



TWININGS
OF LONDON

*Twinnings Discovery
Collection*

Sector

Consumer Goods/Food &
Beverage/Soft Drinks

Client Company

Twinnings

Design Consultancy

BrandOpus

Submission Date

June 2016



"I am very proud of the Twinings Discovery Collection. Consumers just love the unique designs and multi-sensory tea experiences."

The design outcome has exceeded our high aspirations, become a highly valuable addition to our portfolio, and is proving to be one of the most successful international packaging innovations in our 300 year history"

Claire Hodge, Director of Innovation, Twinings





Executive Summary

In response to the increasing number of tea drinkers around the globe seeking more discernment and exploration in their tea, Twinings created a new premium range with the following design and business objectives:

1. Deliver a differentiated packaging experience, to further delight and excite consumers
2. Enhance brand equity by creating a positive halo effect on the rest of the Twinings range
3. Increase the perception of Twinings as a premium brand
4. Commercial success via increase in sales, price point increase and ROI
5. Ensure collaboration between Twinings, suppliers and BrandOpus to reduce costs, without compromising on quality
6. Access new and existing distribution channels
7. Deliver an enduring design that works globally

The design challenge was significant; how to create a new range for which consumers would pay significantly more, in a highly competitive sector and without substantial marketing support?



8x

Return on
packaging
investment

Executive Summary

From this challenge and brief the Discovery Collection was born. The result is a stylish collection of large-leaf teas and infusions in silky pyramid tea bags, presented in unique drawer-style packaging

THE RESPONSE AND RESULTS HAVE TO DATE INCLUDE:

1. Over **25 million cups** enjoyed by consumers so far
2. Twinings appealing to new consumers and occasions: 66% consumers likely to consume on an incremental occasion
3. Successful price premiumisation; **3 x increase** in price per serve compared to Twinings' core ranges
4. **8 x return** on packaging investment
5. Design collaboration - Improved innovative design and quality achieved a **lower cost of production** vs. similar projects
6. Increase in distribution, particularly in travel outlets, exposes Twinings to new sales.
 - The contributed to **sales growth globally** (from Year 1 to Year 2)
7. International growth using the same packaging, **launched in over 20 countries**

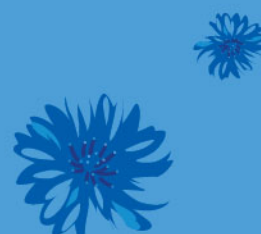


"Design collaboration has been critical to success. The result is refreshingly different design and structure that has exceeded all our expectations and delivered higher profitability. A rare and very important design project outcome."

Mark Jarman, International Marketing Development Manager, Twinings



3x
increase in
price per
serve!



Project Overview

DESCRIPTION

Twinnings' goal was to create a new premium range of teas and infusions to satisfy the needs of the growing number of tea-enthusiasts looking for more discernment and exploration in their tea-drinking moments.

Mindful of the opportunity to generate extra revenue and brand awareness globally by creating new 'tiers' to their famed portfolio of quality tea blends, Twinings created a range of fourteen blends for sale in premium grocery and travel outlets globally.



OUTLINE OF PROJECT BRIEF

The brief was to create a packaging concept and design that delivered strategically on creating a new premium tier of tea, delivered on brand equity growth, had international appeal, would attract new distribution channels and enabled a compelling value chain, to deliver commercial success.

To achieve all of this, the brief was to ensure the concept, pack design and experience moved beyond functional benefit and stir up an emotional and multi-sensorial response. Meanwhile being beautifully premium and thrilling at every touch-point of the consumer journey.

It was also key that all of the design elements worked together to tell the story of the wonderful tea blend inside, selected by Twinings Master Blenders' tea expertise.

Long-term agency partner, BrandOpus, was briefed to create the new premium quality tier, and to deliver on this challenging set of objectives.

BrandOpus approached the brief with the recommendation to design a completely new packaging structure that would surprise consumers with exceptional stand out. It had to go beyond functional benefits – it had to be a pleasurable experience that stirred an emotional response.



OVERVIEW OF THE MARKET

The global tea market is a long established commodity market, estimated to be worth \$43.1 billion globally in 2014, with black tea accounting for almost half of this at \$19.5 billion, according to Euromonitor research.

Whilst still a hugely important market, the tea market is not experiencing substantial growth globally, with 0.8% value growth and volume growth actually -0.5% in UK sales in 2015, reflecting a global contracting market.

One of the biggest barriers is that consumers are still more willing to pay far more for a cup of coffee than for a cup of tea. Within the UK, **the average instant coffee pod capsule can be 30p compared to 2p for an every day tea bag.**

In order to counter this perception of tea as an inexpensive commodity and increase spend, many players are now increasing their premium offerings. Twinings is the no. 1 premium tea globally, however; there is increasing competition, including from Teapigs, T2, Pukka and Clipper within the UK alone, all ready to capitalise on the growing number of consumers looking for better experiences and willing to pay more for quality tea.

Internationally, markets vary greatly in their tea drinking habits, with black tea accounting for 98% of all tea consumed in India, whilst only 58% in the US, thanks to the strong position of fruit and herbal blends. China and Japan are particularly diverse in their consumption, with a much higher intake of green tea and a preference for loose-leaf tea. Due to this variance in drinking styles, a key challenge of any international product is to appeal globally with a single offering.



PROJECT LAUNCH DATE:

A rolling launch from October 2014

**SIZE OF DESIGN BUDGET
& PRODUCTION COSTS:**

(exc. implementation & other agency fees)



£84,000



Outline of the Design Solution

The Discovery Collection is created with passion and flair by the Twinings Master Blenders and designed by BrandOpus. The collection consists of 14 new, unique blends designed to take tea lovers on an intriguing journey of discovery experiencing superior large-leaf teas and infusions.

Inspired by the thousands of drawers in the Twinings tea library, every blend is presented in distinctive drawer-like packaging, revealing the story behind each tea, each brought to life by unique illustrated designs in multi-sensory experience.

A layering approach has been adopted, with design elements working together to build anticipation for the delicate tea itself.

PASSION FOR DETAIL

To achieve this, here are some examples illustrating commitment to detailing, quality and execution:

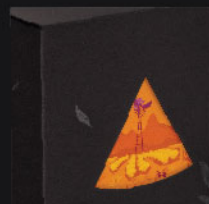
- *Illustrative use: such as the manual sales, used nostalgically to evoke a by-gone era of personally attentive, high-end product.*



- *Natural imagery: natural settings signals hand-sourced, fresh ingredients and codes the idyllic origins of the tea that unlock the imagination, transporting drinkers to a fantastical setting.*



- *Drawer structure: focus on ensuring the draw is crafted to move in a smooth, pleasurable way with no catching. It even creates a puff of air as the box is closed, reflecting an authentic apothecary. Continued premium feel is achieved using black-dyed outer board, avoiding any exposed white edges.*



- *Cut out window: The die-cut window beckons intrigue, teasing the consumer to explore the inner, layered packaging that continues to hide delights.*

TEAM WORK AND COLLABORATION

Essential to the success of the design process was collaboration between BrandOpus, Twinings and suppliers to execute the packaging vision with close working throughout.

By making quality and cost key deliverables, the team worked together to significantly improve the quality of the end product whilst reducing costs compared to similar prior projects. The final result is a differentiated, better quality product at a lower cost and higher retail price point.

Results

The feedback for the new Discovery Collection has been fantastic. Consumers love the products, and this is contributing to excellent results, both in the UK and internationally. Please find the results below arranged by brief objective:

1. DELIVER A DIFFERENTIATED PACKAGING EXPERIENCE, ONE TO DELIGHT AND EXCITE CONSUMERS

External research has demonstrated that the range appeals strongly to both new and existing consumers, and also in additional moments:

- Super-premium competitor drinkers likely to purchase

CONSUMER TESTIMONIALS

"Great tea, great boxing/ tea was of excellent quality, nicely packaged"

"A nice little gift for my tea loving friends. Class, quality and beauty"

2. ENHANCE BRAND EQUITY BY CREATING A POSITIVE HALO EFFECT ON THE REST OF THE TWININGS RANGE

- In Australian research, target consumers said the range improved overall brand appeal and they were likely to purchase
- In Asia the Discovery Collection is driving up sales across the total portfolio with an increase in total company sales;
 - Regional feedback is that core sales growth has come from having a stronger portfolio as a result of the addition of the Discovery Collection raising the perception of Twinings' as a premium brand.
- In many markets, the Discovery range has helped increase the Twinings' share of retail space away from competitors.
- In France, stores with the Discovery range have more shelf space for Twinings overall than stores that do not stock the Discovery range.
- The bright and eye-catching design makes creative merchandising easy and this has inspired many markets to create highly impactful and disruptive display solutions.



3. INCREASED PERCEPTION OF TWININGS AS A PREMIUM BRAND

- In Asian consumer tracking, the package design is proven to be very appealing and is raising the positive perceptions of the overall Twinings brand:
 - Brand images scores increased for Elegance and Attractive Packaging



As well as creating growth from a more premium tier, the range also delivers a premium brand equity effect by framing the core range below as 'worth paying more for'.

4.COMMERCIAL SUCCESS VIA INCREASE IN SALES, PRICE POINT INCREASE AND ROI

INCREASE IN SALES

- Increase in range sales from Year 1 to Year 2 globally

SALES TESTIMONIALS

- "Large, non-participating retailers wish to be offered the range in their regional markets - even fighting for item 'exclusivity' for the first 6 months" (North American Market)
- "By introducing the Discovery range into market, it helps demonstrate brand craftsmanship and premium image as well as fulfilling needs of high-end consumers and HoReCa, luxury brand retailers. This has resulted in an significant increase in HoReCa new distribution and increases in luxury brand customers" (Asia Market)

PRICE POINT INCREASE

- The Discovery Collection sells at 3x the price per serve of the core Twinings tea bags



- Twinings research also indicates a high proportion of consumers who normally shop at a lower price point are motivated by the new range.

RETURN ON INVESTMENT

- 8 x return on packaging investment, measured by gross profit return compared to total packaging cost including design fees, origination and execution.

5. ENSURE COLLABORATION BETWEEN TWININGS, SUPPLIERS AND BRANDOPUS TO REDUCE COSTS, WITHOUT COMPROMISING ON QUALITY

INCREASE IN QUALITY OF PACKAGING EXPERIENCE AND AT REDUCED COST OF GOODS

- The project has also achieved the seemingly impossible stretch objectives of increasing consumer quality and experience significantly in design, whilst reducing cost of production.
- The cost of production has been reduced compared to the previous comparable ranges.

6. ACCESS NEW AND EXISTING DISTRIBUTION CHANNELS

- The Discovery Collection is proving successful at opening new doors for Twinings in premium channels, increasing Twinings brand exposure within a premium context.
- The range has gained listings in entirely new retailers.
- Global Travel Retail exposes Twinings to millions discerning travelers annually.
- In the UK, Twinings has been listed in major premium department stores.
- Premium hotels and environments: For example in Taiwan the range has contributed a volume growth in the HoReCa channel versus prior year without the range.
- E-commerce – range delivering increase in online sales.

7.DELIVER AN ENDURING DESIGN THAT WORKS GLOBALLY

EXPORT GROWTH

Within the first 12 months the range has achieved distribution in over 20 markets, demonstrating the Twinings' teams around the world have quickly embraced the commercial opportunity.

OTHER RESULTS TO NOTE

Sustainability impact and sustainability

Whilst the design concept of drawers and premium nature of the product dictated that two boxes would be required for the packaging and foil to maintain freshness, efforts were made to increase the sustainability of the project overall:

- *The range used the best quality, mesh teabags made of biodegradable corn starch, compared to many competitors who use nylon bags that are non bio-degradable.*
- *Similarly the principal ingredient of the box is cardboard, rather than plastic, both adding to the premium touch and ensuring that it can be easily recycled.*

ACCESSING GIFTING OCCASIONS

Although not the original objective of the project, the reaction to the pack design and format has been so positive that many markets are now using the range to access incremental gifting occasions through developing the offer into gifting solutions.

"Having seen this range develop from the beginning, it is real pleasure to witness how it is delighting consumers in so many countries around the world.

I personally think the design and tea blends are exceptional and it's certainly become one of my firm favourites.

It perfectly embodies our passion for great tea, expertise, and I think it will play a proud and important role in our family of great products for many years to come".

Global Ambassador for Twinings & 10th Generation of the Twining Family



Other Influencing Factors

Twinnings has chosen not invest in consumer advertising; instead relying on PR and the product experience to drive word of mouth and consumer recommendation.

- Stephen Twining travelled to talk about the new range, and some sampling sessions were conducted in local markets at launch; however, there has been no paid editorial and the PR received was organic rather than paid for.

Twinnings has benefitted from the tea market moving towards more premium teas; however, has worked to capitalise on this trend by providing product innovation and a range of gifting options.



Research Sources

'Passport' Tea Global Corporate Strategy: Diversity and Tea Experience, October 2015, using Euromonitor International data.

'Hot Beverages Category Report 2015: Can tea really do posh?', September 2015, The Grocer IRI unit sales data

IMS sales tracking

Nature – consumer research

Colmar Brunton research

Twinnings internal Sales data

Consumer testimonials conducted within Twinnings Strand store, Australia research group and online via UKC online.

