

# KABUTO

## THE WAY OF THE NOODLE

Industry sector: **Food Producers**

Client company: **Kabuto Noodles**

Design consultancy: **B&B studio**

July 2016



# KABUTO

## NOODLES

## **Q. WHY IS DESIGN EFFECTIVENESS LIKE A NOODLE?**

### **A. BECAUSE IT SHOULD BE BOTH INSTANT AND LENGTHY**

The success of independent start-up Kabuto demonstrates both. In its first year of launch, sales targets were smashed and distribution objectives exceeded, despite the most minimal marketing support. And today, five years later, brand growth shows no signs of stopping with total retail sales to date of more than £11m.

**And this is surely the true test of design success: to gain long-term loyalty and ongoing effectiveness, not a simple spike in sales thanks to a short-lived design trend.**

Here are some of our headlines:

- **TRANSFORMING A £20K INVESTMENT INTO A £11M BRAND IN 5 YEARS**
- **SMASHING YEAR ONE SALES TARGETS BY 86%**
- **YEAR FIVE RETAIL SALES VALUE 24 TIMES THAT OF YEAR ONE**
- **BECOMING THE UK'S 5TH LARGEST INSTANT NOODLE BRAND**

## Project brief

B&B was asked to create the name, identity and packaging for a new brand of premium instant pot-based noodles aimed at bringing the fresh sophistication of noodle restaurant chains like Wagamama to a sector still dominated by cheap, cheerful and tongue-in-cheek brands.

## Business objectives (for year one):

- **Gain a listing in one major multiple retailer**
- **Meet sales targets of £100,000**
- **Bring a wholly new consumer to the pot snack market**

## Design objectives:

- **Target young affluent consumers with a unique proposition**
- **Create a clearly British brand with authentic Asian recipes**
- **Bring natural health credentials to an artificial category**

## Description

Kabuto Noodles was started by Crispin Busk – an independent entrepreneur with a dream to make the posh pot noodle. After tasting every single instant noodle on the market, he worked with chefs and suppliers to create the best – a range of delicious recipes made without additives, preservatives, sachets or plastic, inspired by authentic Asian flavours. Just like your average instant noodle they're easy to prepare with boiling water and have a long shelf life – the difference is they're good for you and they taste amazing!

Kabuto's journey to growth began with Crispin pounding the streets of London to find independent stores that would stock his noodles; gained momentum with an early listing at Harvey Nicks; and now sees the brand available in most major multiples in the UK and in stores around the world. Kabuto initially launched with three SKUs, and today boasts ten variants across three different ranges.

## Overview of the market

The pot snack market is dominated by Unilever's Pot Noodle brand. In 2015, its value sales (£106m) were more than seven times those of its closest rival, Uncle Ben's. A household name, Pot Noodle was described by The New Statesmen in 2013 as "Lad culture in snack form", its flavour choices – including Doner Kebab – and its advertising campaigns – who could forget 2002's "The Slag of all Snacks"? – have characterised the sector overall as cheap fast food: high on fun but low on quality.

Growth in the sector (7% during 2015) is driven primarily by volume sales of these cheap, often promoted products. Indeed, prices overall are dropping, with the average unit price falling from 99p to 97p in 2015.

Kabuto entered the market in 2011 to challenge perceptions of the category with a fresher, more natural, more healthy and more authentic instant noodle product. Priced at an ambitious £2.95, and rarely promoted, it represented a unique and challenging proposition for this sector and its average consumer. From the start – and with no other marketing support – brand identity and packaging design were integral to catching consumers' eyes from the shelf and encouraging trial by convincing them of the unexpectedly high quality of the product.

## Project Launch

Kabuto launched in January 2011.

## DESIGN SOLUTION

In creating Kabuto, B&B studio had a delicate balancing act to get right: on the one hand, capture the wit and playfulness essential for a successful, personality-driven British challenger brand; and on the other, communicate the Asian authenticity and attention to detail that the product and its recipes represented.

We started with the name. Inspired by the skill and dedication of the Japanese Samurai, we came up with Kabuto – the traditional name of the Samurai warrior's helmet. Next came the structure – a gently ribbed paper cup that brings the contemporary feel of a takeaway coffee to the plastic world of pot snacks.

From the start, we were keen to create an iconic and meaningful mark that would be heroed on the cup right across the range. The resulting identity – a witty combination of kabuto helmet and noodle bowl and chopsticks – is the perfect icon for the brand, effortlessly nailing our twin targets of British wit and Asian authenticity.

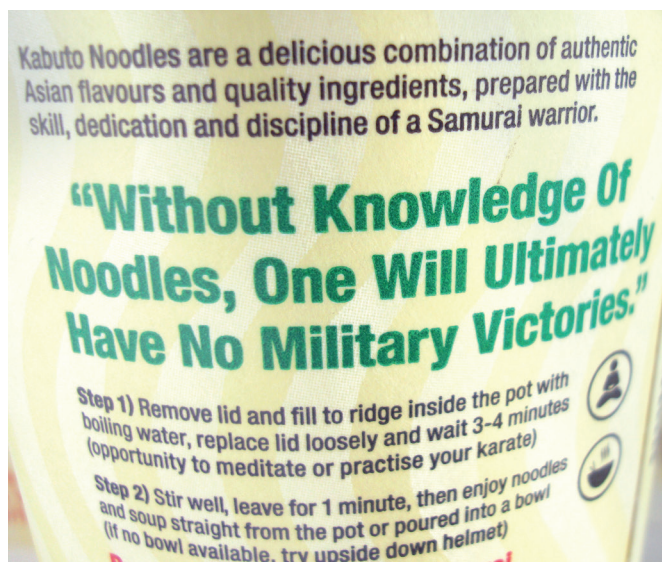


The wit continues throughout the brand's tone of voice – both on, and off-pack. B&B came up with a collection of ancient Japanese proverbs, subtly tweaked to reference noodles that remain a core part of the identity.

## “When The Character Of A Man Is Not Clear To You, Look At His Noodles.”

Variant and range coding is simple and subtle across the range – we wanted consumers to choose Kabuto, not just another chicken ramen – and yet the colour palette is well-chosen to bring added freshness and taste to the design.

The Kabuto identity has remained unchanged for five years, and shows no signs of growing old. Like the best design ideas, its wit and simplicity engage without effort, and draw consumers back without needing to update to the latest design trend. Its inclusion in the 20th anniversary edition of *A Smile in the Mind* – Beryl McAlhone and David Stuart's legendary book on witty thinking in graphic design – demonstrates its power and longevity. As, we believe, does Kabuto's continued success, year after year.



# SUMMARY OF RESULTS

**“Real Knowledge Is To Know  
The Extent Of One’s Noodles”**

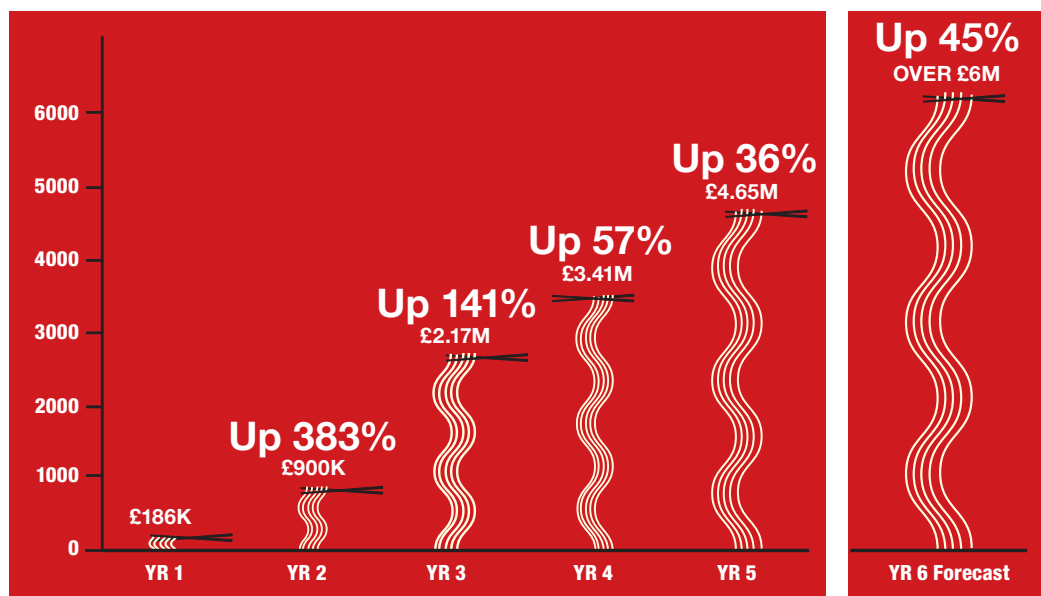
## Sales growth

- **SMASHED YEAR ONE SALES TARGETS OF £100K BY 86%.**
- **IN 5 YEARS, RETAIL SALES HAVE REACHED £11.3M FROM A STANDING START.**

## Rapid sales growth: from zero to £11.3m over five years

During its first full year of sales (2011) Kabuto’s retail sales value reached £186k, beating its initial targets by 86%. Since then, the strength of the brand on-shelf has been instrumental in growing sales year on year: up 383% in 2012, 141% in 2013, 57% in 2014 and 36% in 2015.

**Forecasts predict a growth of 45% during 2016 with sales of over £6m.**



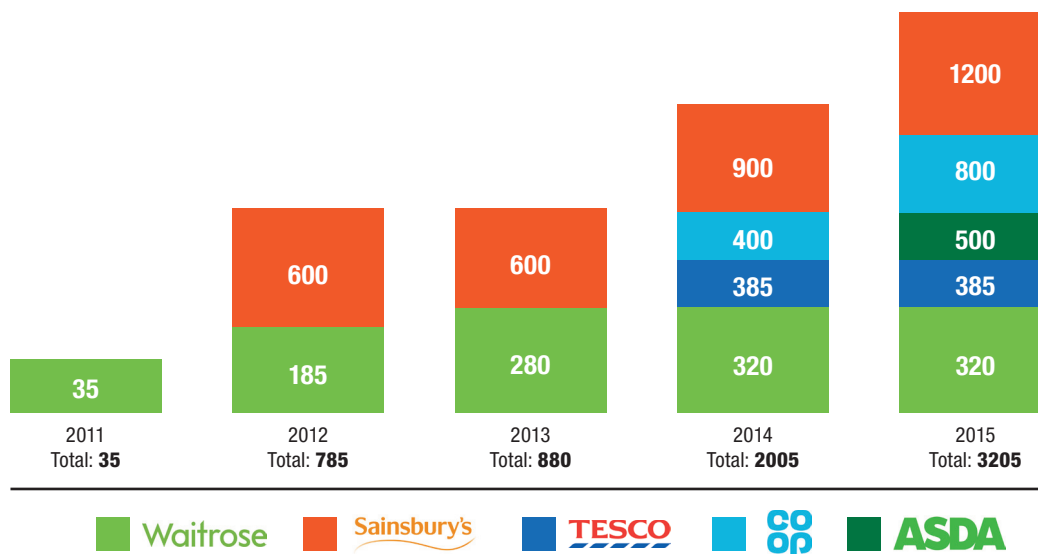
Figures are based on Kabuto turnover with retail sales value estimates. Sales period runs April to March.



# SUMMARY OF RESULTS

## Increase in distribution

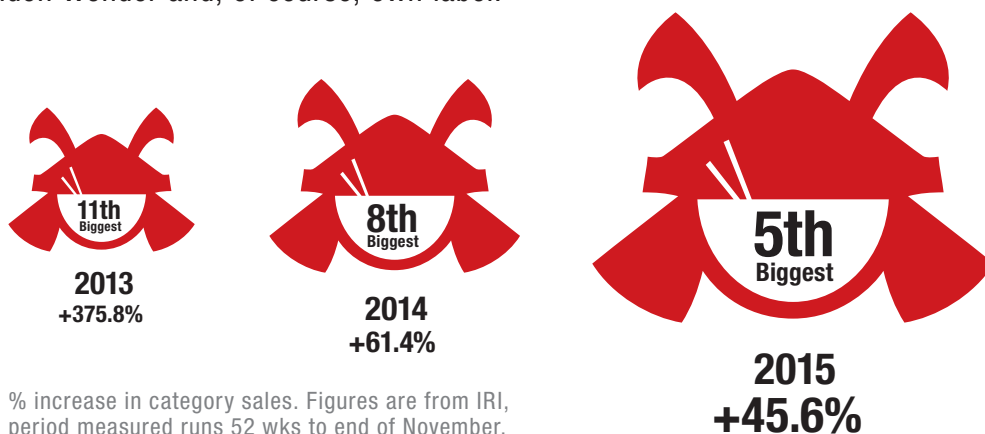
Kabuto quickly achieved its year one target of gaining a major multiple with listings in Waitrose. Since then, the brand has added a new major multiple retailer each year, and gained steady increases in the number of stores stocking the brand. Distribution has increased from 35 stores in 2011 to 3205 in 2015.



## Increase in market share

**IN 5 YEARS, KABUTO HAS GONE FROM A STANDING START TO BECOME THE 5TH LARGEST INSTANT NOODLE BRAND IN THE UK.**

Today, just the big four – Pot Noodle, Uncle Ben's, Dolmio and Batchelors – have a greater market share than Kabuto, and the brand is growing faster than any of them. Year after year, Kabuto has risen above strong competition from household names like Knorr, Itsu, Naked Noodle, Mug Shot, Blue Dragon, Golden Wonder and, of course, own label.





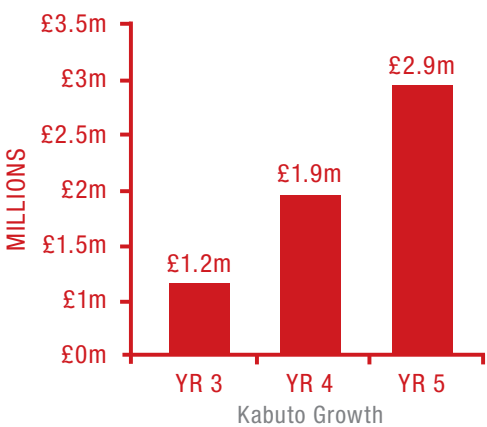
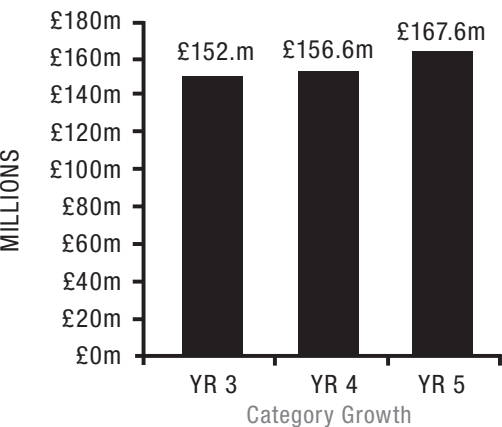
# SUMMARY OF RESULTS

## Outperforming category growth

Kabuto is growing way ahead of the overall pot snack category. Growth in the sector overall is driven by volume, thanks to low priced and often promoted products. As a premium priced product (currently £1.99 in UK supermarkets vs £1 for a Pot Noodle) Kabuto's success is all the more impressive.

**67% GROWTH IN YEAR 4**  
**VS JUST 3% CATEGORY GROWTH**

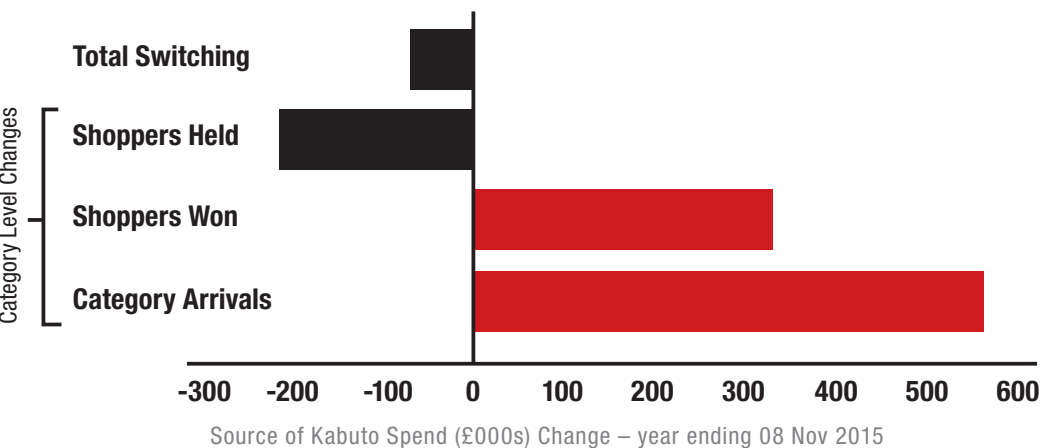
**51% GROWTH IN YEAR 5**  
**VS JUST 7% CATEGORY GROWTH**



## Bringing new consumers to the category

Attracting new consumers to an ambient category they may not have considered before was a core design objective, and the brand's fresh and contemporary design style has achieved this aim.

**In 2015, 90% of Kabuto's growth was incremental – demonstrating our role as a gateway brand to the sector.**



# SUMMARY OF RESULTS

## NPD and category innovation

Over the past few years, Kabuto has doubled the size of its noodle range from three SKUs to eight. And in autumn 2015, the brand was able to introduce a new range of rice pots, bringing the total range to ten SKUs.



## Global expansion

The best design transcends countries and cultures. From an initial UK launch, Kabuto can now be found in:

- REPUBLIC OF IRELAND • SPAIN • BELGIUM • RUSSIA • MIDDLE EAST

## Environmental impact

Kabuto's packaging was specifically designed to minimise the brand's environmental impact. The double-walled paper cup is more easily recycled than standard plastic, and there are no additional sachets or internal packaging. The brand's carbon footprint (evaluated by the charity Cool Earth) is a low 50 tonnes per year, but Kabuto offsets a whopping 25,000 tonnes a year through its donations to Cool Earth.



**TRUE WARRIORS  
DON'T LITTER**

## Social impact

Since its earliest days, Kabuto has forged strong links with local and international charities, including funding a boxing programme for vulnerable young people in Bristol; mitigating the business's own carbon emissions via Cool Earth; and supporting a food programme in Cambodia that provides breakfast and lunch for kids in school.

## Consumer love

***“The packaging is simple yet elegant.  
I love the samurai references :)” - Ross***

***“Loved the packaging – don't change a thing on it.  
I will get them again just for the packaging.” - Ant***

***“I love the quirky instructions and warnings,  
it makes the experience so much better.  
Plus the fantastic noodles!” - Tony***

## And finally

It's worth noting that Kabuto's success has been achieved thanks to the investment of one man – working without venture capital investment or private equity involvement. For Crispin, the power of the identity has been a vital factor from day one, and continues to take the brand from strength to strength.

***“The depth built into the brand identity has always given us a strong grounding when talking to customers – both retail and public. It helps demonstrate the thought that goes into everything we do. It has been more than branding for us – it's a benchmark we have to live up to as a business, whether that's creating best in category products, treating our suppliers responsibly or supporting the charities we believe in.”***

**Crispin Busk, Founder, Kabuto Noodles**

## OTHER INFLUENCING FACTORS

### “What Is Of Supreme Importance In War Is To Attack The Enemy’s Noodles”

#### Price promotions

The pot snack category typically promotes heavily, with most brands on promotion between 20 and 26 weeks per year. Kabuto promotes far less, at 12 weeks per year on average. In addition, Kabuto’s promotions are smaller price reductions. The brand’s normal/promo split is a healthy 60:40.

#### Advertising and PR

Kabuto has always relied on the strength of its brand identity and packaging to market the brand. For the first four years of growth, additional marketing was limited, with just £3,000 spent (on PR) in 2011.

It wasn’t until 2015 that the brand began to advertise, focusing its marketing budget on two outdoor poster campaigns designed by B&B studio and playing heavily on the samurai theme. This was a new marketing strategy for a brand that until now had relied solely on its packaging. Crucially, this investment could only have affected sales for 2015, and not the preceding four years upon which this case study focuses.



## RESEARCH RESOURCES

#### Research resources

Kabuto Internal Figures  
IRI MarketPlace  
Kantar Worldpanel  
Cool Earth