

# Buttermilk

ARTISAN CONFECTIONERY

ESTd Padstow 1964



Buttermilk

ARTISAN CONFECTIONERY

ESTd Padstow 1964

FOR PUBLICATION



CONSULTANCY  
Kingdom & Sparrow

CLIENT COMPANY  
Buttermilk Confections Ltd

INDUSTRY SECTOR  
Food Producers

SUBMISSION DATE  
June 2017

# EXECUTIVE SUMMARY

## CHANGING PERCEPTIONS OF CORNISH FUDGE

Buttermilk is a brand with a story to tell. A much beloved family-run, local Cornish brand who has been traditionally handmaking confectionery since the 1960s, they own one of Cornwall's oldest fudge shops in Padstow. But they wanted to set their sights high, taking their Cornish story further afield to become the nation's most beloved confectioner.

Buttermilk produced their own brand products, but they largely sold to the summer tourists in Cornwall. 80% of their sales came from making delicious handmade confectionery for other brands. Because of this they were losing margin on their product, losing their story and the chance to reach a wider market.

The struggle was not only positioning their Cornish brand in a wider UK market, it was challenging perceptions of the value of confectionery and addressing customer confusion. One of the main reasons for the rebrand was leveling out seasonality, therefore creating a year round business that could maintain a skilled team. To do this we needed to create a range that worked as a gift for every occasion as well as a snacking range.

By finding opportunities in their own brand story, looking at market perceptions, customer needs and how people bought treats, we were able to design packaging that reached premium retailers and national multiples, and increase volume and value of sales in the first two years.

In less than two years they're now producing ½ million more boxes of own brand fudge. (words 213)

# Buttermilk<sup>®</sup>

ARTISAN CONFECTIONERY

ESTd Padstow 1964

**BRANDED RANGE HAS GONE FROM 20%**

**TO**

**60%**

**OF THEIR SALES SINCE THE REBRAND**

*And is set to steadily rise to 90%!*





# PROJECT OVERVIEW

## THE BUTTERMILK STORY

Buttermilk is a small family run business that have been going for over 50 years. Their craft confectioners make fudge and other confectionery by hand in traditional copper pans to create a truly artisanal product. But not many people knew this.

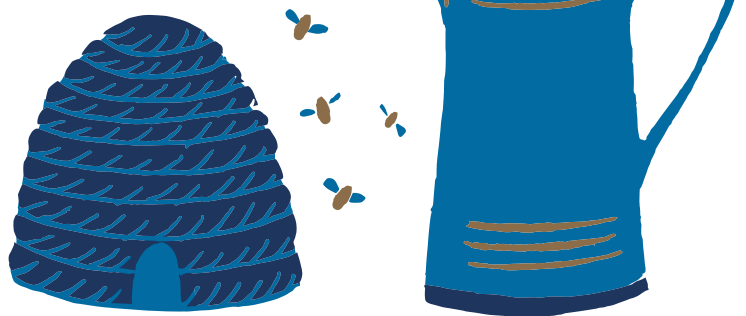
Buttermilk love what they do. They just needed to share this with the world. People who already knew Buttermilk were loyal to the brand and the feedback on the product itself was phenomenal.

## THE BRIEF

Buttermilk wanted a brand that would work nationally but also tell their brand story. The brief was to help develop branding and packaging that could give them stand out to compete in the national marketplace and meet consumer needs. They needed a clear visual framework and a strong brand that would work across all platforms and products, as well as working for the original shop. They wanted a range that would meet every consumer occasion – a treat, something to share and a gifting solution.

With an own-brand packaging refresh they hoped to reach a new and wider audience. Their objectives were to launch in multiples, have a higher price point and make it easy for customers to choose their confectionery. They also aimed to level out seasonality by launching seasonal products such as their Christmas range.

The aim was not to immediately increase company turnover because they would be phasing out large parts of their white label products, it was to steadily build a successful brand that was recognised and loved across the UK and beyond.





## MARKET OVERVIEW

The sweets market is estimated to see value growth of 10.4% between 2015 and 2020 (source: Mintel 2015). The category had been experiencing slow growth and Buttermilk needed to buck this trend. People were 46% more likely to spend money on goods they felt were natural and 53% of consumers were claiming that sugar would put them off buying snacks (source: Mintel 2014).

49% of people were also buying low price confectionery, whereas Buttermilk wanted to increase their product value and bring their confectionery into a luxury treat item (source: Mintel 2015).

As more consumers were looking for clean treats and British, local, artisan food products, Buttermilk could sit comfortably with these messages (source: Mintel 2014). There was also marked potential for adding value through premiumisation in this market, as the majority of customers would be open to more sophisticated treats and gifts for adults.

We found that consumers were after the exact treats and brand values that Buttermilk had already. The target was mainly women between 30-45 with children. We wanted to reach those savvy shoppers who were minimising everyday grocery spend but splashing out on little treats and gifts for friends and family. There was an opportunity to make sure the packaging looked premium enough so that people knew they were getting value for money.

**53% CONSUMERS  
WOULD BE PUT OFF  
BY SUGAR WHEN  
BUYING SNACKS**

Mintel 2014



## THE CHALLENGES

Buttermilk didn't want to lose their local market but understood that to reach their goals of having a successful year-round branded product, they needed to reach a national market, get into premium retailers and multiples, gain more brand recognition and sell at a higher price point.

Part of the challenge was understanding what barriers there were to getting customers to pick up the product. Research showed that the way people were consuming and perceiving confectionery was changing and there was confusion about what was on offer (source: IGD 2014).

NPD was also important for this category, with the big brands bringing out new flavour ranges and confectionery items in the supermarkets on a regular basis. Buttermilk were launching new honeycomb, brittles and clusters in the sharing pack range. We knew this design had to be very clear, flexible and work on different packaging, such as their gift boxes and future seasonal ranges.

Their current branding was friendly but very simple. The confectionery messaging was confusing for their customers and the packaging and brand design wasn't premium and didn't fully reflect their brand values. Originally the brief was to evolve the brand for the packaging, working on values and storytelling, however after consideration and customer insights we felt a full rebrand was needed to achieve a more grown up and premium feel.

## Before



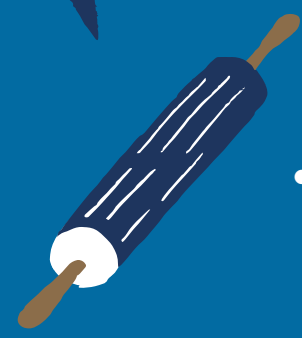
## After






## BUSINESS OBJECTIVES

### First two years


- 
- Get presence in 2 multiples (with a preference on Waitrose)
  - Build own brand to 50% of overall sales
    - Increase product margins
    - 30% export growth
  - Create a year-round brand
- 



## AGENCY OBJECTIVES

- 
- Develop the brand to tell the story of Buttermilk
  - Develop a range of packaging for premium 'sharing packs' and gift boxes that could sell at a higher price point in supermarkets
  - Challenge the category norm and differentiate them from competitors
  - Help people choose with ease
- 

Buttermilk launched their new brand and product range in September 2015 at the Speciality Food Fair.



18 new packaging designs  
(10 sharing packs, 3 xmas sharing packs, 3 gift boxes, 2 snack packs).  
(words 844)



# DESIGN SOLUTION

## AIMS

Defining Buttermilk's values and story became paramount in designing their packaging. It was about building a trusted connection with customers, based on Buttermilk's knowledge, heritage and love of what they do.

They were different from competitors because they made the confectionery themselves with 'kitchen cupboard' ingredients and so could guarantee quality, consistency and an authentic relationship to the consumer. We wanted to bring these messages to the forefront to make Buttermilk the grown-up, luxury confectionery for seasonal gifts and treats.

## REBRANDING

The aim was to create a convenient, trusted luxury, where there was no category confusion, making it easy for people to buy but giving them the feel of a premium treat. We redeveloped their logo, fonts and illustrations to bring them in line with this feel while still drawing inspiration from the old brand, so as not to alienate current clients.

We wanted to make it clear that Buttermilk was an artisan confectionery company with real heritage, so these were incorporated this message into their new logo, pulling on the date they were established.

We realised their customers referred to them as Buttermilk, so we dropped the original 'The' and 'confectionery co' to make Buttermilk a confident, easily recognised brand. 'Buttermilk' was drawn by hand to capture their handmade process.

Although Buttermilk needed to look premium, we didn't want to hide their friendly, playful personality - this is confectionery after all! So we created hand-drawn illustrations for each confectionery flavour to bring out the handmade, fun aspects of the brand and engage people with real ingredients cues.



## APPEALING TO THE RIGHT CUSTOMER

We knew that the target customer liked premium lifestyle food and fashion brands. To create an association with these aspirational brands we added a bright, discoverable 'wallpaper' pattern to the side of the packs. This used the illustration assets to add a more approachable look to the 'real ingredients' cues.

We also created a gold foiled stamp to show their brand promise, that all their confectionery was lovingly handmade in Cornwall. This mark of quality and the personal touch is mirrored on the back of the packaging with a message and gold foiled signatures from husband and wife owners David and Tracy.

Segmenting the confectionery into categories (such as smooth or crumbly fudge, brittle, honeycomb etc) helped people to differentiate type and images of the product, giving customers a clear indication of what they were getting.

## PACKAGING

We knew that our design had to be convenient for customers and supermarkets, but also work on the Buttermilk production line. Early we discussed the gable crash lock box and resealable packaging, as research had shown that this is what people looked for with popular sharing products. (source: Mintel 2015)

Different products targeted different gift and snacking occasions, pushing occasions and seasonality throughout the ranges. (words 473)





# SUMMARY OF RESULTS

## REACHING THE NATION & BEYOND

Buttermilk has extended far beyond the southwest and gained listings in supermarkets as well as other exciting outlets like Great Western Railway. This includes dominating their target supermarket - Waitrose!

Marketing relationships with partner brands this year include Dorset Cereal, the Times, Seasalt clothing and Belvoir Cordials.

Their customer database has gone from 1,000 to 30,000. They've also been in the national press reaching an audience of over 69,477,935 people by the end of 2016 (source: Barefoot Media).

The export market has gone from 3 countries to 14 meaning they now sell Cornish confectionery across Europe, the US, Singapore, Hong Kong and Australia!

## CHANGING PERCEPTIONS

Buttermilk have managed to give fudge a premium edge in supermarkets and have **displaced all other confectionery competitors in Sainsbury's and Waitrose.**

Feedback from Waitrose:

- Perfect as a little gift
- Appeal to their customer base

Taste of the West feedback:

- High quality packaging
- Artisan feel
- Appeals to market

Event feedback:

- Good value for the price
- Love the packaging
- Great as gifts
- Products are easy to differentiate



# 14

## EXPORT COUNTRIES

# 60%

## EXPORT GROWTH



## 12 TASTE OF THE WEST AWARDS CONFECTIONER OF THE YEAR AWARD 2017

- **29% INCREASE IN SALES** overall  
(lost 40% of white label sales which has affected overall figure)
- **14 NPD** since rebrand
- **VOLUME INCREASE 26%**  
(Expected end 2017, compared to 1.7% expected in the category)
- **Sharing pack VALUE INCREASE IS 34%**  
(Compared to stagnated category increase source: mintel 2017)
- **ADDITIONAL 5 NATIONAL WHOLESALERS**

## BOLSTERING THE LOCAL ECONOMY

Cornwall is one of the poorest areas in Europe so contributing to its economy and local employment is a great benefit to the county. Buttermilk is now able to sustainably employ their entire workforce all year round and no longer offers just seasonal work. They've helped local job security, improved pay and have hired graduates for roles in marketing and events. They're also able to provide better training, employee rewards and better opportunities.





# OTHER INFLUENCING FACTORS

## PR

Buttermilk had a PR launch which helped their brand reach regional papers and increase local brand awareness. Their new branding has been at the forefront of the press attention.

## PRODUCT LINE CHANGE

Buttermilk's snack packs and sharing packs included new confectionery products which have helped to broaden their appeal and reach in the confectionery industry.

## WEBSITE

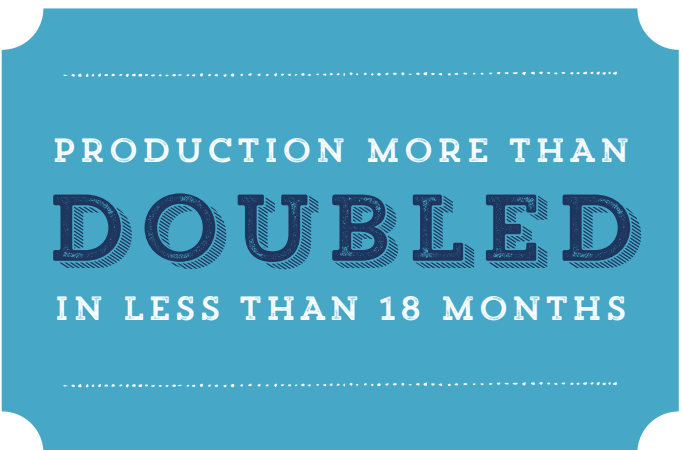
Buttermilk also relaunched their website which helped boost them in online sales. However, as part of the rebrand, we worked on the web design and newsletter design for their online reach. The look and feel has very much been part of its overall popularity.

## PRODUCTION CAPACITY

Buttermilk moved into a brand new factory with a new and improved production line just before their rebrand launch. This has helped with overall efficiency and our packaging was created to make the most of these new production methods.



**INCREASE IN WEB VISITS**



PRODUCTION MORE THAN  
**DOUBLED**  
IN LESS THAN 18 MONTHS

# RESEARCH RESOURCES

- Mintel: CONSUMER SNACKING, UK, MARCH 2017
- Mintel: SUGAR AND GUM CONFECTIONERY, UK, DECEMBER 2016
- IGD Retail Consumer Trends 2014
- Mintel: SUGAR AND GUM CONFECTIONERY, UK, DECEMBER 2015
- Mintel: SUGAR AND GUM CONFECTIONERY, UK, DECEMBER 2014
- Buttermilk Confections Ltd: Consumer survey 2014-2015
- Buttermilk Confections Ltd: Financial Statements
- Valassis Survey, 2014
- Barefoot Media: Buttermilk Press Summary