

# WHEN FOOD MET FASHION

Reimagining and resurrecting Harvey Nichols food



## SMITH & + VILLAGE

#### Executive Summary

ිස−

When it launched in 1994, Harvey Nichols monochrome, photographic food packaging was the last word in style. Youthful, exciting and completely different from anything that had gone before, it became an immediate design icon. In its matt silver tins and witty imagery, it captured the zeitgeist of Cool Britannia, London's emerging status as an art and design capital and the hilarious, irreverent spirit of Absolutely Fabulous.

It remained unchanged for the next twenty-three years, and in that time, as happens with icons, its magic started to fade. The food buying team at Harvey Nichols became increasingly shy to introduce new products with the old packaging, its visibility waned as design trends changed and consequently own label products at Harvey Nichols became a much narrower and less visible part of the assortment on the fabled, food-devoted Fifth Floor. The notoriously difficult retail environment of the past decade exacerbated this picture further and by 2017, the senior team at Harvey Nichols realised that a radical overhaul was needed. To arrest the decline of the Harvey Nichols brand in food, the ranges needed to be reimagined and resurrected.

This project is the story of that resurrection. By marrying high-concept design thinking and aesthetic with the time and cost efficiencies demanded by a low volume retailer, we have managed to turn the situation from one of decline into one of healthy sales growth across the range, with an impressive sense of momentum. The Harvey Nichols core food range has been strengthened to the point that new products and ranges are being introduced with great confidence. It has become the star of the food halls once again and has captured the imagination of customers, just as its predecessor did all those years ago.

#### RESULTS

HN Brand Sales as percentage of total sales up from

32%

to

39%

HN Brand Sales value up by

33.2% (Apr-Sep 18 v Apr-Sep 19)





#### Context and Overview

#### The background

Ever since its conception in 1994, food at Harvey Nichols has been a high impact, fabulous, fun assortment rather than an extensive food hall experience that one might find in London's other luxury retailers. Itssuccess always lay in having a tight, totally focussed and clearly targeted range that seduced customers with must-have product and packaging.

When we were asked to respond to this project brief, the food ranges were in serious decline. Presentation of the range had not changed in over 20 years, buyers were choosing proprietary brands over the Harvey Nichols brand and the traditional opportunity to drive margin through a healthy own label strategy was struggling.

This project has used creative thinking to arrest this decline and resurrect the Harvey Nichols brand as a player in luxury food market. It has sought to create internal confidence in the brand as relevant in food once again, to become attractive to digital sales channels and to delight existing as well as a whole new generation of customers. All this has had to be achieved in the context of a low volume business that demands careful budgeting and significant efficiencies in process and delivery. The considerable increases in sales, value to the business and penetration of own label within the food halls demonstrate how effective it has proven to be.

The brief

Specific business objectives from the project were as follows:

- Resurrect the Harvey Nichols brand food range and arrest decline in sales
- Increase penetration of Harvey Nichols brand in the assortment by increasing shelf presence and standout in store and stand-out on harveynichols.com
- Be visually inspiring to reach new audiences and delight existing customers
- Make Harvey Nichols a destination store and website in the premium market by leading the way in luxury food packaging
- Be attractive and inspiring to digital retail partner, Ocado
- Cost-effective delivery to reflect the low volumes of the assortment

The project involved a piece of strategic repositioning work, a creative strategy and creative solution.



#### Context and Overview

#### Our solution: the thinking

Our thinking focused on three strategic territories that Harvey Nichols could own more than its competitors (Harrods, Selfridges and Fortnum & Mason).

Harvey Nichols is more British than its more internationally focussed competitors, which gave us the possibility to play with the British sense of humour and off-beat sense of creativity.

It is directional and fashion-focussed with no concessions at all to tradition, which meant that we had to use high style creativity that used the visual language of fashion.

Rather than being strictly foodie, the food range was more attitudinal and about ultra-chic gifts. From this, we positioned the food range as a 'fearlessly stylish collection of gifts you can eat.'

#### Our solution: the creative

From this thinking came our design solution, one firmly rooted in the creative conventions of fashion rather than food. It has three aesthetic elements that build a sense of a collection, creating unity and an overarching narrative whilst allowing different product ranges to have their own feel.

Brand pattern is key. In a nod to luxury brand convention, we have taken the Harvey Nichols HN monogram to places the Chanel Cs and the Louis Vuitton LVs can only dream of, exploding into myriad possibilities of patterns, colours, textures and material.

Language and attitude gives Harvey Nichols its in your face unorthodoxy and unconventionality. In our hands, champagne truffles for Christmas become 'Boozy Balls', ginger shortbread becomes 'Ginger Spice', and English Breakfast teabags become 'Must Have Bags'. The Food Hall's Bag for Life? It says POSH NOSH, of course, with the HN monogram at its heart.

New iconic materials capture the zeitgeist of the late 2010s just like the matt silver tins meant the early 90s. Bold, shiny high-gloss metallics push biscuit tins closer to cosmetics. A uniquely shaped matt white tin for tea breaks category rules completely and snacks come in silver resealable, recyclable pouches, the last word in space age entertaining.





#### Context and Overview

#### **Overview of market**

The struggles of today's retail environment are only too acute and widely reported and do not need to be reiterated here. Many businesses are struggling to survive, let alone make money, let alone increase sales and profit. During the period of this project, competitors in the luxury department store market in London have invested heavily in their food offer to maintain sales and brand perception in a new world where experience and uniqueness are all. As a major part of a £55m capital investment programme, Harrods is in the process of entirely revamping its historic food halls and Selfridges have rejigged their food halls and opened a new Confectionery shop. It is entirely within this context that this project must be viewed.

#### **Key facts**

#### Range launch dates:

#### 2018

July - Snacks August - Shortbread September - Biscuits October - Christmas 2018 November - Tea December - PosHNosh bags

#### 2019

January - Valentines February - Easter August - Confectionery including Mint tin October - Christmas 2019 November - Sparkling Wine and Champagne

#### **Design Budget**

£81,500 from December 2017 - October 2019



## Results

The Harvey Nichols food ranges that have been launched today have undoubtedly fulfilled our aim to reverse a trend of declining sales (indeed we have seen some healthy sales growth) and reinvigorate perceptions of the food ranges amongst internal audiences and with customers.

### Sales results

Our sales results are based on like-for-like figures from April to September 2018 and April to September 2019. We use these six months as a base because they avoid both seasonal highs and markdown periods and therefore give the most representative and balanced results possible. As well as this, the first of the new ranges was launched in October 2018, allowing for clear comparison between old and new range

## RESULTS

HN Brand Sales as percentage of total sales up from

32%

to

39%

HN Brand Sales value up by

33.2% (Apr-Sep 18 v Apr-Sep 19)

### **Online sales**

A specific aspect of the brief was to create a design that worked harder online; the monochrome packs of the old design had poor stand-out and differentiation. The results from both harveynichols.com and online partner Ocado show how successful the new design has been on this channel. HN Brand sales value increased by

48.7%

on harveynichols.com

HN Brand sales increase

42%

on our online partner channel, Ocado



#### Hero categories

#### **Biscuit Range**

Direct influence of the new design can be seen in the results specifically for biscuit tins. To date in 2019, the new biscuit tins are showing an increase of 54.5% over a full year of the old tins in 2018. Sales value increase of

28%

#### Tea Range

Whilst the figures of the tea category demand some additional explanation, they do sum up the effectiveness of this project on many levels. Before the project, tea sales in Harvey Nichols were dwindling. The project gave new focus that allowed a restructuring of the range that replaced 20 ailing products with new iterations, including herbal teas and speciality matcha. The newly designed tins with a silicone seal have meant a retail increase in £2 per SKU, which has moved the category to a higher quality, more luxury positioning. Sales value increase of

138.3%

A stand-out product is English Breakfast Tea in the new tea caddy, whose sales have increased by

123%





## Hero categories





## Other Significant Results

Savoury snacks sales value 2019 to date shows an increase of

113.1%

over full year 2018

Shortbread sales value 2019 to date shows an increase of

65.1%

over full year 2018

New Foodmarket Bags

The introduction of the new Foodmarket bags helped create a new significant non-food revenue stream.

### Internal perceptions of the Harvey Nichols food range

"The Harvey Nichols food brand is at the heart of our food offer once again. With a more powerful range, in terms of products and look and feel, we are confidently able to develop more Harvey Nichols products and buy more targeted lines in branded categories to accessorise the core range."

#### Shirley Aubrey, Food Development Manager

"The new designs with their shiny, glamorous packaging are much more attractive to our customers, who see that they work like a fashion collection. They are also much easier for us because they work so strongly when they are put together. The old packaging was elegant but now it's much easier for customers to differentiate products and for us to create great displays." "Our strategy for resurrecting food has paid off magnificently. We now have a credible, growing own label offer at the heart of our iconic food markets once more and great new opportunities to develop product, and of course sales, both in store and online."

Rob Graves, Head of Buying, Food and Beverage





#### Working together

Because of the low volumes of the Harvey Nichols range, budgets for this project, as we have quoted, have been conservative. Because of the retail environment, timescales to effect profound change have been tight. The very close working relationship that we have developed with Harvey Nichols has allowed huge efficiencies of both time and money, something that should not be overlooked.

Our creative solution was immediately understood and enthusiastically embraced by the tight, hand-picked Harvey Nichols team of four. Working with our team of two meant that we could abbreviate the design process considerably and make important decisions

about individual ranges quickly and efficiently within the context of the overarching concept without usual to-and-fro of a complex design process.

"The fact that we were in complete alignment with Smith & Village, all on the same page from day one, enabled us to react with speed and efficiency."

Rob Graves,, Head of Buying, Food and Beverage



HARVEY NICHOLS MINI PANETTONE

HARVEY NICHOLS

DIPPY

DIVINE DARK CHOCOLATE ORANGE SLICES

HEART EMOJI



## Sustainability

This project has been an important opportunity to make all Harvey Nichols's food packaging more sustainable. The ability to upcycle packaging was built in to ranges like tea and biscuits by creating desirable tins that could be used long after the products were finished. We have made consciously sustainable choices about materials, for instance moving to Ecofoil for printed tags and seed to shop cotton for bag for life shoppers.

"We know customers love the fact that of our new packaging can be reused again and again with the refills we sell or also upcycled for other products. People have told us that the new biscuits tins are perfect for pasta, rice, sugar and so on."

**José Collado,** Food and Wine Retail Manager, Harvey Nichols Knightsbridge







## Influencing factors

#### Marcomms activities

Since their launch, Harvey Nichols food ranges have been accompanied by marcomms activities. This activity has solely taken the form of PR and only certain ranges have been the subject of campaigns.

The data below outlines the pieces of coverage per campaign. Tea and biscuit launch announcement: 14 pieces of coverage. Harvey Nichols brand Christmas taste tests: 13 pieces of coverage. Confectionery launch announcement: 10 pieces of coverage.

Promotional activity Our results have deliberately used figures that exclude periods of promotional activity.

#### Merchandising changes

Apart from an overhaul of the tea range, which we have already discussed, SKU counts have remained more or less consistent during this phase of the project. The ability to allow Harvey Nichols to grow their ranges and to merchandise them more prominently and cohesively in store was a fundamental part of the brief.

