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FMCGe News Article

**Packaging a Punch – driving sales
with new pack design**

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Packaging a Punch – driving sales with new pack design: Guiding principles of packaging design

Changing your pack design and structure has been shown to significantly increase sales by up to 30%, worth the same as spending £1.8m in advertising every year.

The latest advances in pack testing enable us to predict within +/-9% accuracy the sales your new packaging will create.

Research shows how important packaging is in driving sales. It's your on-shelf brand awareness tool and sales generator and as such, it has to compete with 40,000 other products for space in the consumers' basket.

The Oxford Research Agency has been researching packaging for over 10 years, with pack structure, design and shelf standout included in every study. With new research innovations coming on-stream, we are leading the way in developing new packaging research tools for the global market.

Many clients look for a sales boost from a redesign of their packaging. Below we outline our Guiding Principles of packaging design:-

1. Has your pack design changed in the last 2 years?

Using packaging to maintain and evolve customer engagement has developed into a major part of the sales process. If you have not changed your packaging in the last 2 years, you could be several steps behind your competitors.

Remember, it's not about whether consumers like your current pack in isolation; it is all about how it performs at the point of contact with consumers – the supermarket shelf, in-amongst the competitive set.

After two years, most of the category will have been updated. Take another look at your packaging – it might be holding you back.

2. Evolution, not revolution

Revolution = increased risk of losing sales. If you need to change your pack considerably, allow it to evolve and take consumers with you.

Revolution is possible, particularly through new pack structures, but you must test it with consumers. Too many brands have seen 50%+ fall sales from a revolution in design – research can guide you to make a successful design change.

3. There are no winners in the beauty parade

Take care in how you test your new designs. It's not important to test whether your new design is significantly more liked than your current design in a head-to-head test, after all, they will never be seen together on the shelf.

Compare the new pack to the category it will feature in – this is the true competitive set and it will determine your future success.

4. Measure Real Standout and Real Speed to Find

The latest techniques now allow for Real Standout and Real Speed of Find to be measured, in a totally unbiased and unprompted route. We have incorporated this into our volumetric systems to identify the impact of Real Standout on your volumes – a world first!

Research must replicate the real world as closely as possible to have any validity. Artificial timed games in research are just that – timed games.

There are plenty of brand managers who can tell you that timed standout measures superficial attractiveness and not sales. The Oxford Research Agency has case studies of packs which have been launched on this one diagnostic and seen sales fall by 80% - it's a strong warning about collecting and using the wrong measures in research.

5. Don't forget the Brand!

The pack is your brand ambassador on-shelf. The packaging must support the proposition, so above all, brand equity must be measured, identified and improved if you are to take your sales forward.

6. Create love at first sight

Packaging should inspire and excite the consumer. Test whether the new pack fits your brand and generates a positive feeling about the product. The best packs have character and emotional properties which positively impact on sales and differentiate them from the category.

7. Your pack is everyday advertising

No brand owner can afford to consistently advertise. However, your packaging on-shelf allows you to communicate with your consumers every time they shop.

Good packaging design is not just about generating sales. The design needs to fit and communicate the brand's values and raise expectations about the product. Your packaging is a vital piece of everyday communication and you must treat it as sensitively as you would advertising and other forms of communication.

8. Remember, consumers are not pack designers

Consumers are not equipped to be packaging designers, much in the same way as they are unable to tell you how to position your brand, design your logo or direct your advertising.

Research has to be designed carefully to measure consumers' appeal of the design, and extract the information to help you evolve your

design. Take care with research which claims it can use consumers to design your pack – they are not equipped to do this.

The latest packaging research techniques are fully integrated with volumetrics to enable you test multiple designs and identify the volume this will deliver.

Using our volumetric database we can identify with an accuracy of +/-9% the sales of your new brand with its new packaging. We are the first Research Agency in the world to provide you with standout, brand equity and character diagnostics that link to real sales.

To find out more, attend the Food & Drink Innovation Network Conference on Thursday 30th April:

<http://www.fdin.org.uk/seminars/putting-packaging-at-the-heart-of-npd/>

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