

**The Power of Friendship:
How Besci helped Philadelphia
fight back against supermarket own
brands in tough economic times**



Executive summary

This is the story of how a sleeping giant fought back against encroaching supermarket own brands by using behavioural science and creative excellence as its weapons.

It's a story of standing strong in tough economic circumstances when there's a temptation by brands to panic,¹ slash prices and resort to rational comms.

It's the story of how Philadelphia transformed its fortunes by discovering a higher emotional benefit through behavioural science (BeSci) to defend its price premium.

For over 150 years, Philadelphia has been the iconic cream cheese.

But years of focusing on functional attributes like taste and texture meant Philadelphia was getting lost within a highly commoditised category.

With a cost-of-living crisis looming, Philadelphia was losing share to supermarket own brands and struggling to recruit cash-strapped millennials.

Using BeSci, we discovered an opportunity to elevate Philadelphia from a functional cream cheese to a brand that stands for friendship at a time when the bonds of friendship are increasingly strained.²

Our new campaign made people feel emotionally closer to Philly, now seeing it as a friend in their fridge.

System 1 identified our campaign as the highest scoring cheese ad ever in their database and praised the brand for moving beyond functional product benefits.³

Investing in our emotional strategy meant we outperformed supermarket own brands, reversed our declining market share, and ended 2023 back in positive growth.

This case adds to the mounting body of evidence most recently summarised by Dr Grace Kite,⁴ that brands can defend price premiums and survive economic 'shakedowns' by choosing to invest in 'good quality advertising' founded on strong strategic insights.

Word Count: 264



¹IPA Webinar: Peter Field's seven lessons for advertising during a recession

² American Time Use Study, Reported in BigThink April 23

³ <https://system1group.com/ad-of-the-week/cheese-yes-cheesy-no-philadelphia-taps-the-power-of-friendship>

⁴ Dr Grace Kite, Sensitivity to price is a marketing outcome, 2022 <https://www.warc.com/newsandopinion/opinion/sensitivity-to-price-is-a-marketing-outcome/en-gb/5911>

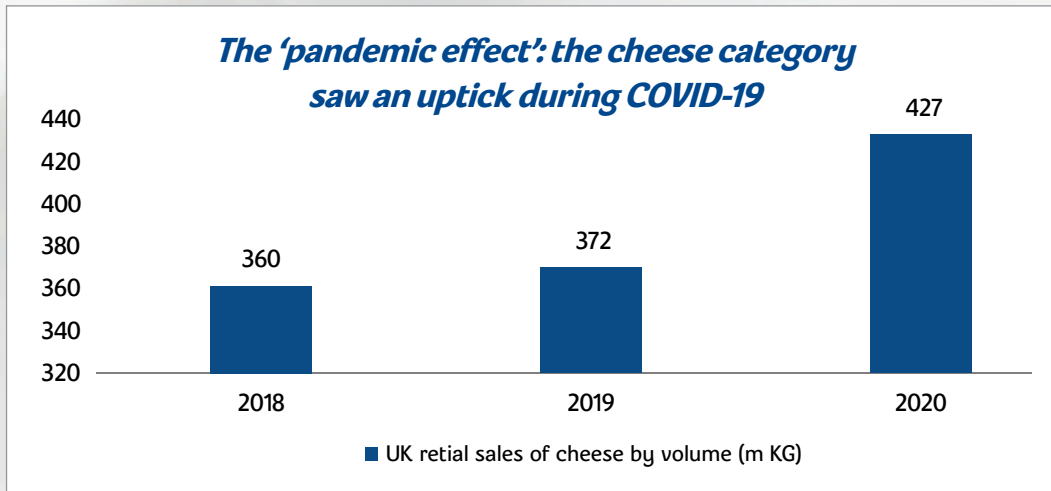
What was the challenge you faced?

Setting the scene

An iconic brand since 1872, Philadelphia is the undisputed branded cream cheese leader. Despite being in the unusual position of not having many direct branded competitors, by 2022, Philadelphia was still facing several significant challenges:

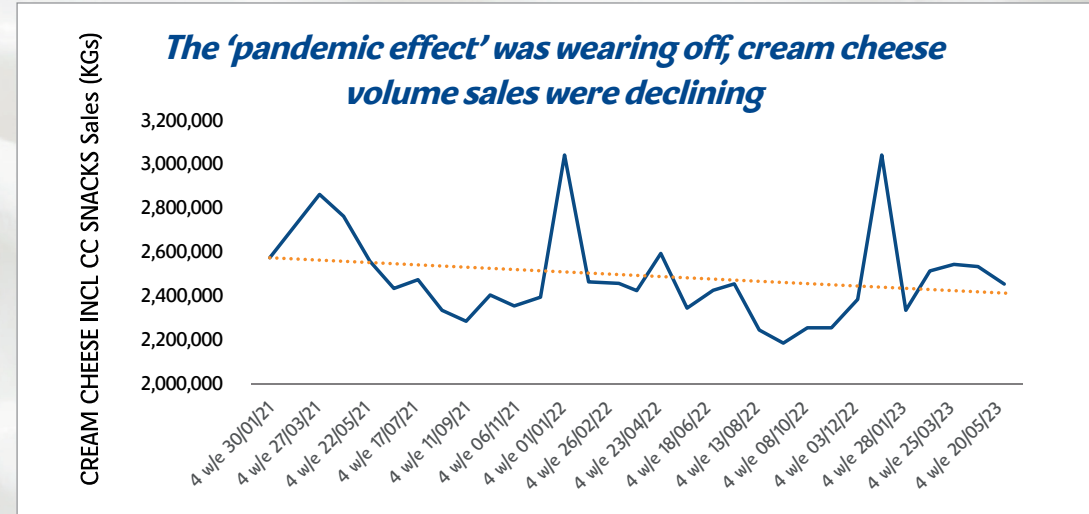
Declining Volume Sales

During the COVID-19 pandemic, the entire cheese category benefited from a sharp boost to retail sales as at-home meal occasions leapt ahead.⁷



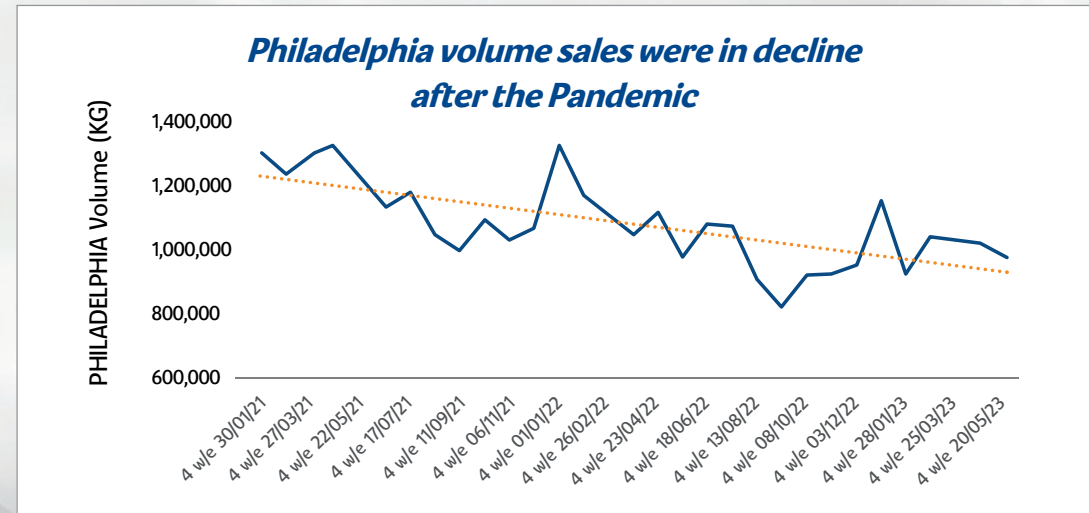
Source: Mintel Cheese, UK, 2023

However, after the pandemic, the volume of cheese being sold declined – fewer people were buying cheese.



Source: Nielsen via Mondelez

Philadelphia's own volume sales were also rapidly declining:



Source: Nielsen via Mondelez



⁷ Mintel Cheese, UK, 2023

However, the rate at which Philadelphia was falling was higher than the category:

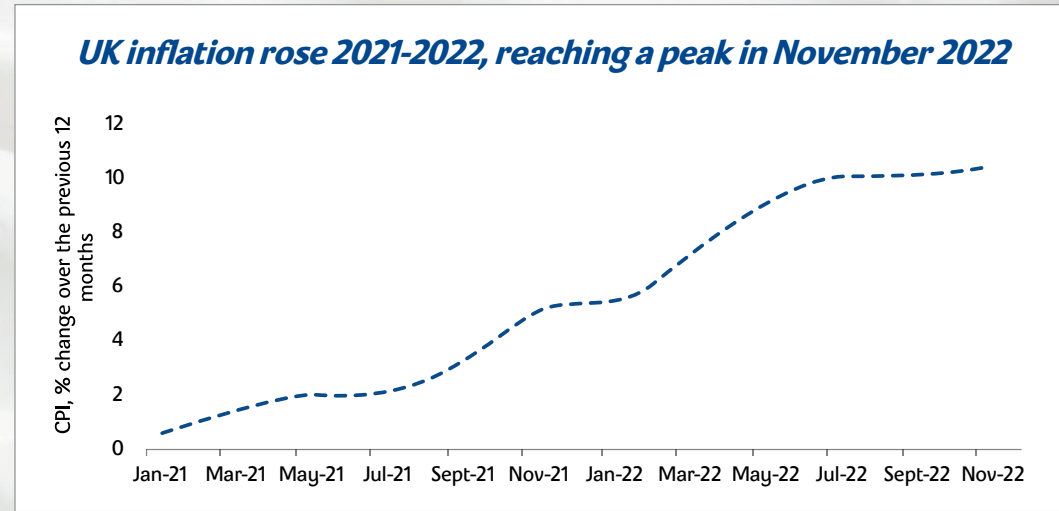
	Philadelphia	Cream Cheese Category
Pre-campaign Growth Rate (Volume)	-24.20%	-5.45%

Rising costs

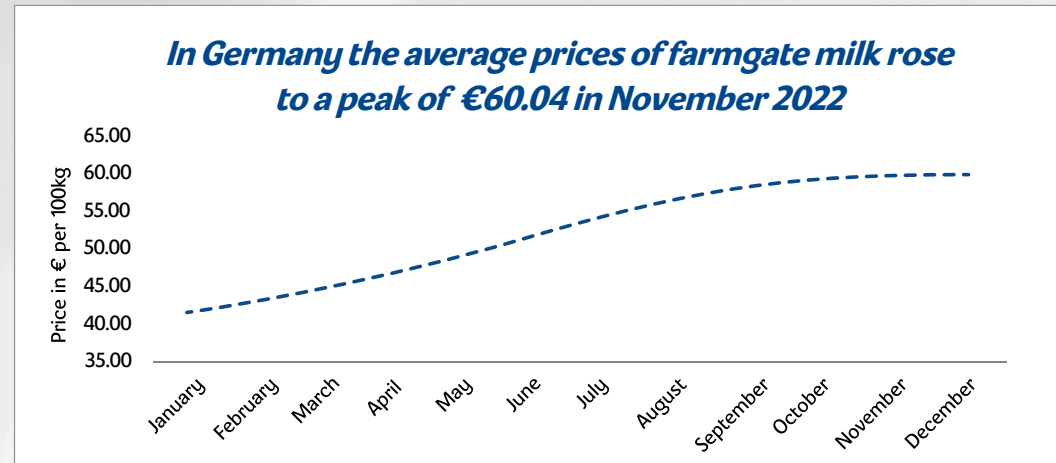
By August 2022, with the cost-of-living-crisis looming, we knew that consumers would become increasingly price-sensitive.⁸

To make matters worse, farmgate milk prices increased in Germany (where Philadelphia's cows are located) due to surging energy, fuel, fertiliser and feed costs.

These fluctuations, together with UK inflation, which was increasing rapidly by summer 2022, led to a decision to raise our pricing in August 2022.



Source: Office for National Statistics/Mintel



Source: BMELV

Philadelphia's main competitor is supermarket own brand cream cheeses, which sell at almost half our price.⁹ The decision to raise our prices made us even more susceptible to competition from supermarket own brands.



⁸Quelch, J, Jocz, K. E., Harvard Business Review, How to Market in a Downturn.

⁹<https://www.tesco.com/groceries/en-GB/search?query=cream%20cheese>

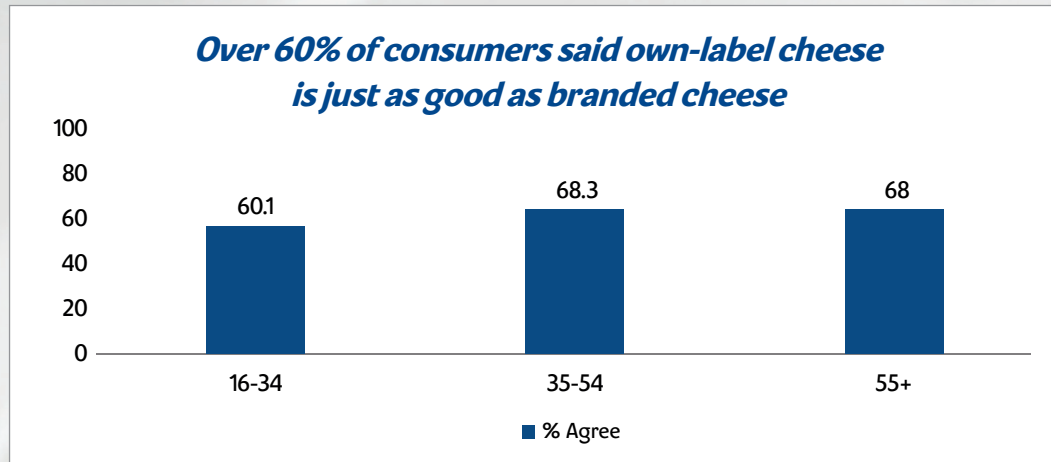
Losing out to Supermarket Own Brands

The pressures on household incomes in 2022 dialled up the appeal of own brand cheeses as a lower-priced alternative. Consumers were increasingly switching:

	Change in % Market Share (2021-2022)
Asda (Private Label)	+3.70%
Tesco (Private Label)	+2.16%
Sainsbury's (Private Label)	+1.03%
Philadelphia	-6.25%

Source: Euromonitor International, September 2023

Consumers were starting to see own brands as offering the same, if not better value. According to Mintel,¹⁰ 66% of consumers agreed that supermarket own brand cheeses match the quality of branded options:



Source: Mintel Cheese UK, 2022

Own brands dominated the cheese category: by 2023, they were taking more than £2 in every £3 spent on cheese in retail.¹¹

Shoppers were starting to take satisfaction in seeing themselves as ‘smart consumers’.¹² They didn’t see it as a ‘downgrade’ to buy supermarket own brands and were even choosing them with pride.

The Financial Times noted that ‘there’s even a kind of ‘one-downmanship about finding something that’s better value’.¹³ People were not afraid to voice their opinions on the subject either:



Twitter/X

To make matters worse, a looming cost-of-living crisis threatened to accelerate this negative trend.

Shoppers were maintaining the same weekly budget but were making ends meet by switching to lower priced alternatives.

¹⁰ Mintel Cheese UK, 2022.

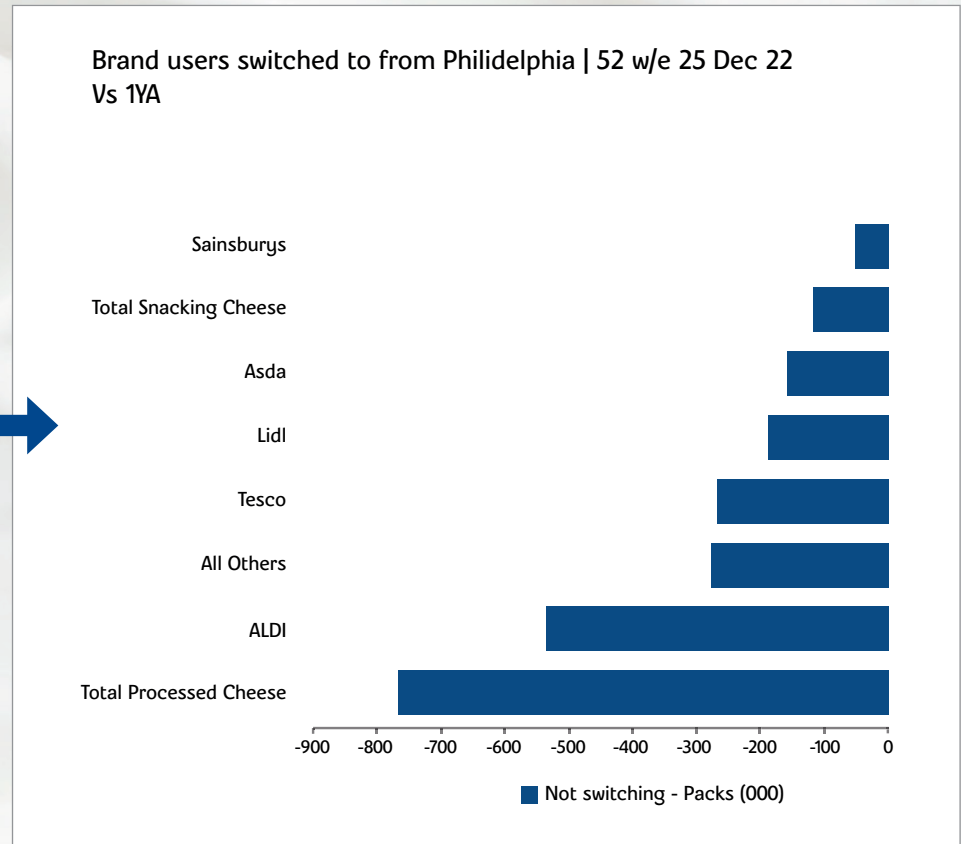
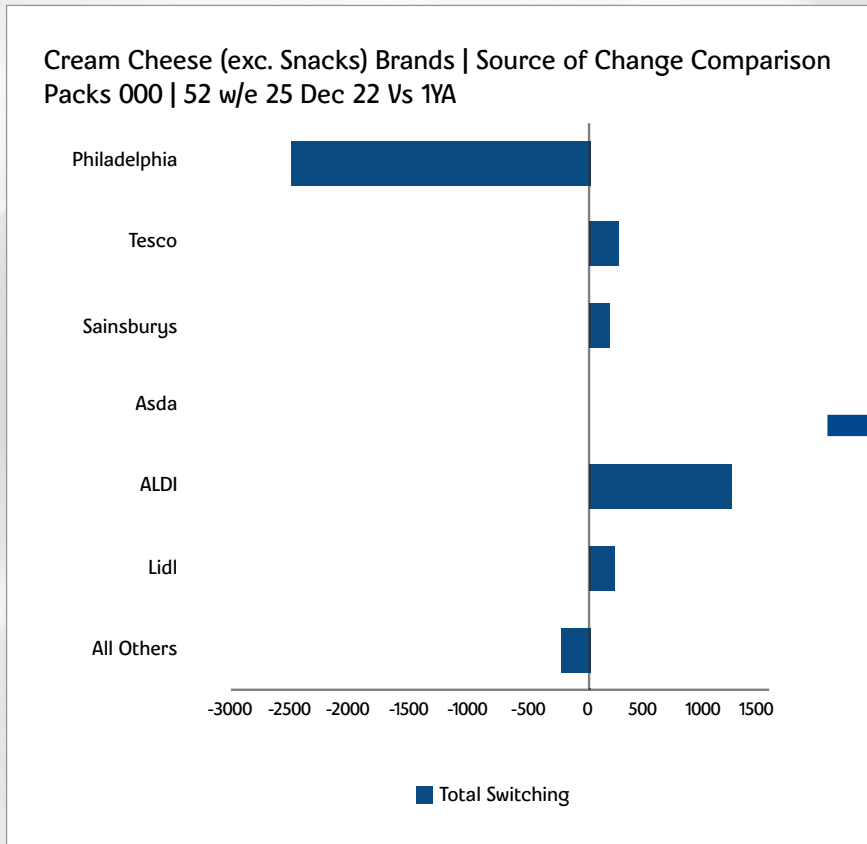
¹¹ Mintel Cheeses, UK, 2023.

¹² Kumar, N., & Steenkamp, J-B. E. M. (2009). Private label strategy: How to meet the store brand challenge. 1-270.

¹³ Sims. J., “A Style of Their Own,” Financial Times, August 9, 2003.



In 2022 Philadelphia was losing out as users were switching to processed and own label cream cheese



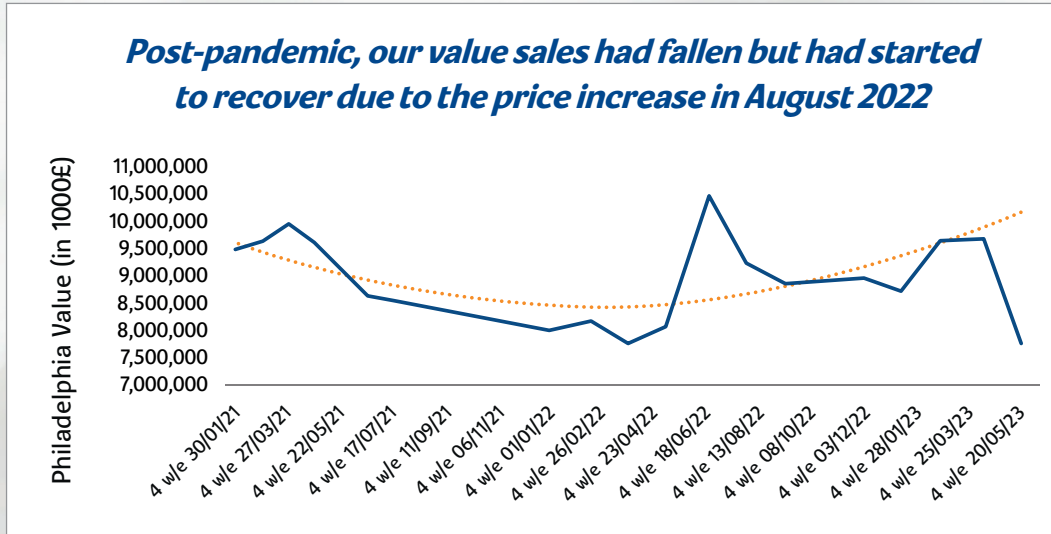
Source: Mondelez Data

How could Philadelphia possibly compete with own brands when (1) the quality was seen as the same, (2) choosing own brands was considered a savvy choice to be proud of, and (3) own brands were selling at half Philadelphia's price?



Falling behind the market in terms of value sales

Philadelphia's value sales were declining over the course of 2021-2 despite value sales rising across the category.



Source: Nielsen via Mondelez

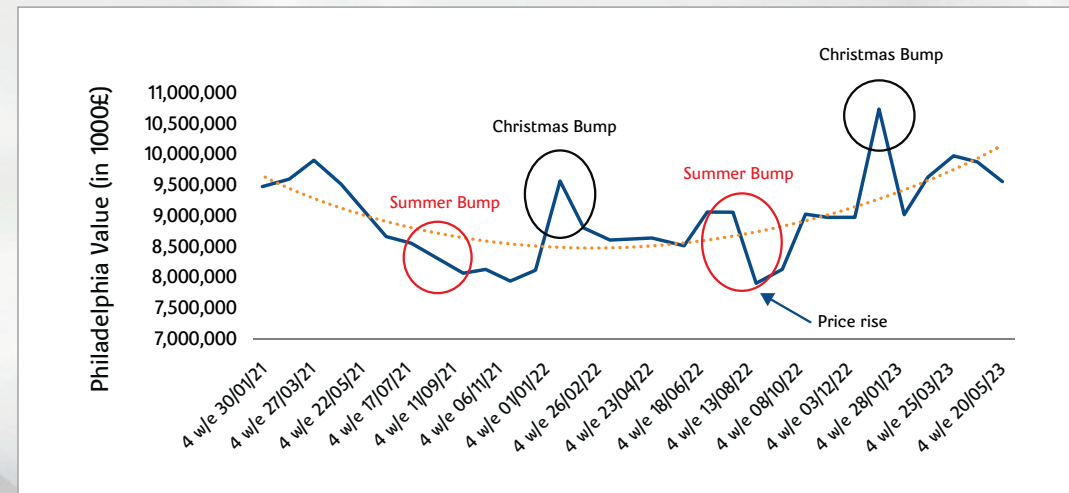
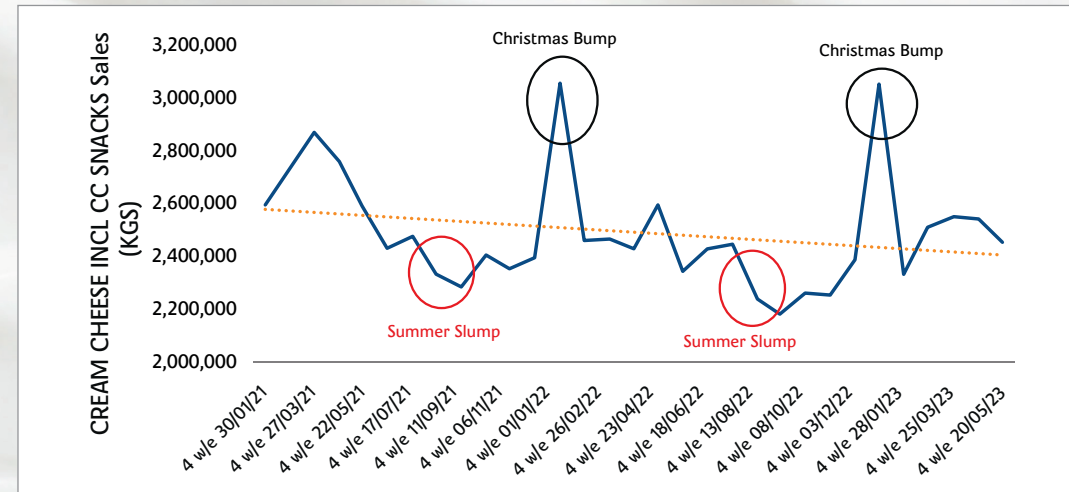
Naturally, we experienced an eventual increase in value sales due to the price rise. But the challenge was to ensure that we wouldn't lose shoppers over the long-term.

And even with our bump due to price rises, Philadelphia was way behind the category:

	Philadelphia	Cream Cheese Category
Pre-campaign Growth Rate (Volume)	+1.24%	+24.63%

Our Seasonal Slumps and Bumps

Every year, our overall performance was dictated by how low our summer period was (traditionally the lowest sales period in the year) and how high our Christmas period was (commercially, our most successful time of year).



The category was benefitting from Christmas bump increases of around 41% (by value) and 28% (by volume), but Philly only benefitted around 19% and 23% respectively.

	Christmas Bump (Value)		
	CATEGORY	PHILLY	OWN LABEL
2021	40%	18%	16%
2022	42%	20%	17%
Average	41%	19%	17%

Source: Nielsen via Mondelez

	Christmas Bump (Volume)		
	CATEGORY	PHILLY	OWN LABEL
2021	27%	24%	11%
2022	28%	22%	11%
Average	28%	23%	11%

Source: Nielsen via Mondelez

Turning to the summer slumps, the category faced minor slumps and own label even saw an increase over the summer period.

Philadelphia, however, was seeing drastic drops in value and volume every summer.

	Summer Slump (Value)		
	CATEGORY	PHILLY	OWN LABEL
2021	-2%	-6%	5%
2022	-3%	-11%	12%
Average	-2.5%	-8.5%	8.5%

Source: Nielsen via Mondelez

	Summer Slump (Volume)		
	CATEGORY	PHILLY	OWN LABEL
2021	-6%	-12%	-2%
2022	-10%	-24%	1%
Average	-8%	-18%	-0.5%

Source: Nielsen via Mondelez

The above analyses show that this was a Philadelphia problem we needed to overcome, and not simply a market problem.

It was clear. We were a category leader that was underperforming versus the rest of the category. We knew had to change this.

An ageing consumer base

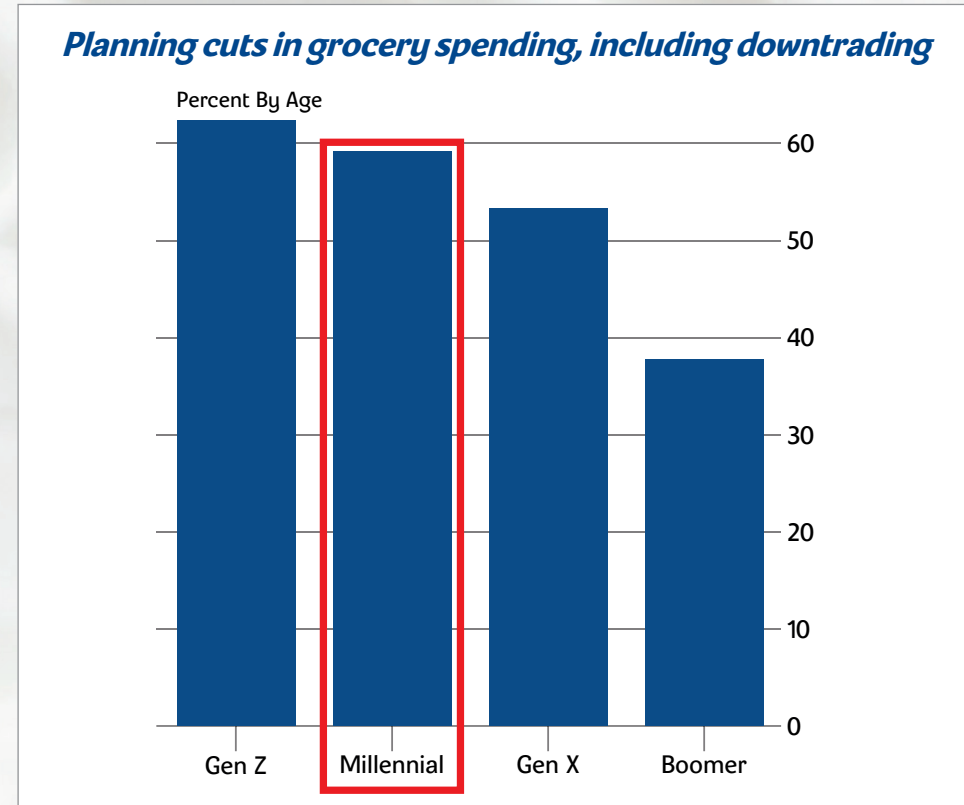
Philadelphia had a strong, older core consumer base – 60% of its consumers were over 50.⁵

We needed to find a way to target younger audiences and settled on (older) millennials as a key segment to deliver growth as (1) they had more purchasing power,⁶ (2) were more likely to have children, and (3) we specifically needed to win back buyers between the ages of 35-49 years old, who had previously been our biggest audience in 2020 as reflected in the figures below:

Number of Buyers – MAT P06 2021 vs 2020	
Up to 34 years old	17% +4.4%
35-49 years old	25% -3.4%
50-64 years old	29% +5.1%
65 years old and over	29% +2.8%

Source: Kantar MAT P06 2021

Although millennials have more purchasing power, the data showed that they were more likely to trade down (second only to Gen Z) and thus more price-sensitive than older buyers. We therefore needed to make them feel that Philadelphia was worth the premium price:



Source: Retail Economics/Grant Thornton via Financial Times 2022

our communications approach wasn't helping.

An historic focus on marginal, functional differences

For decades, Philadelphia's advertising focused on taste and texture as the key functional drivers of the comms:

2000s "Versatility" Campaign



2010s "Love Life, it's Delicious", "Savour the moment" Campaigns



2021 "Taste" Campaign



2022 "Simplicity" Campaign



Supermarket own brands were beginning to make similar claims:

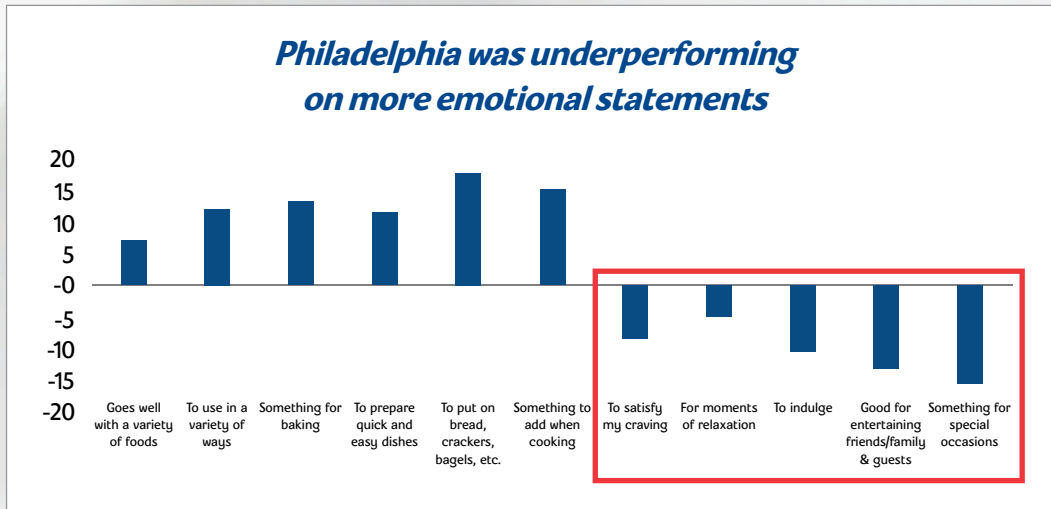


Lack of emotional closeness

Between 2014 to 2018, Philadelphia's relevance (i.e., the ability to be meaningful in consumer's lives) had decreased by 9.6%.¹⁴

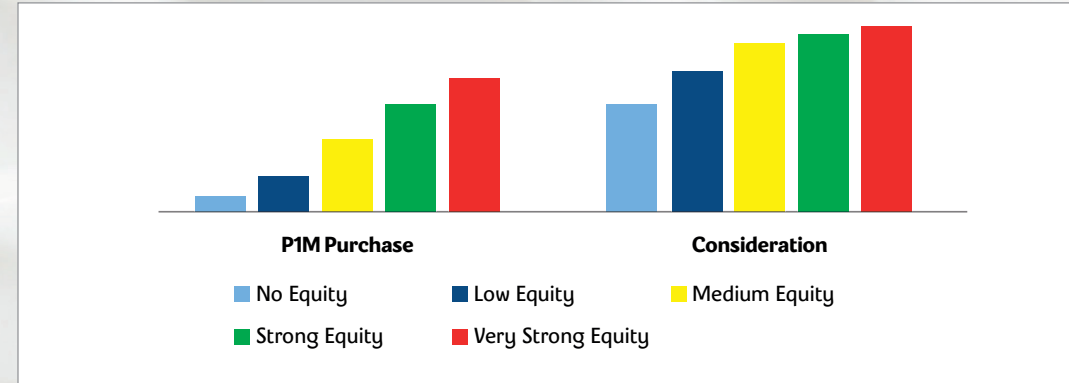
It was getting easier for consumers to leave our product out of their baskets.¹⁵

On all metrics related to emotional closeness and social occasions Philadelphia was underperforming:



Source: Metrixlab 2022

Data from Metrixlab¹⁶ suggests that increasing brand equity (which reflects, among other things, emotional closeness) helps drive consideration and purchase. We needed a way to increase our brand equity.



Source: Metrixlab 2022

Because the products in this category looked the same and sounded the same, there was no emotional pull to set Philadelphia apart.

How can you expect people to care about a product that isn't positioning itself front and centre and that only communicates marginal, functional differences?



¹⁴ BrandAsset® Valuator, UK 2014-18

¹⁵ Magdis, S, Zorfas, A., Leemon, D., The New Science of Customer Emotions

¹⁶ Metrixlab, Brand Equity Model Validation

What was your desired outcome?

We knew Philadelphia needed to find an emotional role in consumer's lives. But, having stuck to functional attributes throughout its 150-year history, it wasn't going to be easy.

We needed to find a strategy that could:

1. Combat the encroachment of supermarket own brands by making people feel emotionally close to Philly so they would stop switching to own brand alternatives – we needed to make people care about Philadelphia again.
2. Find a hero role for our product that stood out in the category and would drive real love for this iconic brand.
3. Increase our volume and value sales, rather than lose them, in the midst of a cost-of-living crisis. If we were going to succeed, we needed a strategy that both help improve both summer sales and Christmas sales.

We therefore developed the following objectives to be achieved by the end of December 2023:

Objective 1

Stem the decline in volume sales and increase our value sales growth to catch up with the category, with a particular focus on:

1. Stemming summer decline
2. Boosting Christmas performance

Objective 2

Rejuvenate Philadelphia by getting the UK population to develop an emotional affinity with the brand as reflected in increased brand perception scores.

We'd measure this:

1. Among all audiences
2. Among our newly identified target group of millennials

How creative & innovative were you in your approach? Did you push boundaries? What did you do differently?

We knew our emotional platform needed to be credibly born from a Product Truth and Emotional Benefit, but we struggled to find the big 'unlock'.

The strategy

How we took a serendipitous 'spot' and turned it into a strategic platform

The 'magic' happened when we realized that our brand name contains the Greek word for love between friends: 'Philia'. We'd found our inspiration hiding in plain sight. This 'spark' helped us to see our product in a new light.

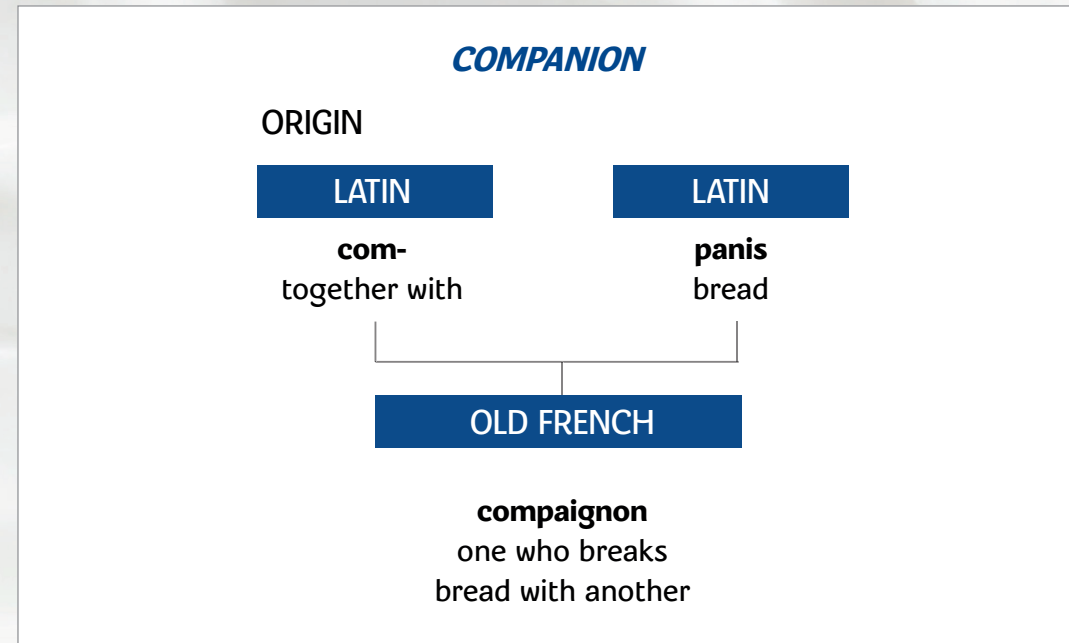


The Greeks saw 'Philia', the authentic, intimate love between friends, as the highest form of love, viewed as even more powerful than romantic love.¹⁷

We set out to explore to see how this lucky spot could turn into a powerful strategy.

We outlined a clear emotional role for the brand through friendship

The idea of friendship quickly emerged as a connecting theme: food and friendship go hand-in-hand (the word 'companion' means someone you 'break bread' with).



Many friendships are formed over the simple act of eating together, and communities all over the world have bonding rituals centred around food. The act of eating together triggers the endorphin system in the brain, playing an important role in social bonding in humans.¹⁸

¹⁷ <https://www.dictionary.com/e/greek-words-for-love/#>

¹⁸ Dunbar, R., Professor of Psychology, Oxford University,

Users already saw Philly as an ally in their fridge:

**“It just makes things nicer...
it brings things together.
Lots of other foods make
sense when you add it.”**

(Paul 32, UK)

But we wanted to go one step further to position it as a ‘friend in the fridge’, creating small but meaningful moments that bond us to friends and family.

We defined how friendship could become relevant in today’s society

Focusing on the concept of friendship felt particularly pertinent because millennials (our target audience) are living through a ‘friendship crisis’, whereby friendship bonds are increasingly strained, and people have fewer and weaker friendships.¹⁹

Research shows that strong friendships have a huge impact on our physical and mental health: they’re not just a ‘nice to have’. Professor Robin Dunbar argues that: ‘...the number and quality of our friendships may have a bigger influence on our happiness, health and mortality risk than anything else in life.’²⁰

We leveraged Behavioural Science (BeSci) to supercharge the emotional benefit

We knew our friendship strategy was relevant in today’s society, but we needed to sell it by linking it to a credible ‘product truth’.

Using behavioural science, we identified a powerful insight that Philly’s product truth goes beyond the smoothness and creaminess that had previously been communicated: it is a ‘comfort food’ that triggers memories of early childhood nurturing and makes us feel cared for.²¹

As a comfort food, Philly releases a ‘feel-good’ dopamine, which alleviates feelings of isolation and helps connect us to others.²²

Philly isn’t just a friend, it also has the potential to be *the most comforting friend*.

Why is creamy Philadelphia so emotionally comforting?



Early Developmental Links
Dairy links us back to our original moments of ‘emotional bliss’ as ‘milk-drunk’ babies.



Positive Social Encounters
We’ve gathered around Philly for years, which has created lots of positive memory structures.



Childlike Associations
Soft and smooth are the qualities of foods from our childhood (i.e. mash potato, ice cream).



Comfort with Connection
Comfort foods produce ‘feel good’ dopamine in our brain & alleviate feelings of social isolation.

¹⁹ American Time Use Study, Reported in BigThink April 23

²⁰ Dunbar, R. ‘Friends’, 2021

²¹ Spence, C. (2017). ‘Comfort Food: A Review’, International Journal of Gastronomy and Food Science, 2017.

²² Ibid.

**Backed by Besci. Our new emotional purpose was thus born:
To spread friendship.**



Our strategy was simple: to position Philly as a brand and product that spreads friendship, thereby building an emotional affinity with the brand and a willingness to pay more that supermarket own brands simply couldn't match.

Our 'friendship' message ranged from the highly emotive to the more product- and taste-led:



Armed with this powerful new purpose and brand foundation, we set out to win back volume and value sales and emotional affinity.

Activation

Committing to emotion at scale

Whilst many brands rein in spending during economic turndowns, we now know that those who maintained or increased spending saw both long and short term increases in ROI.²³ There are also multiple case studies showing that consistently airing quality advertising and investing in the brand create associations that diminish price elasticity because they make a brand easy to buy – even if a consumer checks the price.²⁴ So, we knew that at this point in time, we needed to take the risk and spend big in media; with a substantial leap in share of voice (SOV) from 33% to an authoritative 60%.

We pushed boundaries to inject friendship into every creative touchpoint: from design to creative ATL comms and all the way through to innovative PR executions.

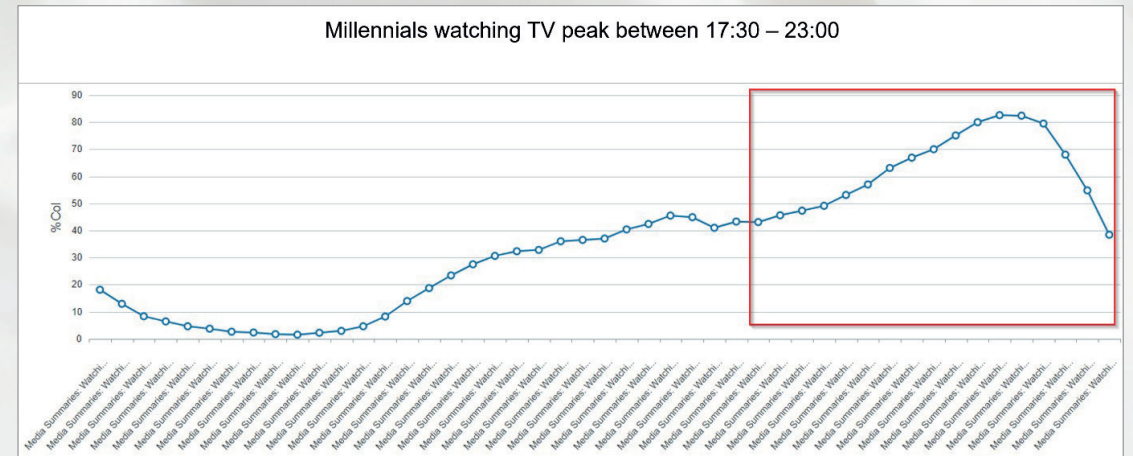
We started by updating our core brand assets:

1. A new, informal photography style
2. A warmer, friendlier tone of voice
3. A newly designed 'friendly font' to convey taste appeal and comfort – the letters have 'flourishes' and softly swirl to hug the food imagery that sits close by.



Keeping our emotional strategy “spreading friendship” at the forefront, our media planning ensured every channel was chosen for its role in emotional connection – both with people, and between people.

We kicked off the campaign with our hero TV asset, which told an emotional story centred around the lifelong friendship between two friends, with Philly at the heart of all their key moments of connection. This was the first time we'd been on TV since 2019 and we recognised it as a key channel to drive emotional connection. Recognising that 40% of millennials prefer watching television with friends, and that 97% of Millennials are reached by TV between 17:30 and 23:00, we delivered during these hours to guarantee us visibility during high snack consumption moments, and communal watching experiences.



Source: TouchPoint

Our linear TV campaign shone, delivering 314 TVRs, surpassing our target by 6.4%; while VOD made a remarkable impact with 23 million impressions, exceeding our benchmark by 8%.

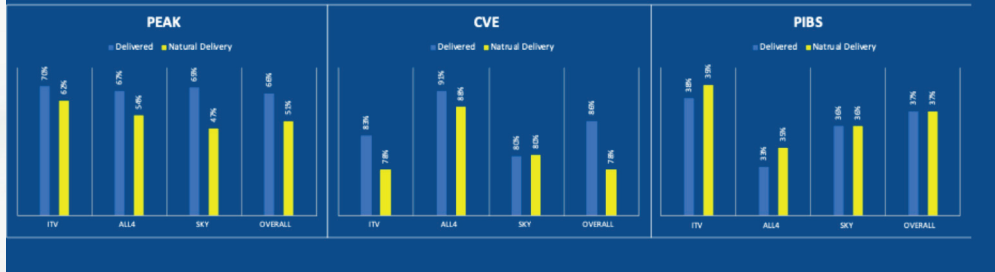
Further, we harnessed cutting-edge collaborations with The Trade Desk, employing Ocado shopper data to target cheese buyers, while intentionally excluding current Philadelphia purchasers to drive incremental sales. The below graph reinforces this narrative, illustrating that our advertisements not only over-delivered but did so during peak viewing times and with 86% of the ratings in the centre of the program (CVE). This meticulous approach underscores the commitment to quality, ensuring our message reached the right audience, at the right time, and in the most impactful manner.



²³ Stephen Whiteside, WARC Event Reports, Cannes Lions, June 2022

²⁴ Brand: your first defence against rising prices, Kantar, 2022

We saw a great overall delivery in quality with strong access



These figures are not just numbers; they represent a resonating campaign that cut through the noise to deliver a clear, engaging message to consumers.

360 CREATIVE PLATFORM

- TV:** 20" + 15" TVCs
- Long-form digital video:** 45" YouTube long form edit, for YouTube + Cinema
- Empathus@Scale:** Multiple Eggs assets tailored for relevant friendship audiences/moments
- Digital amplification:** Digital storytelling tailored for Facebook/Instagram
- PR:** Headline driving research partnership with Robin Dunbar
- New Visual ID:** New creamy font and new 'friendly' photography style
- Website:** Website relaunched with new visual ID

We carried associations with friendship through to earned executions, working with the psychologist we'd based our research on in order to give us real credibility. Together with Professor Robin Dunbar we conducted proprietary research that generated a headline-grabbing statistic: you need to invest 9 minutes a day to sustain close friendships.

Professor Robin Dunbar Reveals it Takes 9 Minutes a Day to Maintain Friendships

by Editorial Team | Published 27 June 2023 at 07:56

9-minute key to friendship

IN the hustle and bustle of everyday life, it can be hard to maintain close friendships. But just nine minutes a day – just over an hour a week – could be the key to preventing people drifting from their best friends, according to an expert.

Professor Robin Dunbar, an evolutionary psychologist at the University of Oxford, said his calculations suggest that for every nine minutes missed, the quality of a close friendship can diminish by 1 per cent. But those nine minutes of interaction – including digital communication – can "sustain the friendship".

A study of 8,000 people, commissioned by Philadelphia Cream Cheese, found nearly a third of people have fewer friends now than they did four years ago.

One hour a week... that's all it takes to maintain a strong friendship, according to a study by psychologist Professor Robin Dunbar with Philadelphia cream cheese. Around one in three of us have fewer friends than we did four years ago, however, it's the quality of close friendships that's most important. 'Maintaining friendships doesn't have to be a time intensive exercise,' says Professor Dunbar. 'By spending just nine minutes a day consciously prioritising everyday moments together, we'll stay close and connected with friends, and benefit from greatly enhanced wellbeing and happiness.'

Daily Mail Online
Spending just nine minutes together per day can stop friendships wasting away, says Oxford professor

Professor Robin Dunbar (pictured), an evolutionary psychologist from the University of Oxford, said it's easy for 'great friends' to become...

7 Jul 2023

We leveraged social media's connective power, bringing our key message to life in the appropriate short-form formats, where a substantial 76% of users engage primarily to foster friendships, thereby ensuring our campaign resonates with the core social behaviours of our audience. Our paid social media campaign yielded impressive reach with impressions doubling the benchmark to 41 million, and reaching 12 million, far exceeding our set targets by 38%.



Through our new “friend to food” pillar, we showed that Philadelphia understands its consumers and their lifestyles and is there for them when they need it. We developed a bespoke media execution matrix to segment our target audience into the following:

1. Millennial families with small kids
2. Millennial families with older kids (teens)
3. Millennial young professionals
4. Millennial students

We served our four audiences recipe suggestions for each of their meal occasions, showing that Philly is a friend to multiple foods. We tailored the recipe served based on different meal needs throughout the week.



In November, we ran a second burst of our campaign in the lead up to Christmas, reusing the same assets but also creating new Christmas-themed social assets, thus showing the flexible nature of our new platform.



What risks did you take?

Despite being a market leader, Philadelphia found itself in a dire situation. We were being outperformed by the category.

The cost-of-living crisis meant that we were forced to raise our prices. Consumers had decided that own brands had the same taste and quality as Philadelphia (and were cheaper).

If we didn't rebuild trust in terms of our value proposition, the consequences would have been significant and there were already early warning signs of declining sales, volume and market share.

After years of functional benefits, we decided to do things differently.

The category had only ever used taste and versatility as its key value propositions. By repositioning our brand strategy around a higher emotional benefit (friendship) we were entering uncharted territory.

While others were engaging in price battles and focusing on marginal taste claims, we set our sights on taking a different, new path: to build true emotional affinity with customers.

This was always going to be a risk. Supermarkets had upped their game, people were downtrading and facing tough financial decisions. Philadelphia experienced an alarming market share decline while others were profiting. And, crucially, we were also forced to raise prices.

It would have been tempting to invest in short-term promotional deals to make up for lost volume.

But we chose to respond, not react. We went for a long-term response when all pressures of markets were telling us to react with a short-term mindset.

And we fully committed to our response. We didn't just test the water.

We went big and did it with conviction.



What were the measurable results?

Reversing our Volume Sales Decline

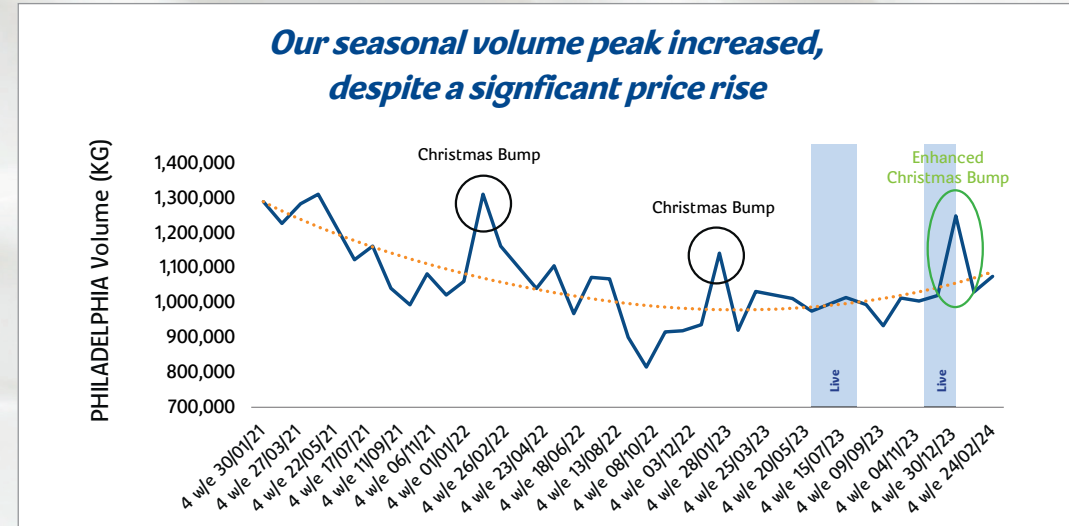
We didn't just achieve our objective of stemming the decline in volume sales, we reversed it with a category-beating 49.97% difference. This was despite raising prices in August 2022.

	Philadelphia	Cream Cheese Category
Pre-campaign Growth Rate (Volume)	-24.20%	-5.45%
Post-campaign Growth Rate (Volume)	+25.77%	+36.34%
Difference in growth rates	+49.97%	+41.79%

Mintel (2023) singled out our success in their report:

'Regaining ground while pushing through double-digit price rises is no mean feat.'²³

The campaign also had a positive effect on our 2023 Christmas period:



Source: Nielsen via Mondelez

While the volume sales had begun to pick up in 2022, the price rise had led to Philly's lowest Christmas sales peak. Once the campaign kicked in, our Christmas 2023 sales peak meant that we were almost back to 2021 levels.

We can see the effect via the change in growth rates and can further contextualise Philadelphia's performance by comparing it to the category and own label. In the 2022-23 period, the category and own label faced headwinds in increasing their Christmas bump growth rates, while Philadelphia was able to reverse a negative growth trend following its previous poor performance.

Christmas Bump (Value)					
	2021	'21 - '22 Diff.	2022	'22 - 23 Diff.	2023
Category	27%	0%	28%	-2%	26%
Philadelphia	24%	-2%	22%	0%	22%
Own Label	11%	0%	11%	-3%	8%

Following two years of summer slumps, our campaign helped stem the decline for 2023, in fact, slightly increasing volume sales during the period:



Source: Nielsen via Mondelez

By 2023, Philadelphia had started to reverse a negative growth trend and had a higher rate of growth versus the category and own label.

Summer Slump (Volume)					
	2021	'21 - '22 Diff.	2022	'22 - 23 Diff.	2023
Category	-6%	-4%	-10%	9%	-1%
Philadelphia	-12%	-12%	-24%	18%	-6%
Own Label	-2%	3%	1%	-1%	0%

Increasing the Growth in Value Sales to Catch up with the Category

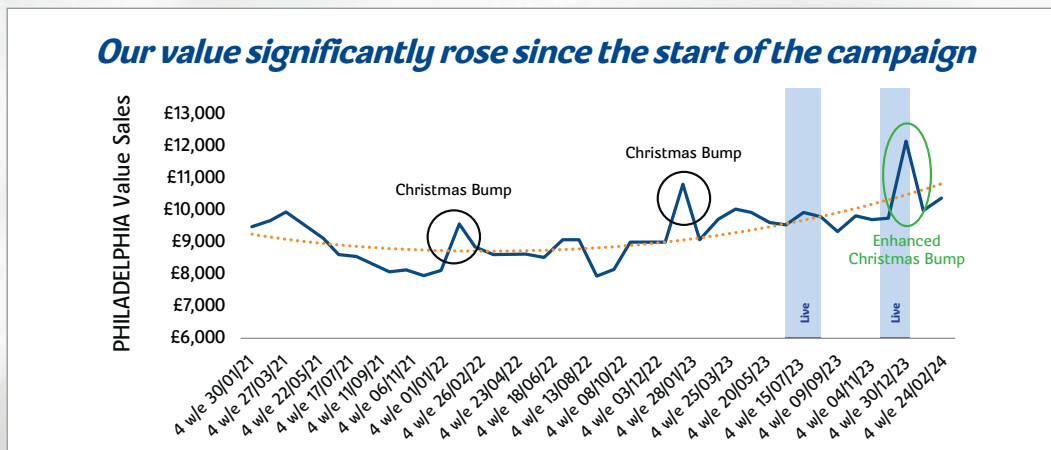
Despite having a slower growth rate pre-campaign, we can see the difference the campaign made: Philadelphia managed to catch up with the category.

We therefore achieved our objective of improving our growth rate to catch up with the category:

	Philadelphia	Cream Cheese Category
Pre-campaign Growth Rate (Value)	+1.24%	+24.63%
Post-campaign Growth Rate (Value)	+27.48%	+53.05%
Difference in growth rates	+26.24%	+28.42%



The campaign had an incredible effect on our Christmas period, increasing our seasonal peaks by 25%:



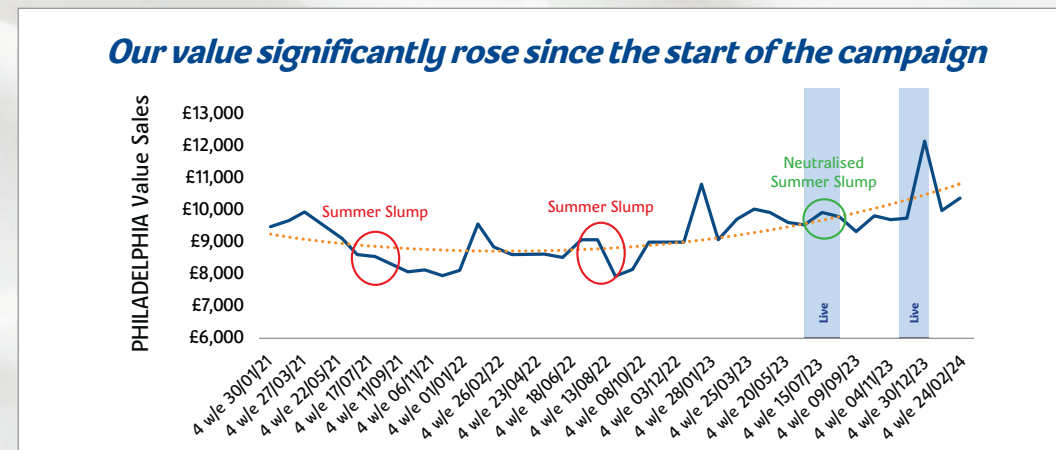
Source: Nielsen via Mondelez

We can see the effect via the change in growth rates and can further contextualise Philadelphia's performance by comparing it to the Category and own label.

Philadelphia was beginning to pull away from the category in terms of growth rate.

	Christmas Bump (Value)				
	2021	'21 - '22 Diff.	2022	'22 - 23 Diff.	2023
Category	40%	2%	42%	2%	43%
Philadelphia	18%	2%	20%	5%	25%
Own Label	16%	0%	17%	-7%	9%

The campaign also helped to reverse a trend in seasonal dips across the summer period:



Source: Nielsen via Mondelez

By 2023, Philadelphia had started to reverse a negative summer slump trend and had a higher rate of growth versus the category and own label.

	Summer Slump (Value)				
	2021	'21 - '22 Diff.	2022	'22 - 23 Diff.	2023
Category	-2%	-1%	-3%	2%	0%
Philadelphia	-6%	-4%	-11%	9%	-2%
Own Label	5%	8%	12%	-16%	-3%



Rejuvenating our brand and increasing emotional affinity among all audiences

We successfully conveyed our new “Spread friendship” positioning, by increasing consideration, penetration and emotional resonance.²⁴

The scores below are from post-campaign tracking and measure uplift in groups exposed to the campaign (uplift vs unexposed):

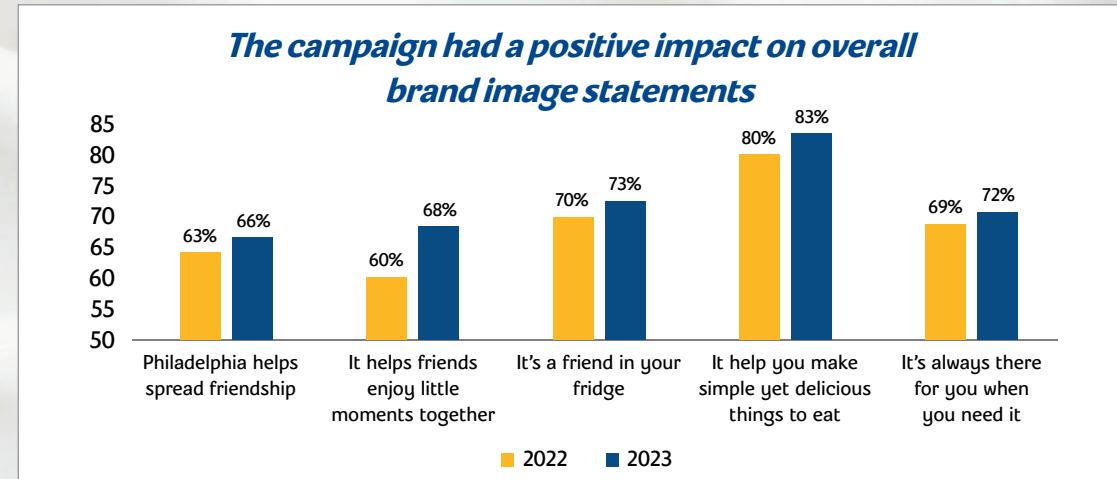
- +9% consideration
- +4% penetration (past month purchase)
- +14% emotional resonance

All emotional messages increased post-campaign, increasing even more than our more functional measures:

Aided Message Recall (T2B%)	Pre	Post	Diff vs Pre
	N=141	N=191	
Philadelphia helps you make simple yet delicious things to eat	86%	90%	+4%
Philadelphia is comfortably creamy	88%	95%	+7%
Philadelphia is a friend in the fridge	78%	86%	+8%
Philadelphia is always there for you when you need it	76%	87%	+11%
Philadelphia helps friends enjoy little moments together	74%	85%	+11%

Source: Metrixlab Report, 2023

This had an impact on overall image statements for the brand (2022 vs 2023), as seen in the graph below.²⁵



Source: Metrixlab Report, Feb 2024

As outlined above, Metrixlab argued that increases in brand equity (emotional closeness) would result in an increase in consideration and purchase. They also caveated that brand equity measures take significant time and investment to shift, especially for established brands, meaning that this result is all the more impressive:

	Brand Equity 2022	Brand Equity 2023	Difference in Brand Equity
Philadelphia	126	128	+2 points
Average of all 14 Brands ²⁶	100	100.6	+0.6 points

Source: Metrixlab Report, Feb 2024



²⁴ Metrixlab Report, Feb 2024

²⁵ Metrixlab Report, Feb 2024

²⁶ Brands include: Cathedral City, Dairylea, Babybel, Pilgrim's Choice, The Laughing Cow, Seriously, Strings and Things, President, Boursin, Leerdammer, Primula, Castello, Galbani

We even showed that emotional affinity can influence taste

The following uplifts in image statements were particularly important in proving that a category focused on taste credentials could use an emotional platform to increase taste perceptions; despite no changes in ingredients, we improved all our taste-led perceptions (uplift vs unexposed):

- +9% It is something I know the family will love
- +10% It has a delicious taste
- +9% It turns every dish into something delicious
- +7% It has good balance of taste and nutrition
- +8% It is high quality
- +11% It is superior brand compared to other options available in supermarket

Our campaign therefore played to both taste and emotion.

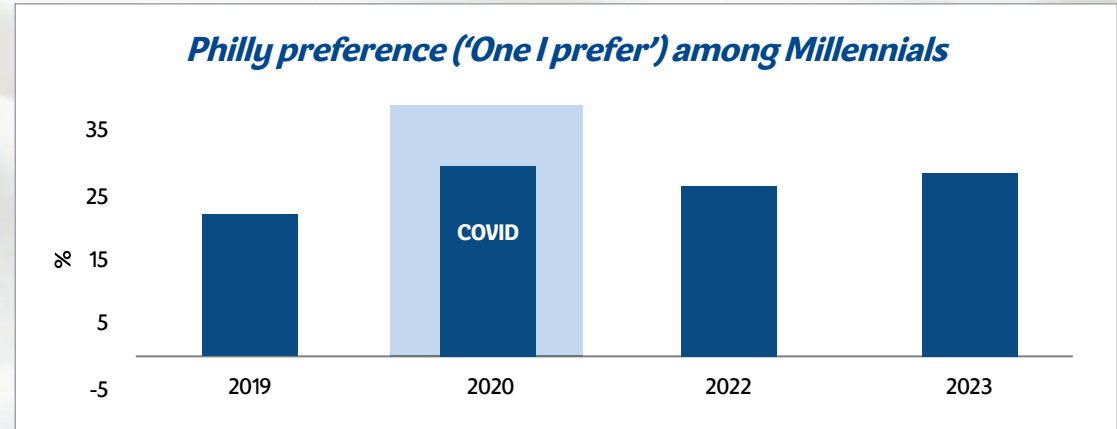
Increasing preference scores in our new, millennial target audience

The move to our emotional platform in 2023 also had a clear positive impact on preference scores among our newly identified target audience of millennials.

Between 2022 and 2023, preference scores increased by 5.6%. If we discount the COVID-effect and compare 2023 to 2019 (as cheese consumption grew astronomically, growing 48%²⁷), preference increased further by 11.80%:

Philly preference ('One I prefer') percentage increase among Millennials (2019 vs 2023)	Category Average percentage increase for Millennials (2019 vs 2023)
+11.80%	+1.37%

Source: BrandAsset® Valuator, UK 2019-23



Source: BrandAsset® Valuator, UK 2019-23 (no data available for 2021)

Reasons for this increased preference can be found in increases in image statements that buck category trends. Our new platform helped to win over millennials despite our price premium and millennials' known heightened price sensitivity compared to other age groups.



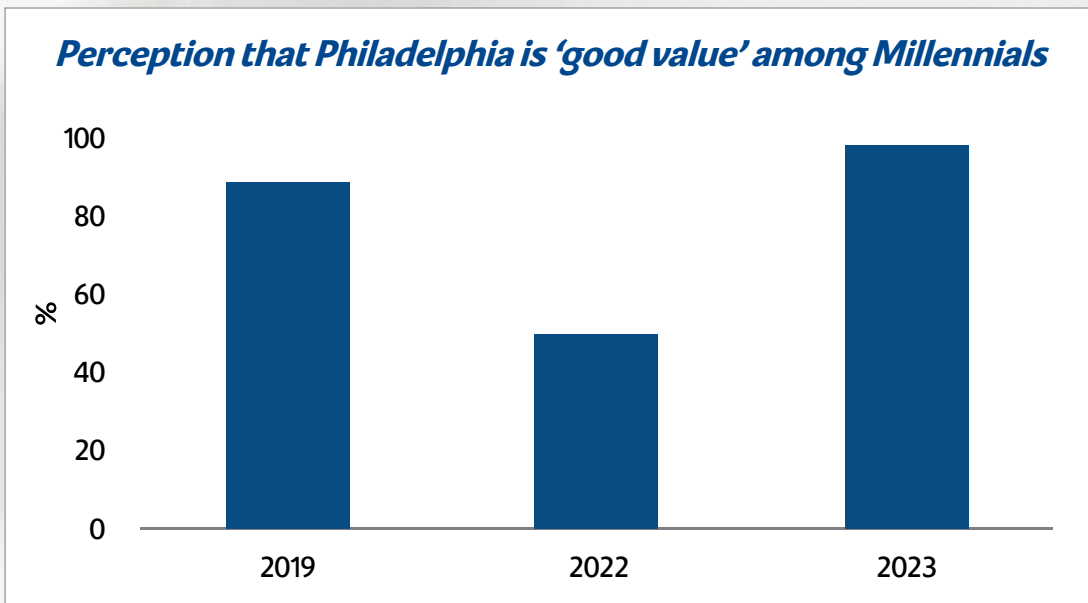
²⁷ <https://www.foodmanufacture.co.uk/Article/2020/08/03/Coronavirus-lockdown-boosted-retail-dairy-sales-of-milk-cheese-butter>

Perception that Philadelphia is 'good value' percentage increase among Millennials (2019 vs 2023)	Category Average percentage increase for Millennials (2019 vs 2023)
+13%	-2.11%

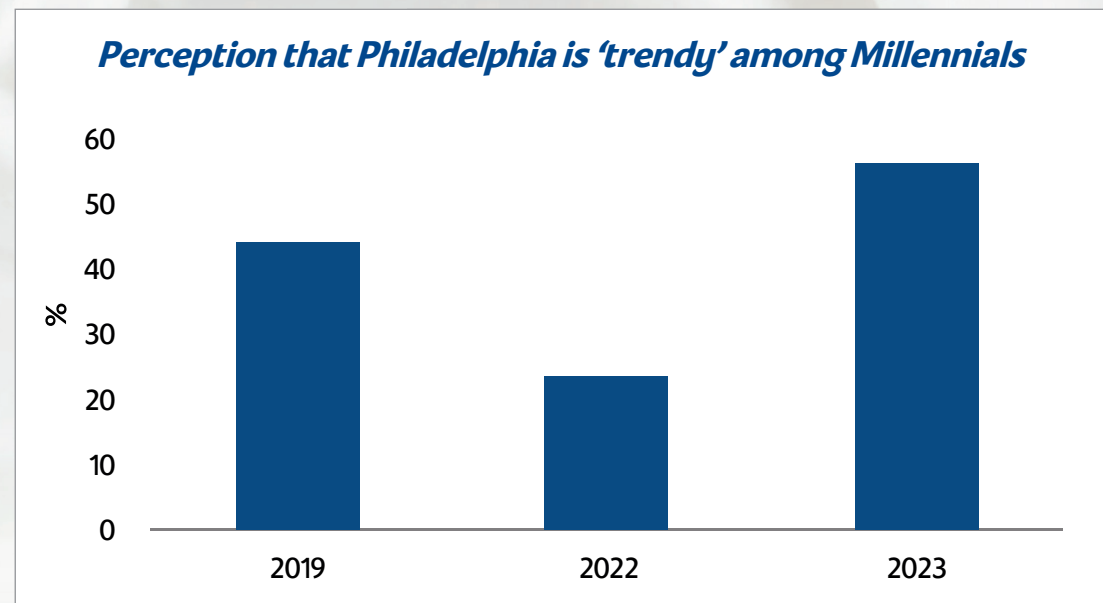
Source: BrandAsset® Valuator, UK 2019-23

Perception that Philadelphia is 'trendy' percentage increase among Millennials (2019 vs 2023)	Category Average percentage increase for Millennials (2019 vs 2023)
+25.07%	-25.1%

Source: BrandAsset® Valuator, UK 2019-23



Source: BrandAsset® Valuator, UK 2019-23 (no data available for 2020 or 2021)



Source: BrandAsset® Valuator, UK 2019-23 (no data available for 2020 or 2021)

Discounting all other factors

Price: We raised our prices in 2022 due to increasing supplier costs; yet despite price increases, volume sales increased, suggesting that the emotional resonance of the campaign played an important role in helping to justify the price premium.

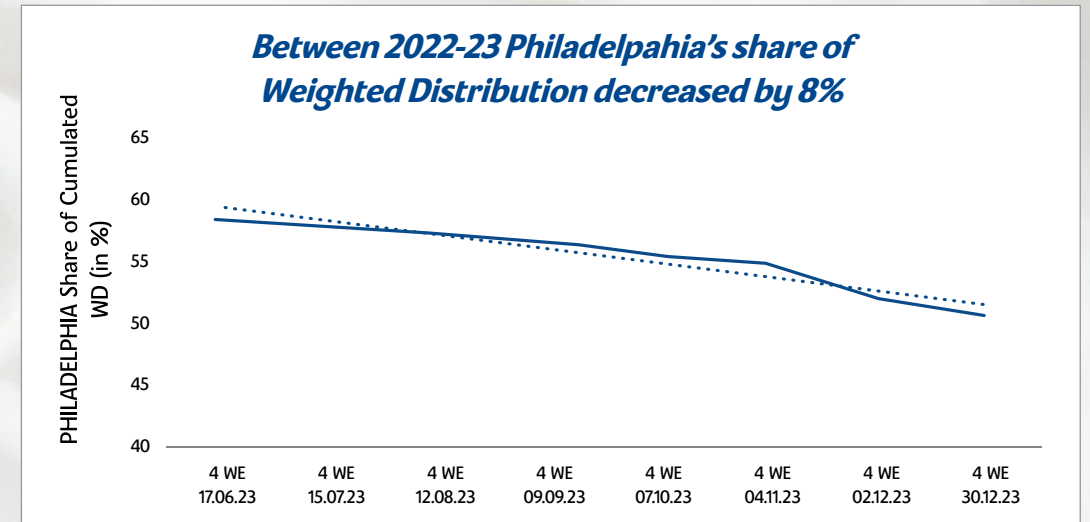
Competitor pricing: A month into our campaign, supermarket own brands cut their cheese prices (Aldi, Lidl, Tesco) with Aldi and Lidl cutting their prices by 5% and Tesco by 6%.²⁸ This suggests that our campaign had to work even harder to justify our price premium in a more competitive pricing landscape.

New product development: As part of a concerted effort to increase usage occasions, Philadelphia introduced new variants pre-campaign in 2022 – and these have since then undoubtedly benefited sales. However, Philadelphia new variants Plant-based and Intense on average only make up 1.1% volume sales versus our original product lines (including Light variant), so growth cannot be attributed to new product developments. It's also worth noting that several other brands introduced plant-based soft cheese offerings during 2023, while our campaign was live, including Violife²⁹ and Cathedral City,³⁰ so boosts in our sales occurred despite this increased competition.

Distribution: While the campaign was live in June 2023, Philadelphia's share of listings decreased by 8%. The corresponding average annual value growth was 11%. This value growth occurred despite decreased distribution, showing that success was not simply a function of increased availability.

	2021 - 2022	2022 - 2023
Philadelphia Growth Rate (Value)	0.08%	11.21%

Source: Nielsen via Mondelez



Source: Nielsen via Mondelez

Media spend:

	Philadelphia	All other cheese brands, excluding Philadelphia
Media spend 2022	£1,806,140	£12,812,609
Media spend 2023	£3,764,654	£16,459,348

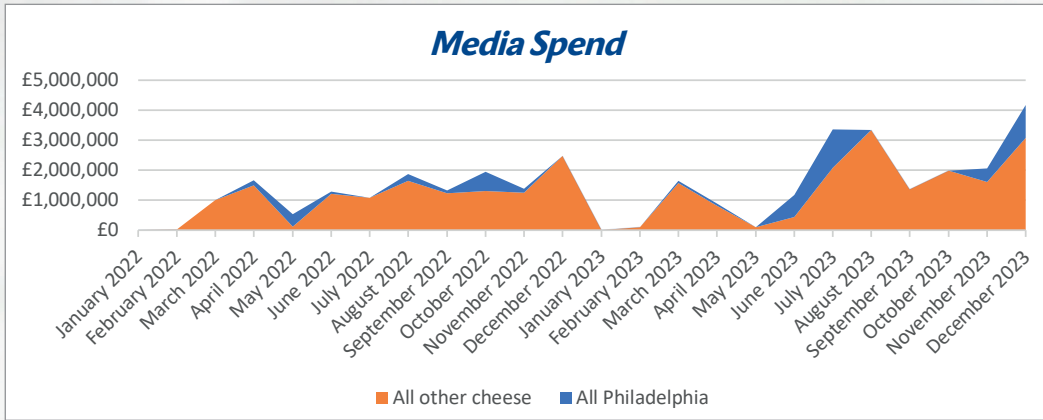
In 2023 Philadelphia were bold, and backed themselves, doubling media spend from the previous year. However, this was against the backdrop of increased media spend from across the entire cheese industry. As the chart below shows, our media spend was not a huge increase versus the industry, and therefore whilst being the right thing to do in the economic climate; the increased SOV was not the sole driver of our success, but a multiplier, enabling the new emotional strategy to shine.



²⁸ <https://www.thegrocer.co.uk/fmcg-prices-and-promotions/cheese-prices-slashed-in-latest-supermarket-cuts/683079.article>

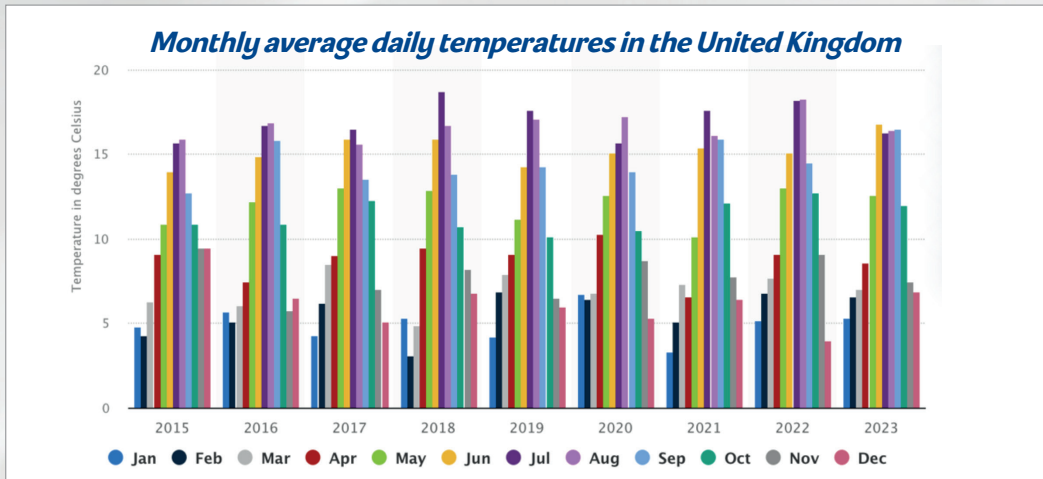
²⁹ <https://vegconomist.com/food-and-beverage/cheese-alternatives/violife-cream-cheese-garlic-herbs/#:~:text=Violife%2C%20which%20claims%20to%20be,formulated%20to%20be%20even%20creamier.>

³⁰ <https://www.thegrocer.co.uk/new-product-development/cathedral-city-launches-plant-based-soft-cheese/679691.article>



Source: AdIntel

Temperature: Monthly average temperatures have remained constant in recent years, as shown in the figure below. This rules out the possibility that the changes in seasonal slumps and bumps observed during our campaign were due to changes in hosting occasions triggered by exceptional weather conditions



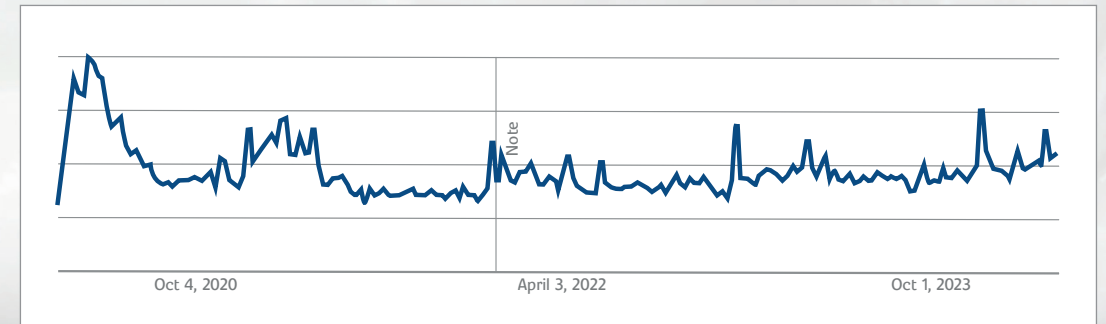
Source: Statista

Pack Promos: We had an on-pack promotion as part of our partnership with Eurovision which launched pre-campaign and ended by the time the campaign went live. Since the campaign went live, promotions played no greater part in the brand's plans than in previous years.

COLC: As a result of the cost-of-living crisis, consumers have become more careful in their spending and choose to switch to cheaper stores and private-label alternatives. As a premium product in the category, with private label selling at half our price, the success of our campaign in sales is a testament to the strategy and creative execution of our new platform.

Competition: In the premium cheese market, Boursin went viral on social media in July 2023 (one month into our campaign) after it was featured in the hit TV show The Bear. This likely to have negatively affected Philadelphia's sales. Lactalis also launched a new TV campaign for its Seriously Spreadable brand in July 2023. Despite this increased competitor activity, we observed increases in volume and value sales.

Interest in cream cheese: Aside from COVID, peaks in interest in cream cheese have remained stable over the last few years as shown in the Google Trends figure below. Success can therefore not be attributed to a new-found interest in the product at large.



Source: Google Trends, 'Cream Cheese', UK



How does your work advocate the reputation/importance of the marketing industry?

This campaign not only improved our sales performance, it also enhanced our understanding of how to market effectively in tough financial times.

Through this story, we've been able to demonstrate the value of continued investment in our brand and marketing, even (and perhaps especially) in the face of protracted uncertainty.

In the words of Dr Grace Kite of Magic Numbers:³¹

'If you consistently air good quality advertising and invest in your brand, you build up associations that mean people buy it just because it's easy to think of, or out of habit...Marketers that want to survive the coming shakedown need to look through their toolkits with a new lens and prioritise strategies that convince consumers their product is worth paying for.'

Kite's arguments are supported by academic research:

- In 2009 Clark and colleagues³² showed that exposure to TV advertising increased willingness to pay higher prices, following an assessment of 2,880 purchases in the toothpaste, toothbrush, detergent, ketchup categories.
- In 2016 Professor Berk Ataman³³ found that advertising led to lower price elasticity after examining seven years of data for 350 brands in 39 categories.

As these studies show, consumers are willing to pay more if a product is perceived to be high in quality; but as prices of products continue to rise in tough economic times, this point has never been more pertinent.

Keeping this argument in mind, we knew **we could turn our brand around by investing in 'good quality advertising' to help justify our price premium.**

But taking a creative leap seemed daunting and trends in the marketing landscape didn't make it easy.

Spencer Fox, VP at Lions Advisory, recognised that in the marketing landscape there's 'a real desire to deploy great creativity for growth' but pointed out marketers felt a sense of 'uncertainty' and that as an industry this was 'holding us back.'³⁴

It's no wonder that this was the case: businesses, were faced with renewed pressure – budgets were falling, and yearly marketing spending growth had slowed by 72%.³⁵

Ultimately, uncertain times have led to uncertain marketing.

We somehow needed to overcome this feeling of uncertainty and have the confidence to take a creative leap.

Our recommendation to marketers in product categories with rising prices who want to invest in creative advertising to help justify price premium is therefore to tap into the power of behavioural science. Why?

Because BeSci doesn't just supercharge creativity, it supercharges internal confidence.

Using behavioural science to position Philadelphia as a comforting friend meant we could confidently sell our creative platform to internal stakeholders and lay the foundations for a strong creative execution and create a platform that resonates strongly and pays off:

Overall, according to Mintel, in 2023, Philadelphia 'outperform[ed]' the top brands in the entire cheese category.³⁶

³¹Kite, G., Sensitivity to price is a marketing outcome, 2022 <https://www.warc.com/newsandopinion/opinion/sensitivity-to-price-is-a-marketing-outcome/en-gb/5911>

³²Robert Clark, C., Doraszelski, U., Draganska, M., The effect of advertising on brand awareness and perceived quality: An empirical investigation using panel data in Journal of Quantitative Market Economics, 2009

³³Ataman, B., Advertising's Long-Term Impact on Brand Price Elasticity Across Brands and Categories in HEC Paris Research Paper No. MKG-2016-1153, 2016

³⁴Lions State of Creativity Study, 2023

³⁵Ibid.

³⁶Mintel Cheese, UK, 2023