

RAW

GLOWING WITH
GOOD VIBES

HALOTM

EXECUTIVE SUMMARY

The success of Raw Halo's intelligent and revolutionary rebrand demonstrates the far-reaching impact that combined strategic, creative and production expertise can have on a growing brand. After four years in the market, Raw Halo was still a niche and premium offering, known best for its raw, vegan and highly giftable chocolate bars. It had recently won its first grocery listings in a limited amount of Waitrose stores, but its understated design and messaging, and expensive-to-produce packaging, were limiting the brand's ability to make the most of this opportunity.

The rebrand – a combination of strategic creativity and technical knowhow – has transformed Raw Halo from a niche premium offering to a mainstream ethical player, now performing alongside the household names in premium accessible chocolate, such as Green & Black's and Lindt. Relunched in plastic-free recyclable packaging with bold new branding and reduced production costs, the brand has been able to reduce its RRP, extend its reach, live up to its ethical ambitions and reset its business for radical growth.

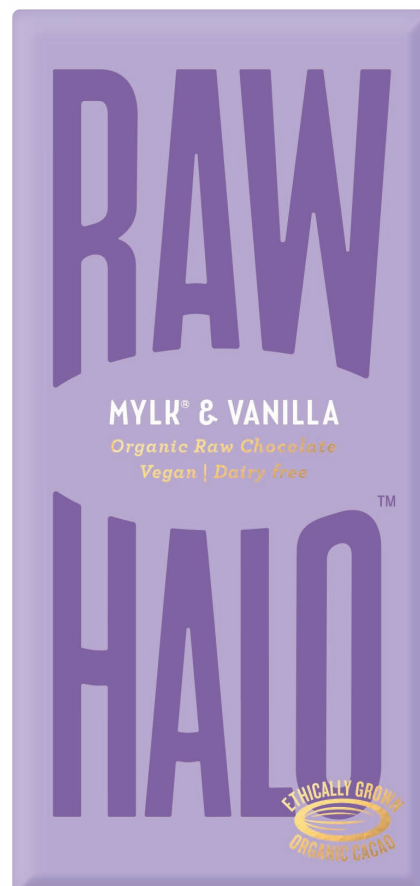
HERE ARE THE HEADLINES FOR RAW HALO'S ACHIEVEMENTS:

- Increasing sales by an average of 25% each year
- Exceeding growth targets by 35% in the first year
- Beating distribution targets by 335%
- Reducing RRP by 25% (£3.99 – £2.99)
- Becoming a plastic-free business

Previous Design:



New Design:



CONTEXT AND OVERVIEW

PROJECT BRIEF

As a four-year-old independently-owned brand, Raw Halo was ready to make a significant shift in its business, moving from a small-scale gifting chocolate producer to an accessible premium competitor in mainstream grocery. To make the most of a recently-won listing in Waitrose, the founders were keen to reposition the brand and rethink its packaging, streamlining production processes, reducing costs, improving sustainability and increasing impact.

The business objectives of the brief were:

- **Become a plastic-free business**
- **Reduce costs for a lower RRP**
- **Grow sales by 20% year on year**
- **Win 200 new grocery listings over two years**
- **Become a benchmark for ethical chocolate**

SCOPE OF WORK

Upfront strategic thinking was an integral part of the project, and influenced every aspect of the redesign. A single agency undertook the entire project, and the scope of work included brand positioning, creative strategy, visual identity, packaging design, messaging and brand world. Expert print production and sustainability consultancy was key to achieving the new plastic-free packaging design without detriment to the intent of the new design.



DESCRIPTION

Founded in 2014 by a husband-and-wife team, Raw Halo makes raw organic chocolate from ethically-sourced, plant-based ingredients. Beginning as a kitchen business, the brand grew steadily and organically, perfecting its range of flavours and finally appearing on the shelves of Waitrose in 2018.

But to truly compete in the supermarket space alongside brand leaders in premium accessible chocolate, such as Green & Black's and Lindt, Raw Halo needed to lower its RRP, improve the standout and impact of its branding, and articulate its product claims with far greater clarity. In addition, the brand wanted to improve its ethical credentials by introducing recyclable packaging – Raw Halo's existing packs were very giftable, but not fully recyclable, comprising foil-wrapped chocolate packed within gold-foiled cardboard. The luxury feel of these packs felt at odds with the business's plant-based product and ethical credentials, as well as its ambitions for mainstream accessibility.



The rebrand required a delicate balancing act – appealing to more mainstream consumers, while maintaining a premium feel; communicating raw and vegan, while achieving delicious taste cues; and introducing recyclability while retaining a sense of quality. The new design delivered on every aspect. First, the creation of an instantly recognisable stand-out logo and bold colour palette that foregoes luxury coding to create a whole new language for premium accessible chocolate. Secondly, the introduction of clear and impactful messaging that clarifies the brand's ethical and healthy credentials, accompanied by an ownable brand story around the theme of Glowing with Good Vibes. Thirdly, the production of a new recyclable paper-based wrapper that reduces card, plastic and foil use, and has radically cut costs in the process.

The rebrand has succeeded in setting firm foundations for Raw Halo's future. Visually, it presents the brand as an ethical challenger that is shaking up the chocolate shelves and connecting with contemporary consumers, while on a business level it has enabled the brand to transform its sales strategy and capitalise on the opportunity in grocery.



OVERVIEW OF MARKET

Chocolate is of course one of the UK's favourite categories, reaching 98.2% of households with consumers purchasing chocolate 43.6 times a year on average. In 2019, the value of the take-home chocolate market rose 4.8% according to Kantar, with dark chocolate being a key driver within the category – seeing sales rise by 11.1%. The desire for dark is clear in bars specifically too: moulded milk bars rose by 1.3%, branded chocolate rose by 5.2%, but plain bars rose by 14.5%.

As a vegan brand, Raw Halo's moulded bars of course include dark, but also dairy-free mylk variants, and its best seller is in fact Mylk & Vanilla. And while the desire for vegan and ethical products is on the rise, one in twenty chocolate launches in the UK are now vegan, suggesting that the brand is doing more than simply piggy-backing consumer trends.

In fact, with an average sales growth of 25%, Raw Halo is clearly outperforming the category at every turn.

KEY FACTS

The Raw Halo redesign launched in September 2019.

*Design fees, excluding production, were **REDACTED CONFIDENTIAL DATA**.*





RESULTS

THE OBJECTIVE: BECOME A PLASTIC-FREE BUSINESS

Premium Recyclability

The rebrand achieved the business's core goal of introducing plastic-free packaging without compromising its desired premium accessible aesthetic. The move away from foiled cardboard and an inner foil wrapper to a plastic-free and recyclable wrapper has brought huge environmental benefits, including estimated annual reductions of 2 tonnes of plastic and 4 tonnes of cardboard waste.



THE OBJECTIVE: REDUCE COSTS FOR A LOWER RRP

Increased Efficiency

*The new packaging format instantly increased production capacity, delivering significant cost savings that have allowed Raw Halo to reduce its RRP by 25% from £3.99 to £2.99 at launch, while also improving its margins **REDACTED CONFIDENTIAL DATA**. This lower price point was crucial to Raw Halo's strategic shift of focus to mainstream grocery, and has helped secure further distribution and an increased rate of sale. However, it is worth noting that £2.99 remains a premium price point within the chocolate fixture: a comparable Green & Black's or Lindt bar will retail at just £2, while raw and vegan Ombars also retail at £2.99, so the reduced RRP has merely brought the brand more in line with its competitors.*

THE OBJECTIVE: GROW SALES BY 20% YEAR ON YEAR

Beating Sales Targets

With a reduced RRP in mind, Raw Halo set ambitious sales targets for the rebrand, aiming for 20% sales growth year on year. The impact of the new packaging was instant, with sales growing 27% in the first year (Year End Sept 2019 vs Year End Sept 2020), smashing that target by 35%. In year two, sales increased by a further 23% (Year End Sept 2020 vs Year End Sept 2021). With this average 25% year on year growth, Raw Halo remains ahead of its targets by 25%. For context, the overall take-home chocolate category grew by 4.8% in 2019. All figures are like for like with no new SKUs added.

Star Bar

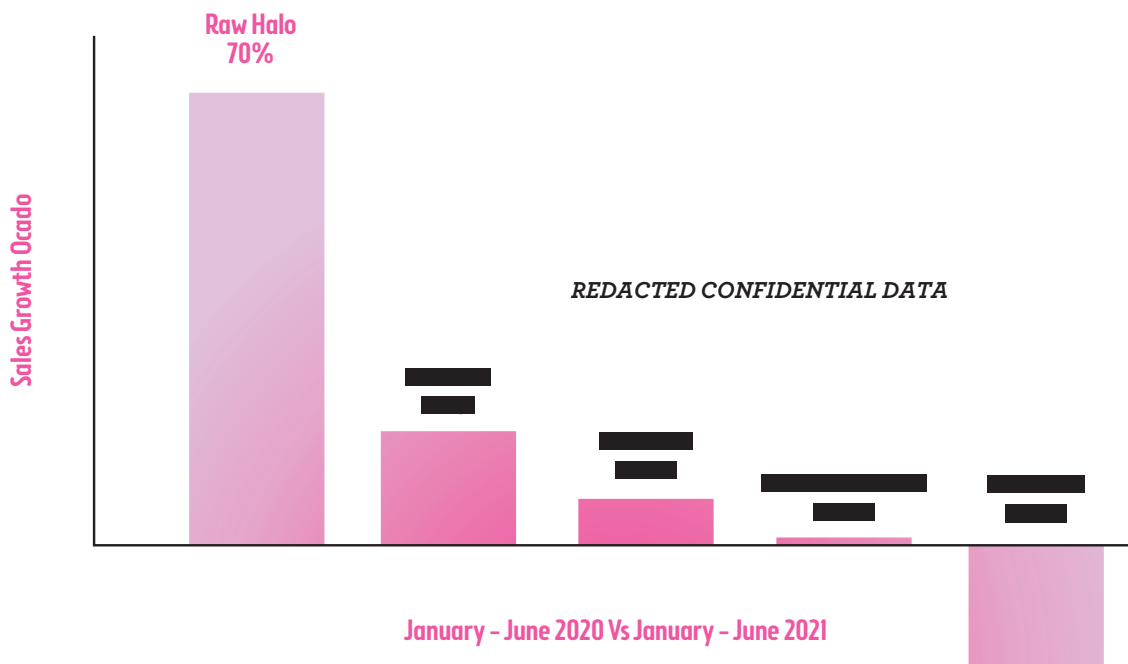
Since the rebrand, Mylk & Vanilla has become the brand's fastest and best-selling SKU, testament to the clarity of the new messaging around its vegan positioning. Sales have grown by 80% pre vs post redesign (Year End September 2019 vs Year End September 2020). The SKU continues to do well, achieving a further 120% growth year-on-year to June 2021.



Outperforming The Category

Sales figures from Ocado demonstrate an outstanding performance by Raw Halo among its premium and ethical chocolate peers. Comparing January-June 2021 with January-June 2020, the brand's sales grew by a whopping 70%. **REDACTED CONFIDENTIAL DATA**. The positive performance of **REDACTED CONFIDENTIAL DATA** suggesting the rebrand played a significant role.

OUTPERFORMING THE CATEGORY IN OCADO



THE OBJECTIVE: WIN 200 NEW LISTINGS IN TWO YEARS

Increasing Distribution

After four years in the market, Raw Halo was available in circa 1,000 locations at the time of the rebrand, made up mainly of health-focused stores, such as Planet Organic, Wholefoods and As Nature Intended, as well as independent stores, and a recent listing in 200 Waitrose stores. The brand was keen to win an additional 200 grocery locations over the next two years to establish its more mainstream positioning, but by September 2021, two years since the rebrand, the brand had achieved a further 870 locations, beating targets by 335%, including 100 more Waitrose stores. New accounts include Sainsburys 221 locations, and Albert Heijn – the largest supermarket chain in the Netherlands – in 500 locations (this account was not implemented until October 2021, so does not contribute to sales figures). Other key stockists now include Abel & Cole, Pure, and Dunnes Ireland.

The rebrand was a significant factor in Sainsbury's decision to stock the brand in its free-from category, an aisle that tends to be a showcase for brands that excite through stand-out branding. While Sainsbury's already stocked other more established vegan chocolate brands, the listing was successful due to a combination of branding and ethical credentials, with the buyer commenting that "the new branding looks brilliant!".

Indeed, the new design has helped transform perceptions of the brand, and reframed every buyers' understanding of its potential.

WAITROSE

"The new brand looks absolutely fantastic!"

HOLLAND & BARRETT

"Really keen for the new packaging to land, I really am a fan of the new branding."

WHOLEFOODS

"I think the branding looks excellent, it will really stand out on the shelf!"

PLANET ORGANIC

"Wow, rebrand looks fabulous – I actually love your current packaging but this is much bolder and I'm sure will have great shelf appeal!"

SAINSBURY'S

"New branding looks brilliant!"



THE OBJECTIVE: BECOME A BENCHMARK FOR ETHICAL CHOCOLATE

Glowing With Good Vibes

As part of the rebrand, Raw Halo's broader brand and business was repositioned around the ethos of "Glowing with Good Vibes". The brand aims to be a business that's good for people and the planet, with ethically sourced ingredients, ethically made chocolate, and ethically minded business practices – a story told in full on the inner of the new recyclable wrapper.

As part of this strategy, Raw Halo has partnered with One Tree Planted, a reforestation charity, with whom it has planted approximately 27,000 trees since the rebrand. This work has helped create jobs for local communities, and protect the environment in areas from which its ingredients are sourced. On the back of this initiative, the brand is currently considering carbon neutral certification.

Creating Opportunities

As Raw Halo's business continues to grow at around 25% each year, additional jobs have been created at its production, warehousing and fulfilment partners. The brand's production partner is a social enterprise based in the Netherlands, supporting vulnerable and less-abled people back into work and helping them to reach their potential. In addition, brand growth has enabled Raw Halo to increase its support of small farmers around the globe – all the brand's ingredients come from small, organic farms that trade their produce for a fair price and treat their communities well.

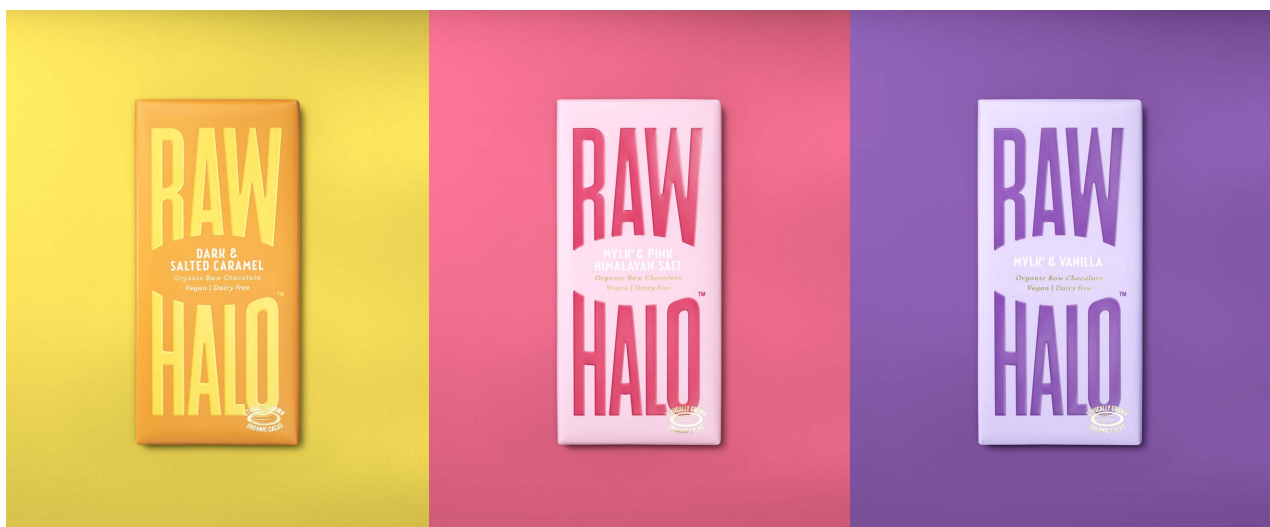
Making Vegan Mainstream

Raw Halo was the first vegan chocolate brand to launch into premium confectionery in Waitrose, sitting alongside established premium players such as Green & Blacks, Lindt and Divine. The brand has played a significant role in helping vegan chocolate become more mainstream and compete with traditional chocolate on desirability.

The bigger chocolate brands are certainly paying attention, with NPD beginning to reach the market that echoes Raw Halo's vegan, organic and plastic-free values, including Mars' vegan Galaxy, Bounty and Topic, launched in 2021, Nestle's vegan KitKat, launched in 2021 and Lindt's vegan range, launched in 2020.

The Organic Favourite

In 2021, Raw Halo was awarded the Ocado Rising Stars Award "Best Organic Product" for its Mylk & Pink Himalayan Salt bar. This was voted for by shoppers.



INFLUENCING FACTORS

Reduced RRP

The reduced RRP would of course account for some uplift in sales, but this was a key objective of the rebrand from a production point of view. It's also worth noting that even at the reduced price (£2.99 vs £3.99), Raw Halo maintains a premium price point within the chocolate category. While it is difficult to exactly attribute specific sales growth to the reduced RRP, it is a contributing factor to overall growth, and has helped meet the brand's ambition to transition to the premium-everyday price band.

Recyclable Packaging

While the introduction of recyclable packaging was an important objective for Raw Halo, its strategic purpose was to meet the founders' desire for ethical credibility rather than to boost sales. While we believe consumers appreciate recyclability, we do not consider it to be a key purchase driver for Raw Halo.

Increased Distribution

While increased distribution would suggest greater sales, the majority of new listings were not implemented at launch and so have not contributed to the growth figures yet. For example, the 500 new listings at Albert Heijn in the Netherlands were not implemented until after September 2021.

Marketing Activity

As a small and independent brand, Raw Halo's marketing budget is limited and very small compared to larger competitors. Each year, the brand spends REDACTED CONFIDENTIAL DATA. According to The Grocer's Confectionery Report, the brand Lindt spent £13.2 million on advertising in the UK in 2017.

Sales Promotions

In step with the broader category, Raw Halo runs promotions with its major retailers throughout the calendar year, and did so pre-rebrand also. The brand does not discount aggressively, with promotions of 20% to 33% off, for one month at a time, usually four times per year per retailer.

Covid 19

While many businesses struggled through Covid and lockdowns, Raw Halo still exceeded its target sales growth, especially with online retailers such as Ocado and Amazon, and its own e-commerce channel. While many of the brand's smaller stockists closed their doors, sales growth came through larger multiple customers such as Waitrose, where demand for everyday luxuries grew. However, the post re-brand sales growth increases had begun before Covid hit, and continued through the pandemic.

