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**FOR PUBLICATION**

*In one of the most sophisticated petfood markets on earth, design helped four friends turn the undervalued scraps and leftovers of India's small-time buffalo farmers into a much-loved brand.*

*A brand that in just 16 months achieved distribution in over 1,000 outlets and online retailers in 45 US states. With its lovable cartoon dog mascot, Honey I'm Home enchanted and engaged customers and trade partners alike.*

## EXECUTIVE SUMMARY

### **How design turned the leftovers of India's small-time village buffalo farmers into a brand that took the world's biggest and most sophisticated petfood market by storm.**

When four friends set out to break in to the multibillion-dollar US petfood industry, it seemed they'd bitten off more than they could chew.

In a market dominated by global megacorporations, using ever-more sophisticated processing technologies, they pinned their hopes on unused buffalo body parts shipped over from India's rural meat producers.

Nor were the products they sought to sell entirely new or disruptive in the market. Pet stores had been selling things like dried ears and 'lung bites' for decades. You could find them, for cents, unbranded, in buckets by the till. They were old news.

It seemed crazy. Yet, against all odds, we created and designed a much-loved brand, *Honey I'm Home*. It achieved nationwide distribution and secured major contracts. It got American pet owners buying in their tens of thousands.

**Between February and December 2018, *Honey I'm Home* gained distribution in 322 locations in 36 states, and achieved sales 80% over benchmarks. In the next 6 months alone, from Jan to June 2019, distribution more than tripled to over 1,000 locations across the USA, and sales more than doubled.**

REDACTED CONFIDENTIAL DATA

The key to this success lay in understanding the increasingly nature-deprived world of many Americans today, and the growing trend for people to think of themselves as 'pet parents' and to anthropomorphise their dogs as 'fur-babies.' With a 'lovable rogue' cartoon dog at the heart of the brand, the reassurance of pervasive honey imagery and prominent naturalness icons, we created something that made people reappraise and revalue what they might otherwise have rejected.



## CASE STUDY OVERVIEW

### OUTLINE OF PROJECT BRIEF

#### **Create a new kind of petfood brand from the oldest of raw materials.**

In the highly-sophisticated and technologically-innovative \$24.6 billion<sup>1</sup> US petfood market, the business challenge was to find a way to take the unglamorous, low-tech by-products of India's meat industry – lungs, tracheas, ears and so on – and use them to create a new brand capable of becoming a significant, top-tier player.

### **BUSINESS OBJECTIVES**

- **Distribution**
  - **Year 1: Establish the business by securing distribution across California.**  
If possible, expand distribution into several other states.
  - **Year 2: Expand throughout the USA** securing nationwide distribution by December 2019.
- **Financials**
  - **Year 1:** No specific dollar target was set in Year 1 – and, as a private company, no shareholder statement was required. However, there were expectations based on the sales that might be achieved by securing distribution in California plus a handful of surrounding states.  
**REDACTED CONFIDENTIAL DATA**
  - **Year 2:** Buoyed by the success of Year 1, the partners had bet they could increase sales to ten times their year 1 projection by 2020. **REDACTED CONFIDENTIAL DATA**

### **DESIGN OBJECTIVES**

- Create a brand that connects and resonates with American dog-owners and sustains a significant price premium over similar/unbranded products.

### **SCOPE OF WORK**

- **Naming and visual identity** – to appear on all customer-facing and trade-facing touchpoints, including website and social media.
- **Packaging design** – 5 products at launch: lung pieces, ears, horn core, jerky and 'bully sticks'. All sweetened with honey for flavour.

**HONEY  
I'M HOME!**

## CASE STUDY OVERVIEW (continued)

### DESCRIPTION

**The business and the project: a four-person startup set out to build a brand around leftovers that can't be used by its small farmers in India.** The business started when the 25 year old son of an Indian meat-producer and his two school friends teamed up with US Operations Consultant Lisa Momberger. Together they set out to source products from India's small farmers and market them as pet treats in America. 'Small farmers' by Indian standards can be very small indeed – a landless family, for example, scratching a subsistence living from the milk and meat of a couple of water buffalo they graze on roadside verges. Thrifty and resourceful, they've been practising 'nose to tail' meat production for generations – but even they have some small leftovers and scraps unsuitable for human consumption.

The product as launched was dried animal parts, to which the company added a honey-based glaze for flavour. The project was to test the market in California and, if successful, to expand out from there.

**The insight: petfood is big business, and sophisticated, but in an increasingly urban world many Americans would welcome products that give them a closer, more 'natural' bond with their pets.** More and more Americans live in a world of concrete and tyres, increasingly separated from the natural world. Looking for balance, many feel a need to return to 'nature' in what they eat and drink, and in the connection they have with their animals.

These animals are often valued almost as children. A search of the internet reveals that many dog and cat owners talk of themselves as 'pet parents' and use the term 'fur-babies' to describe their pets. And nowhere more so than in California.

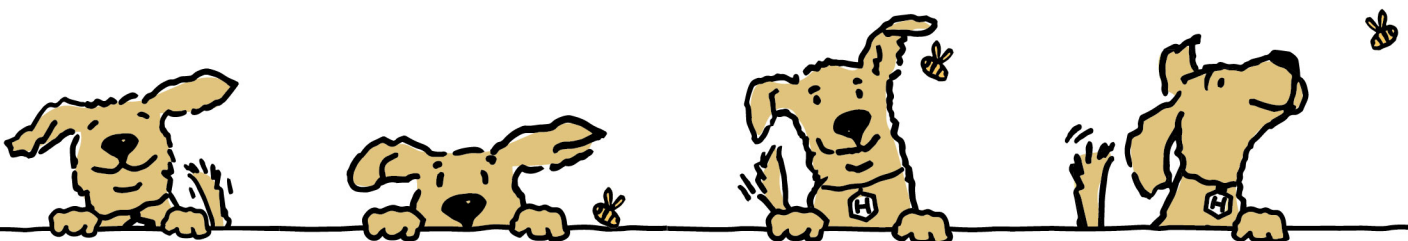
#### The design 'double whammy':

- **Anthropomorphise the brand: introducing Honey.**

In contrast with the functional' approach of much of the US petfood industry, we created Honey, a 'lovable rascal' cartoon dog, named after the honey-based coating used on the product. We brought her to life and designed the brand around her antics.

- **Reassure the customer: prominent naturalness symbols and icons.**

One of the benefits of small-scale Indian village farming is that it's pre-industrial. It was free-range and hormone-free long before those terms were even invented. Perfectly placed, in fact, to speak to today's eco-aware Californians. And honey is natural and good too – so we used a natural honeycomb pattern and a cartoon bee, and created a system of prominent 'naturalness icons' to really ram home the naturalness message.



CASE STUDY OVERVIEW (continued)

DESIGN SOLUTION



## CASE STUDY OVERVIEW (continued)

### DESIGN SOLUTION



### OVERVIEW OF THE MARKET

**The US petfood category – a large and growing market dominated by big brands and private label, with intense competition for awareness and sales amongst numerous smaller players.**

Valued at \$24.6bn, the US petfood market is the world's biggest, accounting for around a third of the \$75bn global category. It is also growing fast with increasing pet ownership and humanisation, and US sales are projected to reach \$30.1bn by 2022.<sup>2</sup> Today, almost 7 out of ten US households (about 85 million families) own a pet.<sup>3</sup>

A series of high-profile mergers and acquisitions in recent years meant that more and more sales were becoming concentrated in the hands of a small group of big-name companies (Mars, Nestlé Purina, JM Smucker and Hill's),<sup>4</sup> which together now account for almost half of all sales, while private label continued to account for nearly \$3bn in sales annually.<sup>5</sup> Meanwhile, hundreds of small and niche brands were fighting it out for the remainder.

No longer content to feed their pets table scraps, US consumers were increasingly looking for high standards of nutrition and convenience (preferably proudly US-made). This was leading to an 'arms-race' to develop ever-more sophisticated and complex formulas requiring specialised processing equipment to produce.

Where abattoir leftovers like ears and rawhide strips were still being sold as chewing treats, they were largely unbranded and low-value. Although some companies (e.g. Aussie Naturals, Loving Pets) were experimenting with packaging and branding them, the area was considered too unsophisticated and unprofitable by the larger, mainstream businesses.

The odds were heavily stacked against an unknown startup building a successful US petfood brand using the leftovers India's human consumers didn't want.

### KEY FACTS

**Launch Date:** February 2018

**Design Fees:** REDACTED CONFIDENTIAL DATA

<sup>2</sup> Source: Statista.com, based on 2016 data

<sup>3</sup> Source: US National Pet Owners Survey, 2017–18

<sup>4</sup> Source: Global Pet Food Market – Growth, Trends and Forecast, Mordor Intelligence 2019

<sup>5</sup> Source: Pet Food Processing Magazine, 28th December 2018

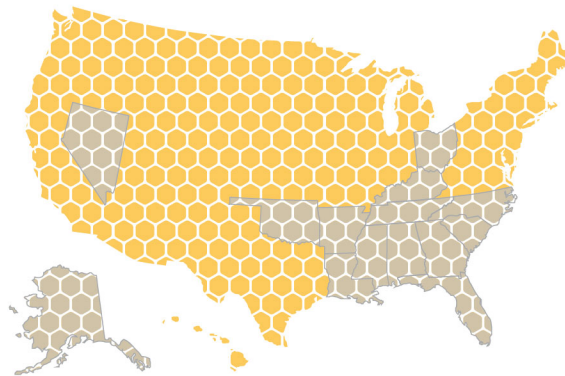
RESULTS

PERFORMANCE AGAINST DISTRIBUTION TARGETS

**“Despite the fact that we have only a limited number of SKUs, we’ve penetrated the US market in a big way and taken up a nice chunk of market share.”**

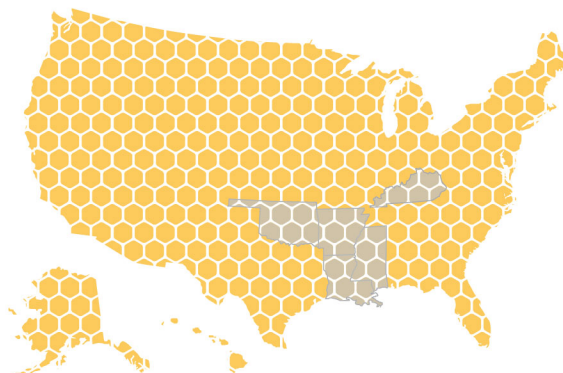
LISA MOMBERGER HONEY I'M HOME

- **Distribution target – Year 1:** Establish the business by securing distribution across California. If possible, expand distribution into several other states.
  - **Achieved distribution in 322 locations in 36 of the USA's 50 states.**  
This was far in excess of anything the partners expected to achieve.
  - Honey I'm Home secured relationships with not only 5 independent retail distribution companies, but also 2 online partners as well as a major retail partnership with Southern California's largest retail chain, Centinela Feed.
- **Distribution target – Year 2:** Expand throughout the USA securing nationwide distribution in every state by December 2019.
  - **Achieved distribution in 1000+ locations in 45 of 50 states, spreading across almost the entire US by the end of the first half-year**
  - Honey I'm Home was able to land growing numbers of major retailers in 2019 including Mudd Bay (50+ stores), All The Best (15+ stores), Concord Pet (30+ stores), Centinela (15+ stores), and the list keeps growing.
  - Negotiations are underway in the remaining 5 states, and the entire USA is expected to be covered by Honey I'm Home long before the end of the year.



DISTRIBUTION YEAR 1

By end 2018 Honey I'm Home was available in 36 states ●



DISTRIBUTION YEAR 2

6 months into 2019 the brand is now stocked in 45 of the 50 states ●

RESULTS (continued)

PERFORMANCE AGAINST FINANCIAL BENCHMARKS

*"We have gone through the numbers with our various distributors and we are significantly outperforming what would be considered rival brands."*

LISA MOMBERGER HONEY I'M HOME

- **Financials – Year 1:** Although there was no specific dollar target, there were expectations based on the sales that might be achieved by securing distribution in California plus a handful of surrounding states.

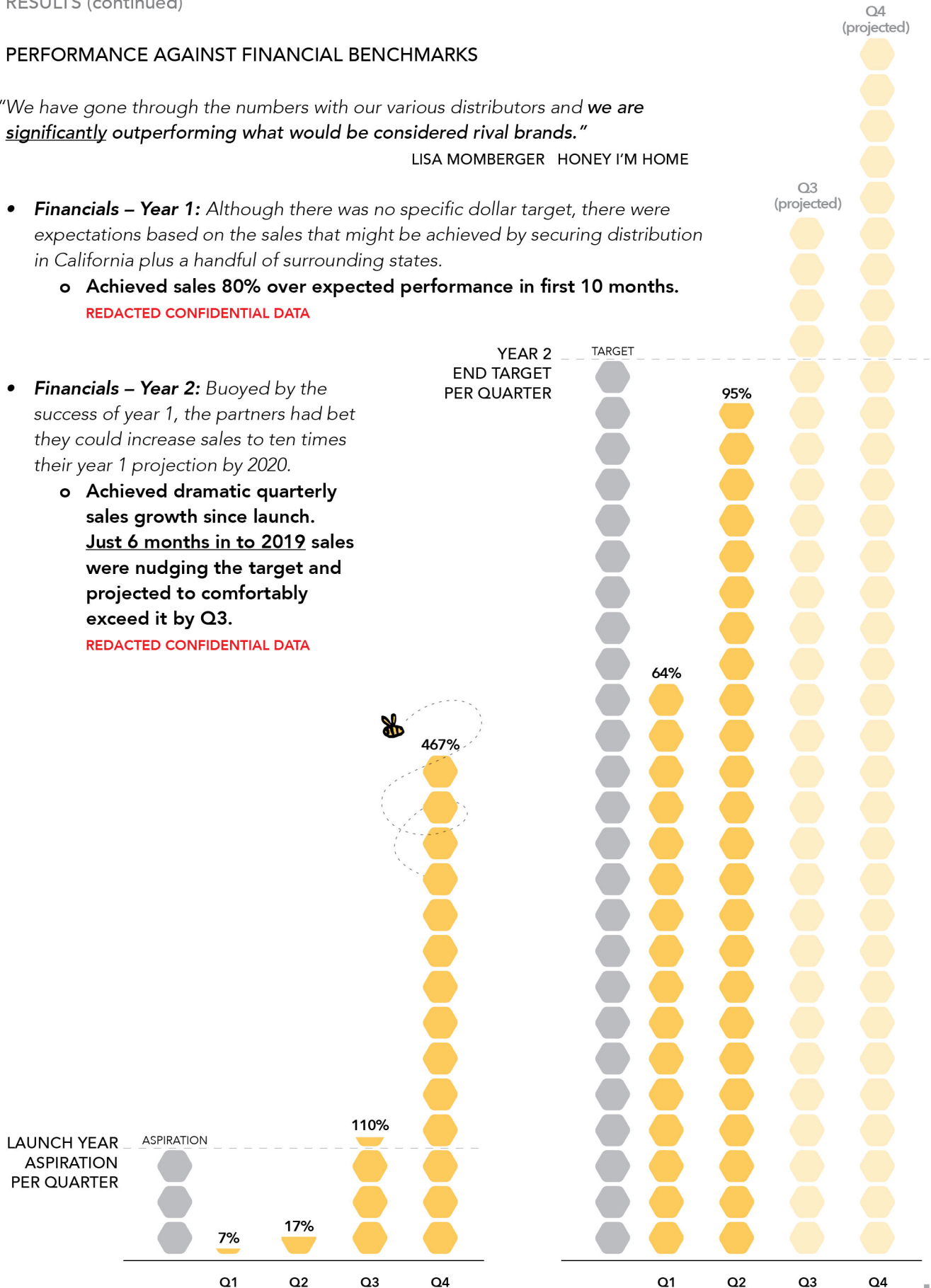
- o **Achieved sales 80% over expected performance in first 10 months.**

REDACTED CONFIDENTIAL DATA

- **Financials – Year 2:** Buoyed by the success of year 1, the partners had bet they could increase sales to ten times their year 1 projection by 2020.

- o **Achieved dramatic quarterly sales growth since launch. Just 6 months in to 2019 sales were nudging the target and projected to comfortably exceed it by Q3.**

REDACTED CONFIDENTIAL DATA





RESULTS (continued)

**Design**

*“With the name and the cute packaging people say our brand feels familiar, like they’d heard of us before. We’ve actually had people come to our booths at trade shows and say they used to carry us so when we tell them we are brand new, they genuinely seem confused. The name feels so familiar, they are certain they had already heard of us. People are also really drawn to the colors and to Honey the dog. They love the playfulness of the packaging, they say it makes them smile and feel happy.”*

LISA MOMBERGER HONEY I'M HOME

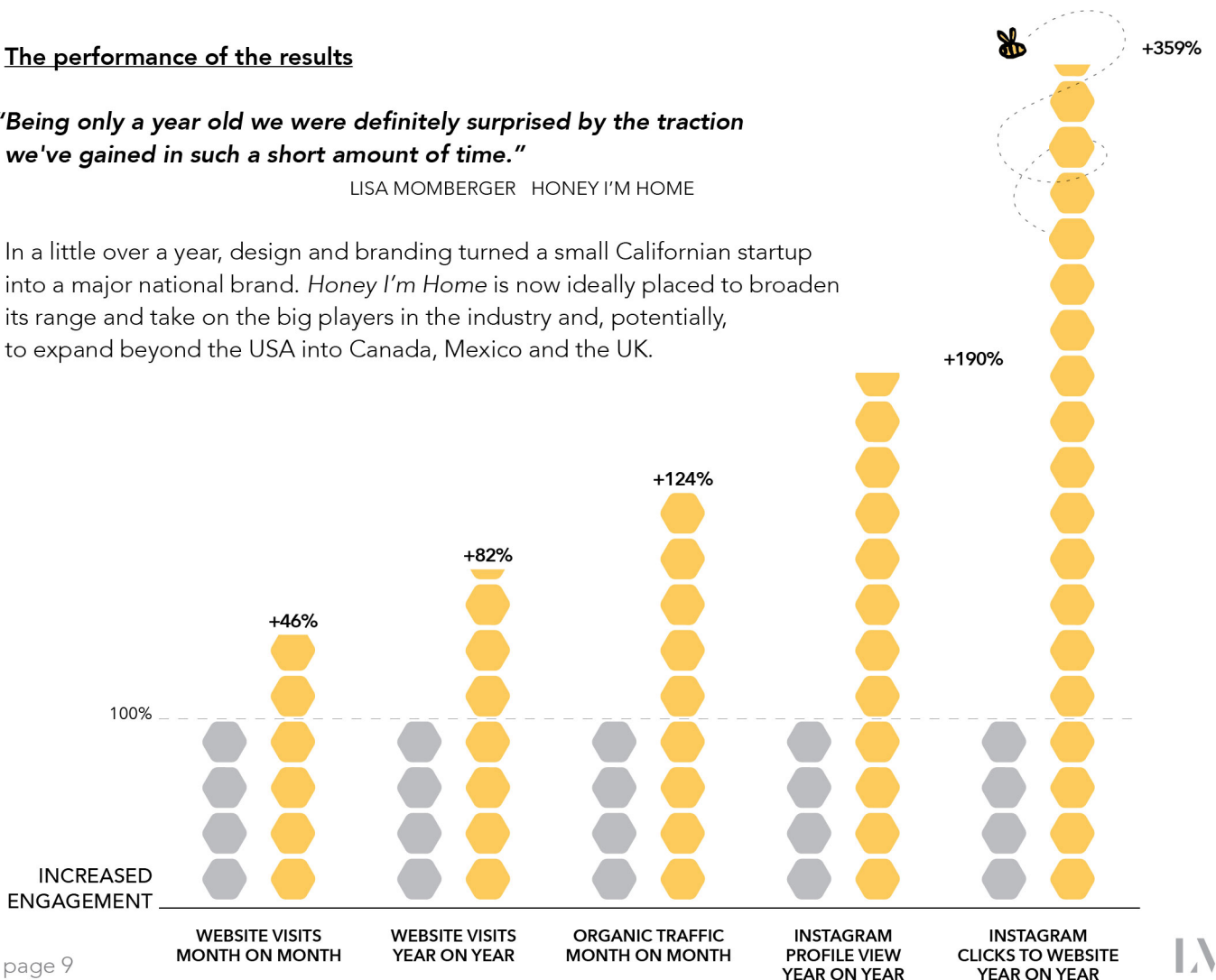
- Target: Create a brand that connects and resonates with American dog-owners and sustains a significant price premium over similar/unbranded products
  - o Today, Honey I’m Home customers are happy to pay for Honey I’m Home dog treats over unbranded / own brand versions.
  - o Growing numbers of pet owners are taking to social media to connect with the brand:
    - In 2019, social traffic is +41% MoM, direct traffic is +17% MoM and organic traffic is +124% MoM.
    - Instagram activity (profile view and clicks to website) are +190% and +359% respectively.
    - Overall website visits are +46% MoM and +82% YoY with traffic from all channels increasing.
    - Website sales are +23% MoM.

**The performance of the results**

*“Being only a year old we were definitely surprised by the traction we’ve gained in such a short amount of time.”*

LISA MOMBERGER HONEY I'M HOME

In a little over a year, design and branding turned a small Californian startup into a major national brand. Honey I’m Home is now ideally placed to broaden its range and take on the big players in the industry and, potentially, to expand beyond the USA into Canada, Mexico and the UK.



## RESULTS (continued)

### **The cause and effect of the design solution**

The design had both rational and emotional components. Rationally, it drew attention to the honey coating and natural provenance to distinguish it from similar, cheaper, unbranded treats. Emotionally, it made deeply unglamorous products like 'lung bites' feel friendly. Starting from zero awareness and running counter to industry trends for increased sophistication, brand design was essential to the team achieving and exceeding their business goals.

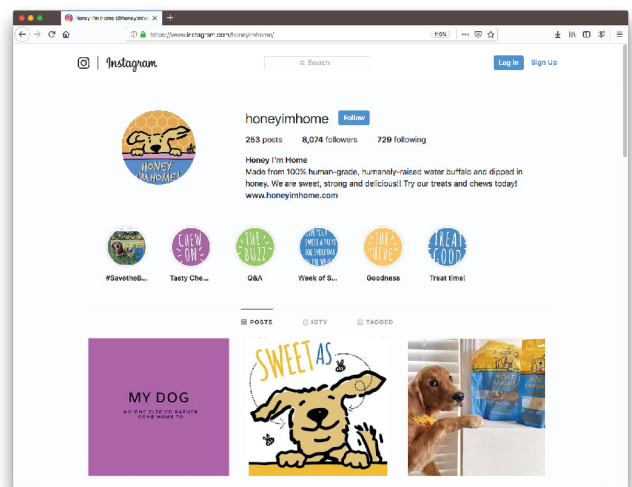
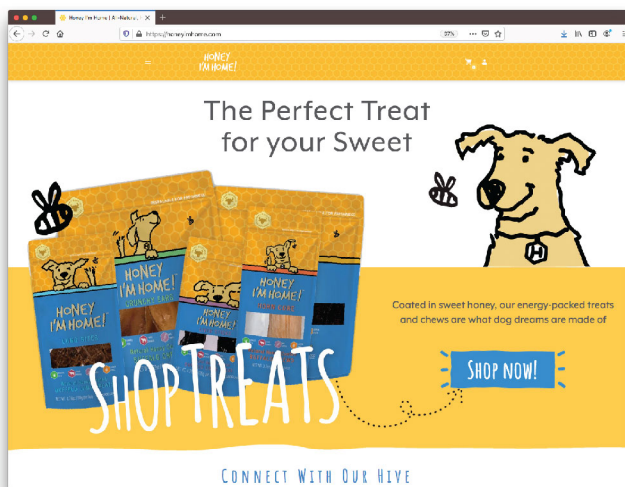
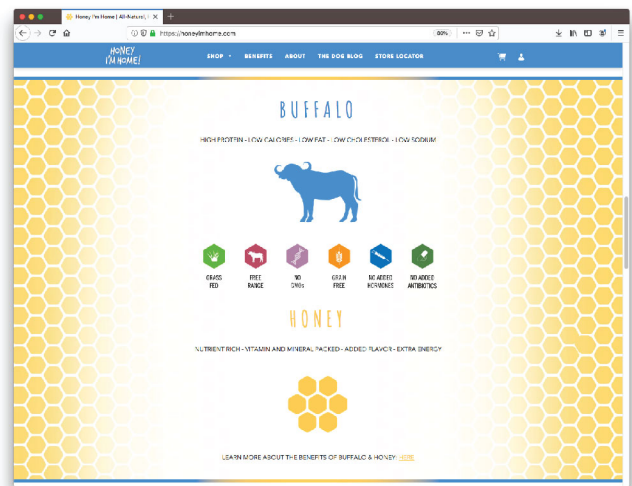
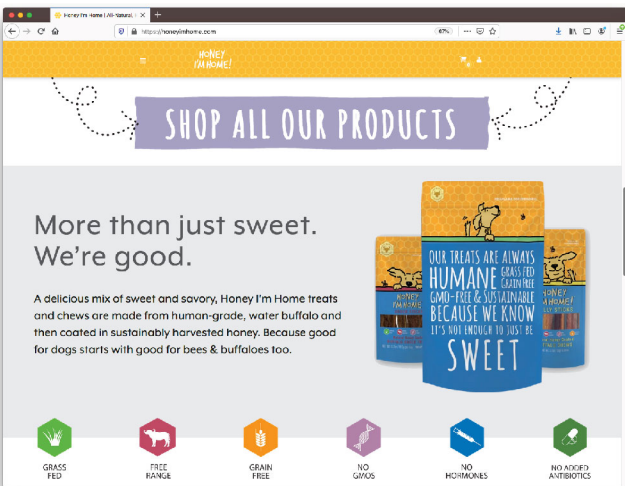
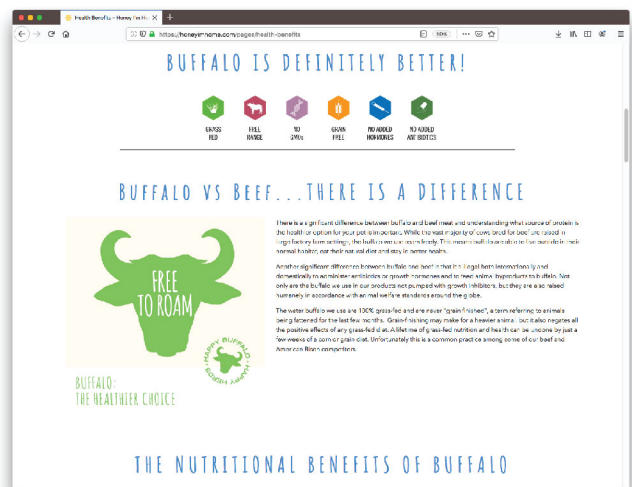
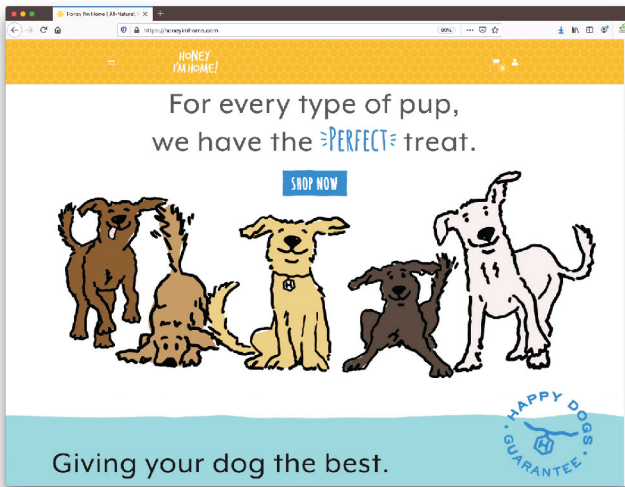
### **The proof of effect and any influencing factors**

- **Product.** *Honey I'm Home's* products aren't new. Dried ears, jerky etc. have long been available in pet stores throughout the US. The brand's Indian suppliers (IFFCO and Allana) also supply products to other US petfood suppliers. What was new was the way those products were presented.
- **Pricing.** *Honey I'm Home's* products are typically priced at similar levels to comparable items available unbranded or from rival brands.
- **Portfolio.** With just 5 SKUs at launch, *Honey I'm Home's* product range was significantly narrower than those of rival brands.
- **Promotion.** There were no price promotions in the period covered by this entry and no significant paid-for advertising.
- **Distribution.** Sales increased as distribution increased across the USA over the period. But it was branding and design that enabled *Honey I'm Home* to achieve such extraordinary distribution gains.

***The only areas in which Honey I'm Home differs significantly from its rivals are branding and design.***

## CONCLUSION

In one of the most dynamic and sophisticated petfood markets on earth, design helped four friends achieve nationwide distribution and sales with a low-tech range built on the scraps India's village farmers couldn't use. This was despite the fact that unbranded or own-branded versions of those same products were already available in the nation's pet stores. Some rival products even came from the same supplier. Yet with the aid of a striking and fresh branding and design, built on penetrating customer insight, *Honey I'm Home* succeeded against all odds and exceeded each and every target set for it.



Design has spread beyond packaging to website and social media

