product innovation and range development.

As well as health driving NPD, consumers are interested in a company's stance on environmental and sustainability issues, both of which are often cited as reasons for purchasing vegan foods. And supermarkets, as well as pushing the price message, have tapped into these trends by launching new FTG ranges – such as Tesco's plant-based Wicked Kitchen and Waitrose's Good to Go ranges.

Consumers are also becoming increasingly concerned about food waste, which is a big issue for the FTG sector; particularly as in this category, consumers want freshly prepared food that hasn't been sitting on shelf for days; and the food comes packaged so it can be eaten on the go.

A bit about food waste

1.9 million tonnes of food are wasted by the food industry every year in the UK (The Waste and Resources Action Programme (WRAP), 2016). Food can become surplus due to simple reasons such as over-production, labelling errors or short shelf-life. But, at least 250,000 tonnes of the food that goes to waste each year is still edible, and enough for 650 million meals (FareShare, 2018).

At the same time, 8.4 million people in the UK are struggling to afford to eat – the equivalent of the entire population of London. Through its waste hierarchy that sets out five steps for dealing with waste according to their environmental impact, WRAP is working with food businesses to help feed people first, before waste is sent to animal feed or energy.

CONTEXT + OVERVIEW SOLUTION

Setting the brand foundations

We knew that modern shoppers are just as interested in why a company does what it does, as well as what it actually does. A brand with a real and genuine purpose that resonates with its shoppers creates another reason to buy beyond product features and benefits; especially amongst millennials.

We also knew that simply emulating the market leading brands would commoditise our offer and leave our brand susceptible to future price or promotion led challenges. Therefore, we approached the project with a deep level of challenger brand thinking to establish what our brand could stand for, in a manner that could build an emotional connection with both trade buyers and consumers. And at the same time, put clear water between it and other FTG brands.

As part of its commitment to waste reduction and working within WRAP guidelines, Samworths had already been supplying FareShare with excess product from manufacture for several years – but they knew that there was more that they could do to support such a great cause.

In the UK one in eight people go hungry, yet good food is wasted every day. FareShare is a food waste charity that takes edible surplus food from the entire food supply chain, and redistributes it to charities who use it to help feed vulnerable people such as the homeless, school children through term time and holidays, or simply those that provide support and companionship to elderly people.

Through its new FTG brand, we saw the opportunity for Samworths to formally partner with FareShare. Specifically this was a commitment to donate £50,000 in the brand's first year to enable an additional 200,000 meals to be provided to those in need – regardless of actual sales.



Brand strategy

The UK FTG market is one of the most competitive, and is dominated by supermarkets and high street chains conforming to category conventions – product-focused brands that inform us of what makes their product so great. Instead, we built on trends shaping the FTG specialists segment but also looked elsewhere for inspiration; preferring to think about how we could change things for FTG and how the brand could really matter.

We identified our key target audience as 18-25-year-olds as a key segment for the FTG sector, and in particular students, as they are not afraid to shout about a good cause online. This strategy also provided an opportunity to directly compete with Urban Eat, as a current meal deal supplier in NUS cafes and shops.

Through a series of workshops led by us, and including representatives from Samworths brand and category marketing teams, we created a clearly articulated brand framework.

A brand with purpose

Our brand purpose built on the partnership with FareShare and was articulated as:

We believe everybody deserves to eat well so we'll use the food we make as a gateway to improve the lives of vulnerable people.

And our two brand pillars, on which everything about Honest Crust is built, were '**Eat Good**' and '**Do Good**'.

Eat Good

means being consistently better than competitors for quality and taste; over 50% of the range being under 400 calories; and going above and beyond with Healthy Living Award (HLA), Healthcare Retail Standard (HRS) & Commissioning for Quality and Innovation (CQUIN) healthy eating guidelines.

Do Good

means using food as a gateway to improve the lives of vulnerable people; being first to market with packaging made from fully sustainable materials, and committing to zero waste to landfill.



CONTEXT + OVERVIEW SOLUTION

Look and feel

Our remit involved everything from the brand positioning, naming, tone of voice, language, trade comms, point of sale, social media, website and packaging.

We knew we needed a brand design that could cut through and speak to shoppers in a competitive market, and in that moment where shoppers are making fast decisions, often on autopilot and in reaction to hunger.

To do that we needed to cut through the visual noise. Almost all pre-packed FTG ranges have an element of colour coding to aid consumer navigation, but they were all bright and bold hues, shouting for attention. We chose a pastel colour palette that is more synonymous with health cues, and more in line with the thoughtful and considered nature of the brand, to create a calmer fixture for the shopper.



CONTEXT + OVERVIEW

SOLUTION

Because we were also ultimately hoping to change shopper behaviour and make brand part of their decision-making process, we wanted the final brand marque to be unfussy and distinctive. It acts as a signpost and doesn't detract from the product, which is ultimately what the shoppers are looking for. The lock up demonstrating the commitment to giving FareShare 200,000 meals is a key part of the communication and strikes the right balance between a sandwich brand that does good, versus a good cause brand. But it all starts with the clarity and sentiment of the name.

We knew very early on, that the brand needed a sustainable aspect to its agenda. We explored aspects such as what happens to sandwiches left over at the end of the day; whether a food-to-go range could be made from off-cuts or from food that would otherwise go to waste; and we also explored why sandwiches were never made from the crusts as that seemed inherently wasteful. We also knew that the brand would need to have broad market appeal and of course, be profitable. This exploration was the catalyst for the Honest Crust name.

We discovered that fresh sandwiches have a short shelf life so the rules governing what happens with left over product makes it difficult to give away. And when it comes to crusts, they are often cut in inconsistent thicknesses so it's impossible to know how many will be usable from a single loaf and that makes accurate operational planning impossible. It also turns out that shoppers tend not to go for them anyway. All things considered, Honest Crust was the name that most reflected the sentiment we wanted to convey for the brand and embodied the spirit of an everyday, accessible brand that had a strong anti-food waste and anti-food poverty agenda at its heart.

As a result, our end design solution is simple, modern and clean, and is underpinned by an honest, kind and inventive brand personality and tone of voice – in keeping with our brand framework. It's applied consistently across more than 40 different products.

Doing good

When looking at the physical packaging design, it was important under the brand pillar of 'Do Good' that we worked towards using recyclable packaging. That was to be no mean feat, but working with leading package manufacturers, we have produced sandwich skillets and wrap boxes made from fully sustainable materials. The brand's launch was supported by a website and blog, Instagram, Facebook, Twitter and experiential activity targeted at students, as well as trade shows and branded POS for all retailers.



Key facts

Launch date: September 2018

Design fees: REDACTED CONFIDENTIAL DATA

RESULTS

RESULTS VS. OBJECTIVES

It's clear that we have built a true consumer-based branded proposition. We've told a story through our 'Eat Good, Do Good' principles that have enabled us to both attract, and convert, trade customers, as well as appealing to our core consumers. Here's a breakdown of our success so far, taking a closer look at our two core objectives:

1 INCREASE DISTRIBUTION SPECIFICALLY THROUGH SECURING CONTRACTS WITH NUS, TUCO & RVS



Honest Crust took one of three available slots to supply the NUS meal deal, alongside two established brands and has gained distribution in 70 universities, out of a potential 100. That's 70% penetration within year 1.



Honest Crust won a contract with the leading membership body for in-house caterers in higher and further education. So far this has been converted to 25 sites, out of a possible 100.



Honest Crust has become the main supplier for all of RVS' 160 outlets.

In addition to the specific targets above, which have unlocked a new segment of the market for Samworth Brothers, Honest Crust has also won a contract with Booker Retail Partners to supply 150 Budgens and 800 Londis stores, taking approx. £3m in net sales value (£5m retail sales value) from rival Urban Eat (Adelie).

It's clear that the brand's distinct purpose resonated with buyers, as both Bookers and RVS cited its key principles aligning with theirs as a key driver in wanting to work with the brand.

2 ACHIEVE RETAIL SALES VALUE OF £7M IN YEAR 1

With several positive discussions prior to launch, the year one target for Honest Crust was set at £7m. With the strong product offer and commitment to the brand beliefs, Honest Crust has smashed that with an RSV of £12m in year 1.

This means it achieved 171% of RSV target, and 200x total Deli Bite sales REDACTED CONFIDENTIAL DATA. It also represents 10-15% of Urban Eat's value – and all within its first year.

These positive sales results are due to the brand striking a chord with consumers. For example, in Chesterfield College, Honest Crust replaced another brand and sales have hit a record high, with the meal deal selling out nearly every day.

And volume sales are up +135% over a three-month period this year (versus previous supplier last year).

The college's catering manager attributes the success to:

The recyclability of the pack and how it communicates the credentials behind the brand are a really unique selling point. Honest Crust completely resonates with our customers.

And The Royal Voluntary Service agrees:

The reaction to Honest Crust has been extremely positive. It has a very clear synergy with our customers and many of its values are aligned to those of the Royal Voluntary Service. Being committed to 100% sustainable packaging was an important factor for us too.

Tudor Evans, RVS Category Buyer

RESULTS BEYOND EXPECTATIONS

The 'Greater Good'

Through its brand promise, Honest Crust has been able to donate the full £50k to FareShare, which means that in its first year, 200,000 meals have been provided to help feed vulnerable people. Due to the brand's success and ongoing performance, this target has now been revised to provide one million meals annually by 2021.

This is fantastic news, as without FareShare providing them with food, one in five charities say they would have to shut down, and so by supporting their work, Honest Crust is making a true difference to people's lives.

FareShare and the charities we work with rely on the long-term support of business and Honest Crust's donation is vital to us. The alignment of our brands is a perfect match and the exposure we get across millions of packs is a huge boost to help us tackle food poverty.

Alyson Walsh, Commercial Director | FareShare UK

Better for the environment

Honest Crust has prevented 3.5 tonnes of plastic from entering the production cycle. That's the equivalent of 70,000 2-litre drinking bottles or 420,000 carrier bags (LINPAC) – all through its purpose-designed packaging made from fully sustainable materials.

An impressive ROI

Honest Crust invested £59k in brand creation, development and design to get the brand to launch. Since launch, there has been another £77k spent on B2B and B2C activation, such as exhibition stands, social media, and sales packs, bringing the total investment to £136k.

And the final word goes to our client:

Ape Creative's approach and use of challenger brand thinking and principles gives me a different way of looking at the market and the opportunity. It needs faith and trust but together, working genuinely collaboratively, we've had a successful launch into a very competitive market.

Alastair Johns, Head of Brand & Category
Samworth Brothers

55:1

Set against net sales value of £7.5m in year one, this puts the return on design investment at an outstanding 55:1.



Honest Crust donated £50,000 to FareShare to fund 200,000 meals for vulnerable people in the first year. The ambition is to make that 1m meals by 2021.

RESULTS

OTHER INFLUENCING FACTORS

Was Honest Crust's success due to the brand's 'Eat Good, Do Good' philosophy?

Yes, but it was deliberately designed that way. In complete collaboration with Samworth Brothers, and by challenging their thinking, we've created a brand that completely resonates with its two intended audiences – trade and consumers.

Buyers loved that it represented something different in the marketplace and that it was a completely rounded offer; i.e. it ticks the health, environmental and societal boxes.

People are increasingly looking to vegan products for a healthier and more environmentally friendly alternative, and it would have been easy to jump on that bandwagon. However, Samworth Brothers looked to create a brand that was not only better for health and the environment, but that also addressed the issue of food waste, which directly affects the industry in which it operates.

Was its success due to the revamped product range?

Through the new Honest Crust brand, Samworth Brothers was able to match the margins that main rival, Urban Eat, was offering retailers. However, as Urban Eat was an established and popular brand worth £80-90m, buyers would not have been looking to replace it, let alone with a new challenger brand.

The fact that Honest Crust has pushed aside its rival and taken £5m from its sales in its first year is testament to it being a brand built from the ground up, with a genuine purpose and solid principles running across every aspect of it.

Was Honest Crust's success due to a growing market?

The total market grew by +3.9% but IGD figures show that the segments responsible for the majority of this growth were 'supermarkets and hypermarkets' and 'coffee specialists' – segments that the research suggests Honest Crust's key audiences are less likely to purchase from.

Convenience, forecourt and High Street retailers, where Honest Crust sits, also actually only grew by +3.6% in comparison (0.1pp less than the previous year) – so a little behind the rest of the market. In that respect, Honest Crust has outperformed the market. And with sales growth of +171% vs. Samworth Brothers' previous brand of Deli Bite, it's clear that Honest Crust is offering something new and exciting in the market.

Segment	Mkt Value for 2018 (£bn)	Mkt Value for 2019 (£bn)	Growth (%)
Food-to-go specialists	4.9	5	+2.0
Supermarkets and hypermarkets	1.4	1.5	+7.1
Quick service restaurants (QSRs)	5.6	5.8	+3.6
Coffee specialists	3.1	3.3	+6.5
Convenience, forecourt & High Street retailers	2.8	2.9	+3.6
TOTAL	£17.8 bn	£17.8 bn	£17.8 bn

Was its success enhanced by an advertising campaign? Or PR and enhanced press coverage?

There was one single press release in The Grocer on launch but no advertising or PR has taken place since.

The only other marketing that has taken place is through trade exhibitions. Sales packs and all other collateral was created and designed by us.

Was the consumer success due to social media activity?

Social engagement is building because it is built on the brand's values and principles and how they resonate with our consumers. The social activity has a role in supporting and amplifying the brand's agenda but it is not driving sales.

With students in mind, we wanted to provide opportunities through social media for them to get involved, follow, share, tweet, like, comment, volunteer, or become a FareShare or Honest Crust advocate. The stats below show that our strategy delivered significantly above industry average engagement levels:

	HC engagement rate	Industry average	Urban Eat	Pret a Manger
Instagram	9.19%	6%		
Facebook	4.43%	1%	0.01%	0.01%
Twitter	1.28%	1%		

A big factor in enjoying engagement rates that far outperform the industry average has been its branding and its honest and human tone of voice. As well as our strategy to talk much more about our beliefs and the initiatives we support, than our actual products.

RESULTS

OTHER INFLUENCING FACTORS

Was the success due to pricing strategy or price promotions?

Honest Crust was priced competitively to offer retailers similar margins to market leaders, which did enable commercial conversations. It also participates in meal deal promotions, but this is something that every supplier does in this category, and so would be expected.

The new meal deal promotion in Chesterfield College, for example, was priced comparatively to the previous deal, yet due to the brand communication resonating with customers, sales hit a record high and the meal deal sells out virtually every single day.

Awards won



Finalist in 'Brand Launch of the Year' at the **Food & Drink Federation Awards**



Shortlisted in 'Corporate National Partnership Champion' at the **Charity Times Awards**



Finalist in The Sandwich & Food-to-Go Marketing Award at the **British Sandwich Awards (Sammies)**



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