

Saffola®



NON-CONFIDENTIAL
For Publication

Project Title:
Saffola Oats

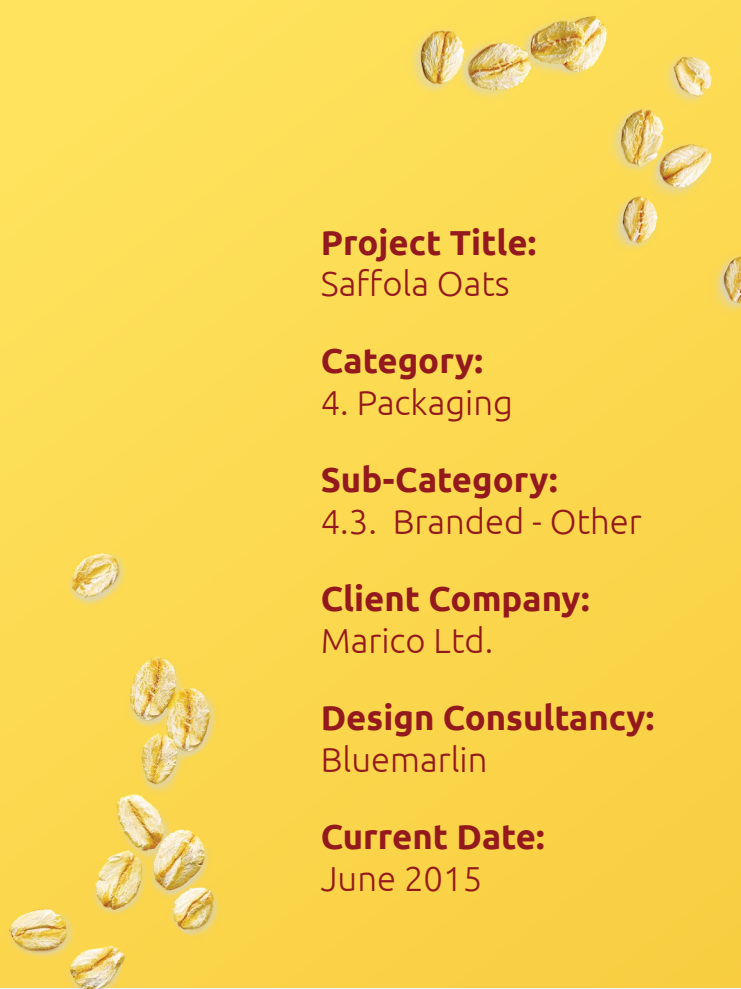
Category:
4. Packaging

Sub-Category:
4.3. Branded - Other

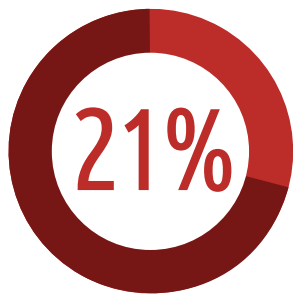
Client Company:
Marico Ltd.

Design Consultancy:
Bluemarlin

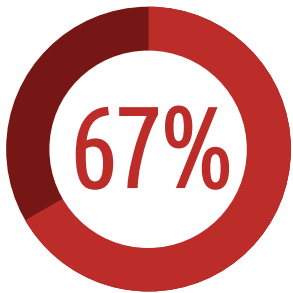
Current Date:
June 2015



Executive Summary



market share
in all oats category



market share
in flavoured oats category



more than doubling the business

For 45 years, Saffola has successfully operated in the Indian food marketplace. Leveraging the brand's strong credentials in heart-healthy edible oils, parent company Marico extended the brand into the rapidly expanding breakfast category in 2010. However, the jump into the complex category was hasty and suffered from a lack of direction. Saffola's market share quickly began to suffer when Western masterbrands Kellogg's and Quaker moved in to dominate the category.

The brief was to reinvigorate the brand by expressing it in a more modern and relevant way within the changing Indian landscape and to transform it into a heavyweight contender in the breakfast space.

Our response was to create an ownable brand identity that allowed Saffola to compete with the rush of global giants while it delivered against the dynamic needs of the modern Indian mother and her growing family. The new design has increased quality perceptions, established both relevance and differentiation, and has enabled Saffola to not only reclaim its market share, but to surpass it.

After the redesign's launch in September 2013, Saffola achieved a **15.2%** market share, the brand's highest ever. The design continued to propel growth in the overall oats category, achieving a **21%** market share just one year later.

The biggest growth came from the specific flavoured oats category. Saffola captured a strong market share of **40%** after the initial relaunch, becoming the **#2** player in the category behind Quaker. It has since escalated in growth, now holding a leading **67%** market share.

The new design has helped Saffola Oats become a **INR 830m / US \$13m** business.

Furthermore, recent market analysis forecasts the brand to reach **INR 1.25b / US \$20m** by fiscal year 2016.

Saffola Oats has now become the highest distributed oats brand in the country.

Project Overview

Outline of Project Brief

Establish a relevant brand identity for Saffola that leverages their core strength of heart-health whilst delivering on the needs of the Indian mother and her focus on family nutrition.

The task was to imbue Saffola's heritage and health credentials with an emotional core, redesigning the existing breakfast portfolio and developing a platform for future growth.



The key design objectives were to:

- a.** Ensure relevance so Saffola is part of the consideration set by maintaining familiar category cues
- b.** Distinguish packaging so Saffola will be preferred to the competition
- c.** Occupy and own a clear visual space that speaks emotionally to the consumer
- d.** Create a visual language and brand guidelines to lay groundwork for future growth
- e.** Develop the structural design of the new oats jar in 1kg and 500g

Project Overview

The key challenges were to:

- a. Reclaim and increase market standing in the booming breakfast category as global players enter the Indian market
- b. Balance traditional values with modern convenience in the breakfast category
- c. Own the heart-health benefit as hard-edged nutritional claims rise amongst the competition
- d. Negotiate between gatekeeper and consumer, providing a delicious and nutritious breakfast that keeps mother and family happy



Description

With over 45 years of heritage, Saffola's key proposition translates as

"Only A Young Heart Enables You to Take Advantage of All of Life's Possibilities."

Saffola is primarily seen as an edible oil brand with core strength in heart-health. Owned by Marico, they have a range of products in their portfolio, including oats, rice, salt, and flour.

Saffola had moved into the breakfast category in 2010 and began to operate with both pure oats and their savoury masala-flavoured oats. However, the space became increasingly competitive with several

global goliaths, including Kellogg's and Quaker, moving in to takeover the category.

The former packaging for Saffola Oats sustained an association with the core range of oils, but was not as effective in the breakfast category. While the Saffola branding brought a level of trust, the design didn't adequately speak the category language or occupy an ownable space on the shelf. In result, it failed to connect on an emotional level with the consumer.

Market Overview

The breakfast oats category in India is rapidly growing, but overall, the packaged food industry is still relatively underdeveloped. While lunch and dinner remain traditional, breakfast has achieved more flexibility and holds more of an opportunity for development.

In this fast-paced, ever-changing landscape, Indian mothers often struggle to find a balance between their traditional values and a modern convenience that enables their children to compete and thrive in the evolving economy.

Packaged food still carries a stigma as it compromises a mother's role in providing homemade meals for her family. Indian consumers also tend to place health and taste at opposite ends of the spectrum, and feel the need to trade one off for the other. Thus, the challenge is to win over Indian mothers by giving them the support they need to provide food that is both delicious and nutritious.

Saffola is almost uniquely associated with health and welfare, but the modern Indian mother also wants her family to enjoy breakfast and for it to be praised for its taste as well as its health benefits.

The market leaders worldwide and in India are Kellogg's and Quaker. Both global players share a very similar look and feel, creating impact on the shelf using a blue brand colour, oats fields and a bowl filled with oats.

From January to August 2013, Saffola was dwarfed by global market leaders, holding an average of **13.1%** market share in the category. While Saffola intuitively understood the market and the needs of the modern Indian family, the brand was beaten in its move to the breakfast category as it lacked effective shelf impact. They made the decision to sharpen their marketing edge and brand identity through updating their packaging as the first step in winning on their home turf.



Project Launch Date:
September 2013

Size of Design Budget
Confidential

Design Solution

Saffola has strong brand equity with its rich golden colour and heart logo, but as it was a borrowed identity from its edible oils range, it was not resonating with consumers in the breakfast space. Particularly notable was its lack of an emotional core. As a result, the brand felt underwhelming, non-descript and slightly out of touch with consumers as it entered the competitive breakfast category.

Our review looked at the core brand attributes, Indian consumer trends, attitudes to and behaviours of breakfast consumption and the competitive set. We discovered that in providing her family with both a delicious and nutritious breakfast, an Indian mother achieves a sense of self-worth.

It is perceived as a measure of pride and reflects how well she cares for her family.

Saffola already had strong credentials in heart-health, but wasn't capitalising on the heart proposition in the oats category. It needed to own the heart as a health cue as well as an emotional one. We concluded there was an opportunity to define a visual space that expressed this heart ownership to set itself apart from the rest of the competition.

With the creative idea of **'Young at Heart,'** the new design expresses health to be desirable and dynamic, the most important modern lifestyle choice.



Design Solution

The Saffola edible oil packs are gold, so it was an instinctive step to connect the brand's breakfast extension to the masterbrand through this colour, particularly with gold's semiotic relevance to Indians regarding wealth and quality.

The previous heart-shaped landmark, which represented loving care, has been opened up and now takes more prominence on the pack. This signifies the energetic flow and dynamism that lives in the brand, and the vibrancy felt when living a healthy lifestyle. Created with thin golden ribbons and featuring bursting rays of

sunshine, it conveys optimism whilst delicious photography of the product is presented in a heart-shaped bowl. This reinforces Saffola's ownership of the heart and emphasises the taste appeal, maintaining category relevance.

Instead of formulaic fields of oats used by Quaker and Kellogg's, Saffola's new design is bright, lively and relevant to modern Indian families and their focus on the future. These elements work together to create an emotional connection with consumers; assuring them that with Saffola they can nurture and love their families well.

The heart symbol has also been elevated to prominence in Saffola's new light-weighted 1kg and 500g tubs of oats. Far removed from the industrial tubs Saffola used previously, the ergonomic structure reflects the brand's premium offering and health benefits.

Brand guidelines have been established to help Saffola grow as new variants and products emerge. Any expansions in the range will appear as a unified family on the shelf.

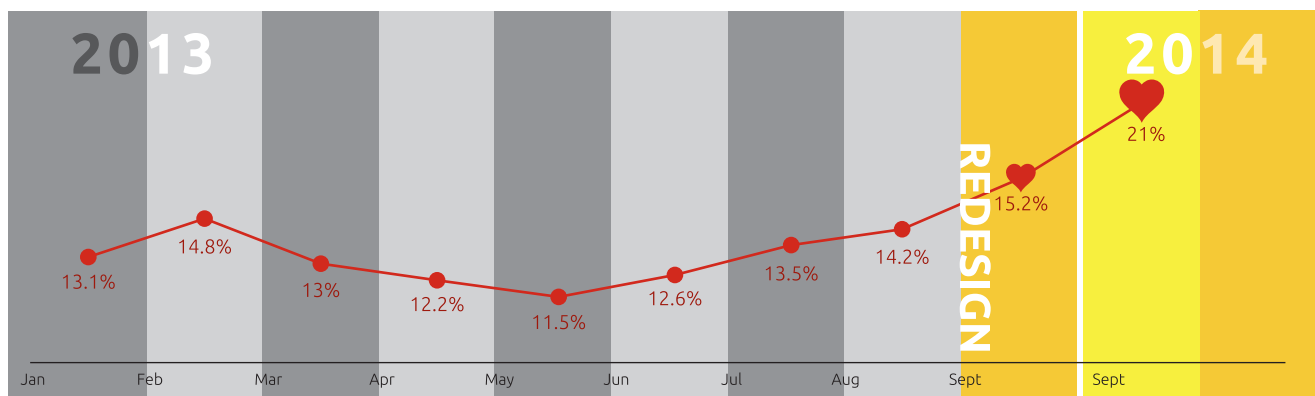


Results

Increase in Overall Market Share

The market share of Saffola Oats franchise reached its highest ever in Q3 2013 at **15.2%**.

The design continued to propel growth in the oats category, achieving a **21%** market share just one year later.

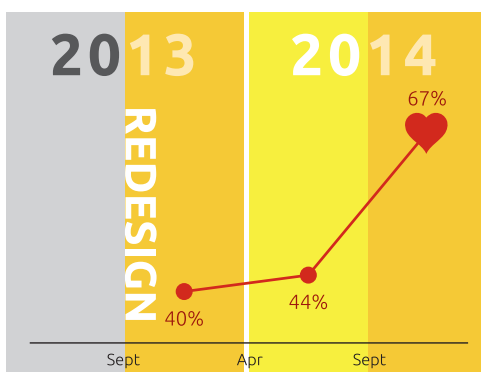


Saffola Oats franchise volume market share

Increase in Flavoured Oats Market Share

Saffola captured a strong market share of **40%** after the initial launch of the redesign, becoming the **#2** player in the category.

It has since escalated in growth, now holding a leading **67%** market share.



Flavoured Saffola Oats franchise volume market share



Results

Brand Expansion

The redesign has acted as the instrument for further investment in product development and expansion, with **several new muesli SKUs** being added to the range this year.



Changes in Perception



Packaging research conducted by Millward Brown suggests that new Saffola designs were preferred to old packs and on par with competitors' packs, positioning Saffola as a worthy competitor in the breakfast category.

The new packs scored significantly better than previous packaging and proportionately with key competitors in the areas of **noticeability, attractiveness, relevancy and differentiation.**

Results

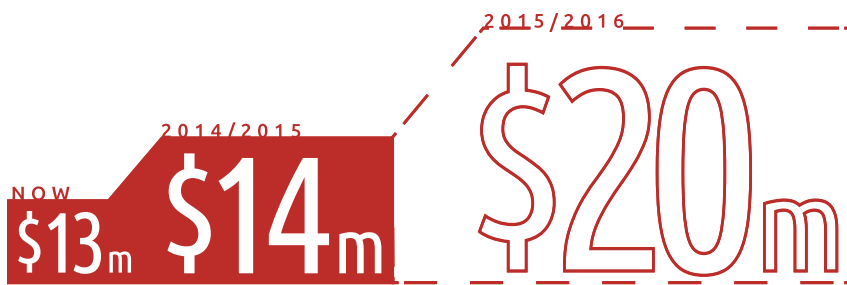
Increase in Revenue

Saffola Oats has become the highest distributed oats brand in the country.

Today, with the success from the redesign, the Saffola Oats brand is a **INR 830m / US \$13m** business.

Market analysis projects Saffola Oats to become a **INR 900m / US \$14m** business in fiscal year 2015.

And by fiscal year 2016, the brand is expected to reach **INR 1.25b / US \$20m**.



Other Influencing Factors

Once the new brand identity was launched, Saffola saw immediate success. It was the catalyst to fuel more investment into the brand through a national ad campaign. The new packaging and its initial success was the key driver for change and helped unshackle the brand, steering it towards success.

Research Resources

Millward Brown Consumer Research Report

"Saffola feels its oats to take on rivals"
by Amrita Nair-Ghaswalla,
The Hindu Business Line 23 June 2015
<http://www.pressreader.com/india/the-hindu-business-line/20150623/281689728454619/TextView>

Saffola internal figures

Appendix

Saffola feels its oats to take on rivals

Will focus more on masala variants to drive growth

AMRITA NAIR- GHASWALLA



Saffola Oats has become the highest distributed oats brand in the country, according to market estimates, and could be clocking ₹ 125 crore in FY- 16. The brand from the Marico stable has already crossed ₹ 80 crore, and has

received a renewed fillip with focus on new growth drivers such as flavoured oats.

Saffola, the country's leading brand of healthy cooking oil from Marico, launched its range of oats in 2010. Keen to leverage the

health quotient of the Saffola brand, the company introduced variants of oats catering specifically to Indian tastes. There has been no looking back.

Saffola Oats competes with offerings from PepsiCo's Quaker, Horlicks, Britannia and Kellogg's.

"Though multinationals arrived on Indian breakfast tables with their oats brands way before us, we have managed to corner 67 per cent market share in oats," said Saugata Gupta, Managing Director and CEO of Marico. "The brand has grown over the past five years with our focus shift," he added.

While Saffola Oats has increased its market share to 21 per cent, Marico has broadened its market share in the value added flavoured oats segment. In

the third quarter of FY- 15, Saffola Oats clocked value growth of 48 per cent year-on-year.

Analysts have said that Saffola Oats is expected to garner revenue of ₹ 90 crore in FY- 15. The CEO is, however, more confident. "We should be crossing ₹ 100 crore this year," he said.

Higher consumption

Oats consumption across India was a mere 13 per cent in 2013, according to Nielsen research, and was focussed on certain areas in the South, particularly Chennai (with 37 per cent) and Kochi (with 34 per cent), which had higher penetration. However, the acceptance of savoury oats has helped ensure higher penetration in other re-

gions.

Marico was the first in the country to launch savoury oats. Its masala variants are all the rage. "We have peppery tomato and veggie twist masala flavour in our oats. Though we had cranberry and strawberry flavours, the masala ones are doing far better than the sweet versions," said the CEO.

Beyond breakfast

Stating that consumers tend to see health and taste at the opposite ends of the spectrum, "consuming healthy means a compromise in taste and vice versa," Marico realised that growth could be "unlocked only if there is no tradeoff between the two."

The entire effort of the brand has been to move from breakfast to the in-between meals category. "We could have got into a niche category, and did it with atta (flour), that is good for cholesterol. However, we failed at it, and realised that we were actually locking the brand into one area," he said, referring to why the company decided not to stick to the breakfast category