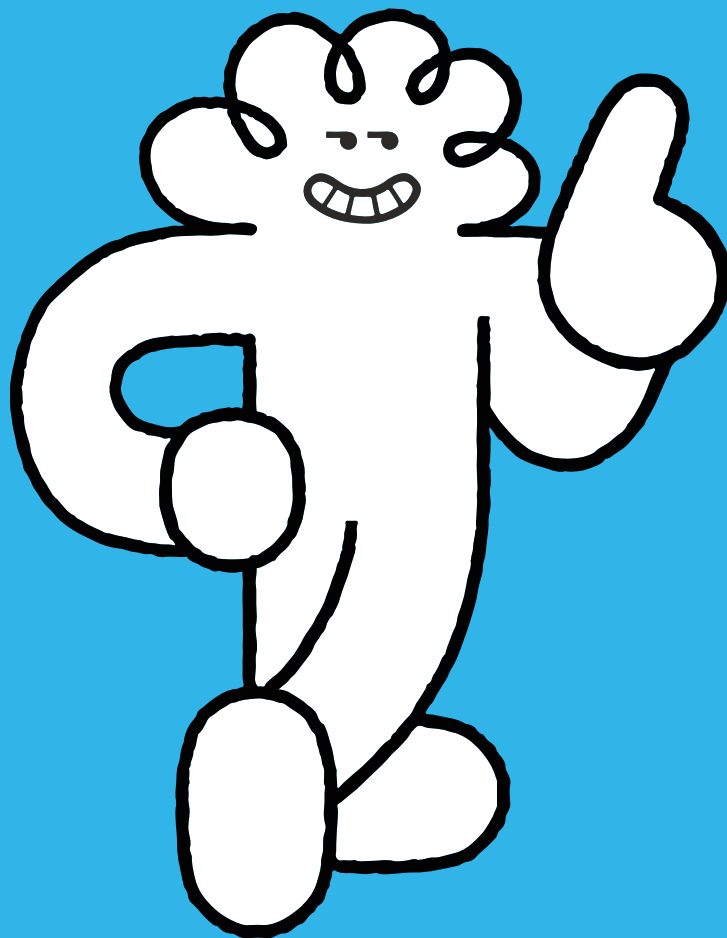


**BUILDING A BRAND FOR
A (FRIENDLY) REVOLUTION**

nuud



01. EXECUTIVE SUMMARY

Nuud is a plant-based, plastic free chewing gum that biodegrades like a banana skin. It's sugar free, vegan and tastes great. In an otherwise polluting category, all of these things make for a revolutionary new chewing gum.

Problem is, no one knows 'normal' gum has a problem, let alone Nuud is the solution to it.

So this is a story of how a rebrand is helping to deposition the 'big' guys in the category; using design, across packaging and broader brand world, to raise awareness amongst retailers and customers of both the problem (plastic in chewing gum) and solution (Nuud is plastic free)... whilst still freshening breath up and down the country of course.

Achievements to date:

- Went from distributing in 100 retailers to over 2,500
- 900% uplift YOY in sales.
- The team has grown from 1 to 6 full time employees.
- Purchases of Nuud in 2022 will equate to saving 3,750,000 single-use plastic straws from entering the environment (vs purchasing regular gum), compared to the 200,000 straws saved prior to the rebrand.

Previous branding



New branding



02. CONTEXT & OVERVIEW

Keir Carnie, founder of Nuud is on a simple mission; to disrupt the gum market that litters the UK's pavements, by offering a great tasting, biodegradable, plant-based and plastic-free alternative to regular gum.

Why? Because regular chewing gum accounts for some of the most blatant pollution in our day-to-day lives, and yet so many of us still don't realise that it is a single-use plastic. Yep, you read that right. Regular chewing gum is a single-use plastic, containing the same amount of single-use plastic as a plastic straw. Yet while plastic straws are banned, chewing gum waste goes unnoticed. In the UK alone, some 100,000 tons of it (the equivalent of 5 billion worth of plastic straws) is chewed every year^[1], with 95% of the country's streets stained by it^[2].

But when surveyed, 85% of people don't know 'regular' chewing gum contains plastic.^[3] Plastic which is bad for our bodies, bad for the environment and bad for local governments who spend £100m^[4] annually on cleaning the streets it gets littered on.

So it was time to start a friendly revolution and make sure people were making the 'good' decisions when it came to buying gum; moving from regular gum, to Nuud - a plant-based, plastic free chewing gum that biodegrades like a banana skin. It's sugar free, vegan and tastes great.

Sounds simple, so what was the challenge?

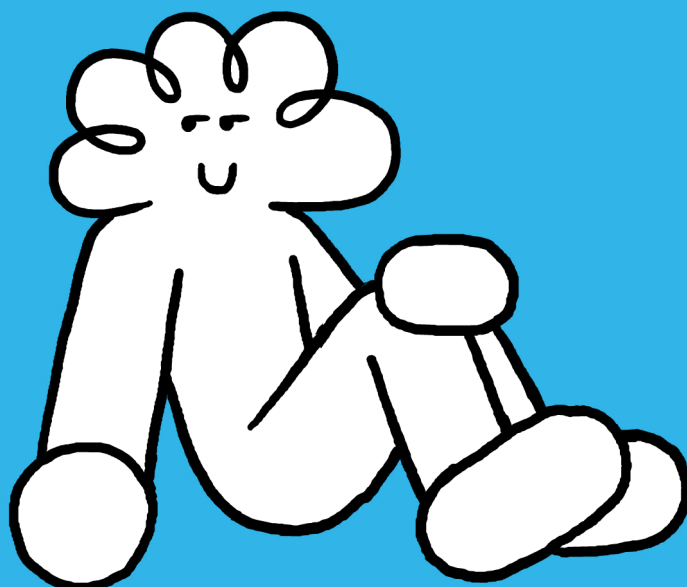
- Nuud already existed, originally founded in 2020 - by 2021 the founder realised the brand wasn't cutting through to either retailers or consumers.
- The challenge was, despite 75% of people claiming they would change their behaviour once they found out the truth about 'regular' gum^[5], when it comes down to it, chewing gum is the ultimate impulse purchase with 65%^[6] of purchases being totally unplanned.
- In addition, it's hard to stand out against entrenched market leaders such as Mars Wrigley's, which holds more than 88% of market share across its product portfolio.^[7]
- So our creative challenge was clear, we needed to design a brand language that helped Nuud to raise awareness of both the problem (chewing gum contains plastic) and the solution (Nuud) in a way that cut through on shelf and in marketing - amongst consumers and retailers.

The key objectives:

- Secure **distribution** in key national retailers from a baseline of 100 retailers, helping more people to buy 'good'.
- Grow the business, not just for commercial gain but ultimately to have a **positive environmental impact** (increasing from a baseline of saving 200,000 worth of plastic straws prior to the rebrand).
- Drive greater **awareness** that normal chewing gum contains plastic, whilst simultaneously offering Nuud as the alternative.

The scope of work:

We created a cross disciplinary team between Nuud, an incubator and accelerator agency and ourselves. The first part of the scope was to define the brand positioning and develop the long-term strategy, which included creating a unique direct-to-consumer subscription proposition. Then we translated strategy into design across the packaging and broader brand identity (brand look and feel for advertising, digital, social, tone of voice, merchandise and future product extensions).



03. DESCRIPTION

We knew that Nuud wasn't capturing the hearts or minds of consumers (or retailers) and critically it didn't communicate its unique selling proposition (plastic-free) in a distinctive or engaging way.

However, success wasn't just about engaging the sensibilities of a niche (vegan, eco-aware) audience; we set ourselves the goal of using design to create a gum brand that would be adopted by the masses. Mass appeal was important, not just for commercial reasons, but because we would have a far bigger environmental and social impact and help to achieve Keir's overarching mission of ridding the streets of single-use plastic.

In order to hit the objectives, the design had multiple components. The first was to approach the front of the pack like a billboard; maximising the communication potential to drive awareness and stand out through bold and distinctive graphics and unapologetic strapline 'chew plants not plastic.' The strapline immediately educated and drove awareness of both the pitfalls of ordinary gum and the unique selling point of Nuud, therefore addressing one of our key objectives.

The second component of our design language was to ensure we delivered against the core mass purchasing need; fresh breath. So unlike competitors who focused their design on cuing health and sustainable messages

(with white packs and pictures of mint leaves or raw ingredients), we focused on communicating the product's freshness with the dominant use of green and blue. Colours which are recognisable semiotic codes amongst a mass audience.

Then our final component which tied it all together and ensured the product would stand-out on shelf, was a fearless and fun graphic language, with a logo that 'smiles' and a gender neutral mascot Charlie, who allows us to drive awareness of a serious message, in a playful and appealing way.

The entire visual language and tone of voice, works hard at creating a consistent look and feel that is recognisable and can be attributed to the brand. This was an important factor given the limited marketing budget and the fact comms was raising awareness of a category issue, so the branding of that marketing needed to drive attribution to Nuud, not just any 'plastic-free' gum.

The end result was a brand (and pack) that was both distinctive and disruptive, but also leveraged popular category codes around colour that made it a familiar and therefore, mass choice. Which meant we made 'doing good' for the environment an easy choice to buy for both consumers and retailers.







Launch

The brand was relaunched in March 2021. The total investment on design fees was [REDACTED CONFIDENTIAL DATA].

Overview of market

Gum sales are up 16% to £234.2m on volumes up 8.4% [NielsenIQ 52 w/e 9 July 2022]. There is, however, some context that pricks this optimistic bubble. Gum lost 18.2% (£48.3m) in annual sales when Covid hit, making it the confectionery category hardest hit by the pandemic [NielsenIQ 52 w/e 5 September 2020] showing how much of an impulse POS purchase it is.

So while growth has been strong in the past year, gum is worth £30.2m, or 11.4%, less than it was pre-pandemic [NielsenIQ 52 w/e 7 September 2019]. In terms of the key market drivers for the category, these have been

driven by Government emphasis on health and HFSS food and drink regulations, alongside a strong and growing consumer interest in healthy eating. All of these drivers could have a positive impact for Nuud and other plant based, plastic-free gums, where according to Mintel a focus on naturalness will appeal and a third of people surveyed think biodegradable gum is worth paying more for.^[8]

However, it still remains that the UK gum market is dominated by Extra and Airwaves, who account for some 88% of market share^[7], These brands also spend a lot more when it comes to marketing than Nuud's annual spend.

So Nuud and any of the other smaller brands still face a challenge when it comes to distribution and awareness. Especially at point of sale, where it's hard for smaller or new brands to stand out against entrenched market leaders.

04. RESULTS AGAINST OUR KEY OBJECTIVES

1. Secure distribution in key national retailers, to help people to buy 'good'

[REDACTED CONFIDENTIAL INFORMATION] with Waitrose [REDACTED CONFIDENTIAL INFORMATION] sharing the rebranded product with the buying team, Nuud secured a listing within 3 months. But it wasn't just Waitrose that they secured distribution with post launch of the new brand, Nuud also secured distribution with WHSmith, Boots, Brakes, Ocado, Co-Op, Morrisons & Gorillas – going from being ranged in approximately 100 health food stores to approximately 2,500 points of distribution across the UK.

“We think Nuud is a fantastic product that is just what our customers are looking for. Reducing plastics is consistently highlighted as one of the top issues our customers care about and as a business we want to identify and work with sustainable brands of the future”

– Darren Smith, Senior Sourcing & ranging Manager at Morrisons.

“Our customers are increasingly more aware of the impact their choices have on the planet and we're thrilled to be able to offer them this plastic free, plant based chewing gum to support them in making choices that are kinder to the world around us”

– Leyla Page, Confectionery Buyer at Waitrose.



2. Grow the business, not just for commercial gain, but ultimately to have a positive environmental impact

Since relaunching in early 2021, Nuud has seen a 900% YOY uplift in sales. The growth in sales has meant the business has grown from a team of 1 to a team of 6 (equivalent) full time employees, passionate about fighting plastic waste.

With growing success in distribution, not only has the team grown, but also the product range. In Q1 2023 new sharing pots will launch, which not only are a desired format for consumers but made from recycled card they will save another 30 plastic-straws per pot sold... plus all the plastic that the market leader's pots are made of, of course.

Business growth and performance to date has also secured funding for future growth, where in 2022 Nuud received a £750k investment from the founders of Candy Kittens where Laing and Williams had been immediately impressed with the strength of the Nuud brand and its “Chew Plants Not Plastic” campaign.

“Jamie and I were blown away with Keir [Carnie, founder] and the business – a brand that is taking on one of the biggest environmental issues in confectionery, with a product that tastes and looks great,” said Williams.

And ultimately Nuud's growth and sales have had a tangible positive environmental impact, where the purchases of Nuud for 2022 are expected to equate to removing c. 3,750,000 single-use plastic straws from our streets (vs if those purchases were of regular 'plastic' gum), a 1775% uplift from the 200,000 worth of plastic straws prior to the rebrand.

3. Drive greater awareness that normal chewing gum contains plastic, whilst simultaneously offering Nuud as the alternative

We knew that 75% of people claimed they would change their behaviour once they found out the truth about 'regular' gum^[5] – hence the importance of driving awareness and education.

But this was no easy task given 80% of sales take place within the transaction zone^[9], where chewing gum is 4 times more impulsive than other impulse categories^[10], and it's hard for smaller brands to stand out against entrenched market leaders.

So although marketing away from the shelf was important for raising awareness of Nuud, essentially the key moment to convert lived on the shelf and through the packaging.

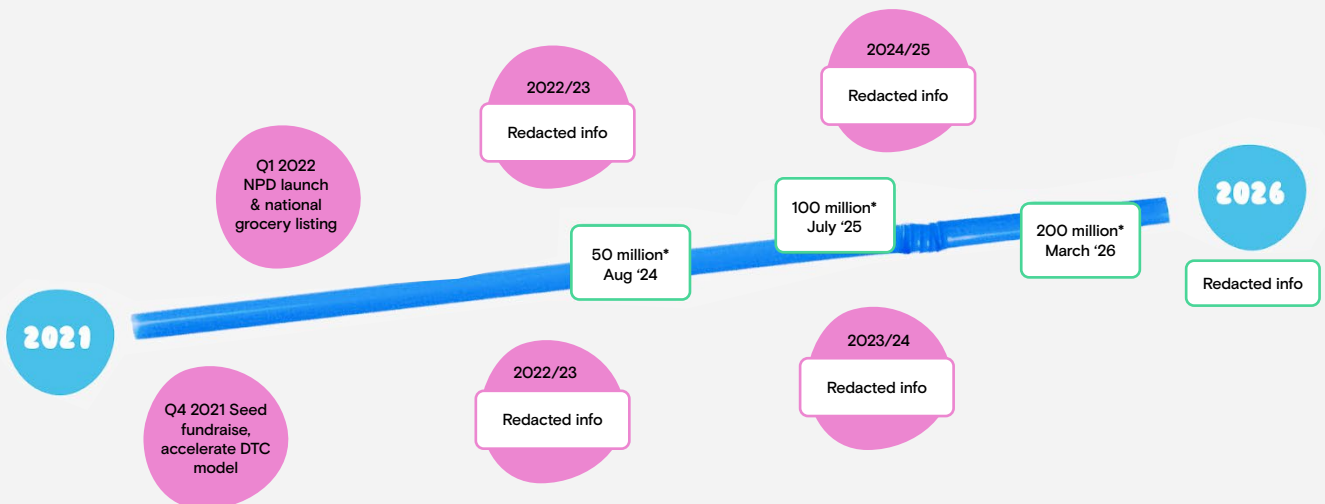
The old packaging wasn't cutting through this tough category, as evident by sales figures and retailers desire to stock the product. However post rebrand the strength

of the design to communicate the brand offer quickly and in a way that converts an entrenched behaviour is evident in the sales (900% YOY uplift). Also retailers desire to stock the product, post rebrand, indicates the strength of the packaging design for offering something relevant and distinctive to consumers that taps into growing environmental purchasing desires, that they didn't see in the old packaging.

Confidence for the future

Building on the results gained in the last year and all that was achieved against the objectives, there is such confidence in the brand and product that an ambitious 5 year plan has been put in place for the business and the environment.

WITH AN AMBITIOUS 5 YEAR PLAN FOR THE BUSINESS AND THE ENVIRONMENT



* equivalent plastic straws saved from entering the environment

05. OTHER INFLUENCING FACTORS

Broader market influences around health and healthy eating

Mintel's 2022 report predicts that the Governments and general public's focus on health, would be an influencing factor on the gum and confectionery sector. In Nuud's case, it'll likely be a positive factor, where people are looking for more 'sugar-free' and 'natural' options in their food choices. However the previous packaging design didn't overtly communicate the 'plant-based' qualities of Nuud in a stand-out way. So it took the redesign to help people discover Nuud as a healthy alternative.

Environmental attitudes and behaviours

Consumers are becoming more conscious about the positive (and negative) impact of their own behaviours and sustainable and environmental impact of the brands they are buying. And when it comes to leading with purpose, consumers are 4-6 times more likely to choose (and protect) purpose driven companies^[11]. However, before the relaunch Nuud wasn't physically available in a broad range of retailers. As a consequence of the rebrand, distribution grew, meaning that Nuud was more readily available for people to buy and the new pack design also spoke more overtly to the 'plastic-free' qualities of the product than the previous pack.

Covid 19

Gum lost 18.2% (£48.3m) in annual sales when Covid hit, making it the confectionery category hardest hit by the pandemic^[12]. So Nuud's relaunch might have been impacted and continue to have to adapt to new purchasing behaviours, as working from home habits continue to impact on-the-go products.

Marketing Activity

From May 2022 to August 2022 (inclusively) the brand embarked on a marketing push, investing £3K per month on digital performance marketing, combined with and supported by paid-for PR.

Total marketing spend to date (from launch in March 2021 to 30th September 2022) has been modest at c.£25k, comparable to the investment from the big players in the category. Which means Nuud had to depend on the strength of its brand design and messaging to create consistent marketing activity and social content, helping it to punch above its weight from a spend POV.

Sources:

[1] Rob Knight, "Iceland becomes first UK supermarket to sell plastic-free, biodegradable chewing gum", *Independent*, August 01, 2018.

[2] [Keepbritaintidy.org](https://www.Keepbritaintidy.org)

[3] Iceland launches plastic-free chewing gum. Press release. August 01, 2018.

[4] Alice Fuller, "Dragons' Den reject has the last laugh after landing £400,000 deal for chewing gum firm", *The Sun*, August 14, 2021.

[5] Rob Knight, "Iceland becomes first UK supermarket to sell plastic-free, biodegradable chewing gum", *Independent*, August 01, 2018.

[6] [Availabilityintoaction.co.uk](https://www.availabilityintoaction.co.uk)

[7] *The Grocer's Top Products Survey 2021*

[8] *UK Sugar and Gum Confectionery Market Report 2022*

[9] *Kantar Worldpanel + Shopper Survey June 2020*

[10] *Bestway Wholesale, The Top 20 Chewing Gum.*

[11] Afdhel Aziz, "Global Study Reveals Consumers Are Four To Six Times More Likely To Purchase, Protect And Champion Purpose-Driven Companies", *Forbes*, June 17, 2020.

[12] *NielsenIQ 52 w/e 5 September 2020*

