

Marketing Society Awards for Excellence 2013

BRAND EXTENSION



Philadelphia with Cadbury – “Choccy Philly? Don’t be silly”

From ‘Urghh’ to ‘Mmmm’:

How Philadelphia launched a unique flavour combination and overcame initial consumer prejudices to drive incremental growth



Executive Summary

This submission shows how Philadelphia revolutionised the cheese aisle with a brand extension that not only built on Philadelphia's credentials and broadened its appeal, but also created an entirely new sub-category.

Philadelphia has been a great success in recent times. In the last six years sales have almost doubled. (Nielsen, 2012). Repositioning Philadelphia as an ingredient in cooking, rather than just for spreading, has contributed to this growth along with a host of new flavour variants.

Only savoury flavour variants had been launched in the UK, until Kraft/Mondelez identified an opportunity to introduce a new unique sweet flavour. They saw an opportunity to bring together two of the UK's best-loved brands, Philadelphia and Cadbury, to create a unique, if a little ludicrous, flavour combination – a chocolate flavoured cream cheese!

Despite having two power brands on the pack and a taste we knew they'd definitely love, consumers were still unsure of the chocolate and cheese combination.

So after optimising the product and packaging for the UK, the Philadelphia team set about launching this crazy new product. By confronting consumers' initial negative preconceptions towards the product, Philadelphia dared them to make up their own minds by trying Philadelphia with Cadbury.

The results were overwhelmingly positive. Philadelphia with Cadbury has driven all time high results for NPD in the Soft White Cheese category. Contributing £9.26m in sales (£6.2m incremental) with low cannibalisation from the existing core brand. Philadelphia with Cadbury achieved outstanding penetration and repeat purchase rates and generated significant incremental category growth.

What may have begun as a peculiar new product launch in consumers' eyes has driven serious sales results. We haven't just launched a brand extension; we have created an entirely new sub-category of sweet cream cheese. Proving that Choccy Philly is not so silly after all.

Word Count: 296

Background

Philadelphia has been a great success in recent times. In the last six years sales have almost doubled. (Nielsen, 2012). Many new flavour variants have contributed to this growth alongside a repositioning of Philadelphia as the magical ingredient in simple cooking, rather than just for spreading.

Only savoury variants had been launched in the UK, until Mondelez (formerly known as Kraft) identified an opportunity to introduce a new unique sweet flavour. They saw an opportunity to bring together two of the UK's best-loved brands, Philadelphia and Cadbury, to create a unique, if slightly crazy, flavour combination. A chocolate flavoured cream cheese. This wasn't merely a branding exercise; real Cadbury's chocolate is used in the making of this new product.

After consumer product testing and the taste was refined, Philadelphia with Cadbury was ready to launch.

In February 2012, Mondelez launched Philadelphia with Cadbury (PwC). Cool, creamy Philadelphia mixed with heavenly, delicious Cadbury's chocolate (Figure 1). Bringing together two of the nation's favourite brands, they felt assured of success. However, despite having two power brands on the pack and a taste they'd love, research showed that consumers were still unsure of the combination of chocolate and cheese.



Figure 1: The Philadelphia with Cadbury packaging played an important role in showing how two great brands have come together

Target Audience



She is 25 – 44. She loves snacking, especially sweet snacking. Like most normal people, she starts out with good intentions but always gives in to her ‘naughtier’ cravings. Has a ‘naughty cupboard’ at home that she’ll raid in the afternoon or evening. She has a big repertoire of ‘go to’ snacks, from yoghurts to biscuits and chocolate bars. So it has to be something extra special to grab her attention and break into what is an already enjoyable snacking routine for her.

The Challenge – Getting from an ‘Urghh’ to a ‘Mmmmm’

This new product is that rarest of NPD launches, something truly new and unique. A first for the category in the UK. But its uniqueness also caused some difficulties. It may involve two much-loved brands but in reality this is a seemingly ludicrous combination of chocolate and cream cheese – a chocolate flavour cheese. And consumers weren’t necessarily convinced:

“I wasn't very keen on the idea as I thought cheese and chocolate was a strange combination and wouldn't go well together”

Source: MMR Research

The majority of consumers repeatedly told us in focus groups that they loved Philadelphia and that they loved Cadbury’s chocolate but the idea of them together made them go “Urghh”. However we knew that once they tried it they loved it. Why? There’s no real rational reason to like it apart from the fact that it tastes so damn good!

Consumers told us they weren’t looking to Philadelphia with Cadbury for a rational solution to a rational problem. It is an irrational product after all - chocolate and cheese! They like it because they like it and it’s an interesting, different, fresher way to have chocolate.

What all this meant though, was that there was no point trying to convince people to give it a go by just telling them how nice it was. Or just by telling them that it existed.

We decided we required a different creative approach to a normal NPD launch.

Creative Strategy

We didn’t just need to capture her attention; we needed to arouse her curiosity. We needed to tempt her to try it because as research showed just making her aware of the product isn’t going to lead to success if ‘URGHH’ is her first response.

Our strategy was to reflect and dramatise the reality of our target audience’s reaction to the nonsensical idea of the product. And then prompt them to make up their own minds as to whether it was nice or not, by actually trying it for themselves.



The campaign – “Choccy Philly? Don’t be silly”

The launch of Philadelphia with Cadbury was supported by a three phase, £4million launch plan.

1. Pre-product launch tease
 - a. Seed the product idea to invite conversation around the crazy new product
2. Pre-campaign
 - a. Stimulate our target audience’s curiosity that the unexpected combination might just work
3. Full product and campaign launch
 - a. Entice our target audience to experience the taste sensation

Channel Strategy

Our communications plan was formulated to address two fundamental challenges:

1. How can we change our target consumer’s perception? Overcome the fact that she’s not sure that the combination of chocolate and cheese will taste good.
2. How can we get her to be intrigued by Philadelphia with Cadbury? And entice her to try it.

We sought to address these challenges through multiple channels designed to target her at different stages of her journey. We sought to provoke her by dramatising the journey in her own mind. How she switched from the initial disbelief and negative preconceptions to the acceptance of and desire for Philadelphia with Cadbury, that we saw in the groups. I.e. from ‘Urghh’ to ‘Mmmm’.

With national grocery distribution in our sights, this product had to get off to a flyer. Which is why we needed to begin the campaign before the launch to seed the concept before driving mass trial. It was crucial to overcome early the innate prejudice that this product engendered at first glance.

Phase 1: Pre-product launch tease

Facebook: The campaign began with our loyal fans on Facebook. Encouraging them to debate what Philadelphia’s new flavour could be and speculating what it might taste like. We picked the most engaged fans on Facebook, gave them a unique code and invited them to a VIP area online, where they registered to receive a secret pack in a cool-bag with some other goodies. They were asked to send in videos or pictures of them unboxing their VIP pack and to let us know what they thought. (Figure 2)



Figure 2: Facebook VIP sample activity, creating highly positive response and initiated the conversation about PwC online (Feb, 2012)

PR & Blogger outreach: Trade PR was essential to seed the launch of Philadelphia with Cadbury to encourage listings and support from retailers. Consumer PR was used to mitigate any potential negative press reaction to the combination of the two brands, through providing opportunity to sample the product and understand the full product story.

At the same time we reached out to key food bloggers to encourage conversation around PwC and get them enthused about the product. We kicked that off with a blogger event giving brand advocates a product preview encouraging them to spread positive opinion.

Phase 2: Pre-campaign launch

Online Teaser: PwC launched in stores early February but we couldn't promote it until it was up to full distribution in March. So in the meantime we released a teaser video on YouTube and Facebook to kick off the conversation. Featuring Jennifer Saunders taking to the streets in outrage and protesting about what a 'corkingly awful idea' Philadelphia with Cadbury is (Figure 3). She introduced the campaign line "Choccy Philly? Don't be silly", spawning a memorable nickname for the new product and seeding the upcoming TV campaign. Over 400k viewed the video and instantly took to Twitter and Facebook to talk about it.



Figure 3: Online video teaser seeded the main campaign message and started the conversation

Phase 3: The Launch

TV: The role of the TV was to generate the scale required to drive massive trial. Throughout March the campaign was a standard weight of 475 TVR's with 78% coverage and 5-7 frequency. The TV ad showed Jennifer Saunders tasting the 'offending' item to demonstrate how 'awful' it was but ending up trying to hide the fact that she actually liked it. The TV took the online conversation into people's homes, replicating the consumers' own journey from disgust to desire, intriguing them to try the product. (Figure 4)



Figure 4: Choccy Philly? Don't be silly TVC challenged consumer perceptions head on

Print: At the same time the print was throwing out provocative messages about PwC to the target audience in the same tone as the TV. “Choccy Philly? Don’t be Silly”, “You’re right it sounds wrong” & “Mad or Genius” driving awareness but also intriguing consumers and further fuelling the conversation. (Figure 5)

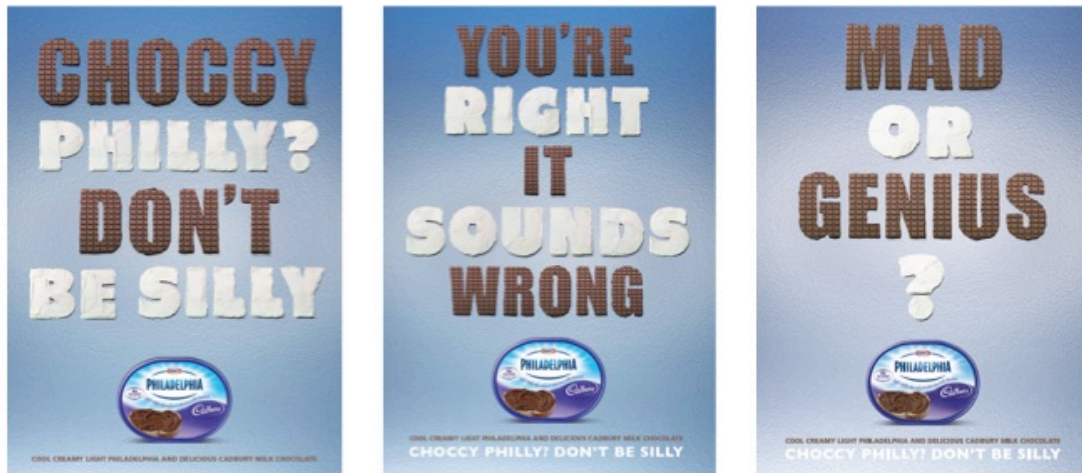


Figure 5: Print ads in women’s weeklies drove awareness and furthered the conversation

Experiential & Sampling: In order to get people to give us their opinions we needed to get PwC into their hands. Four-week nationwide sampling dialled up the challenge and asked consumers to try it and then decide if the product was mad or genius. (Figure 6)



Figure 6: Nationwide sampling events



In-store: A £750k in-store activation campaign across the Grocers and Convenience brought the campaign to life in-store further incentivising purchase and trial.

Consumer PR & Social: We used earned and social media to amplify the campaign message. Fuelling conversations amongst consumers and driving trial by targeting key opinion formers that the target audience relate to, such as journalists from OK and Heat and amongst others, Nigella Lawson who tweeted her excitement about trying PwC. (Figure 7)

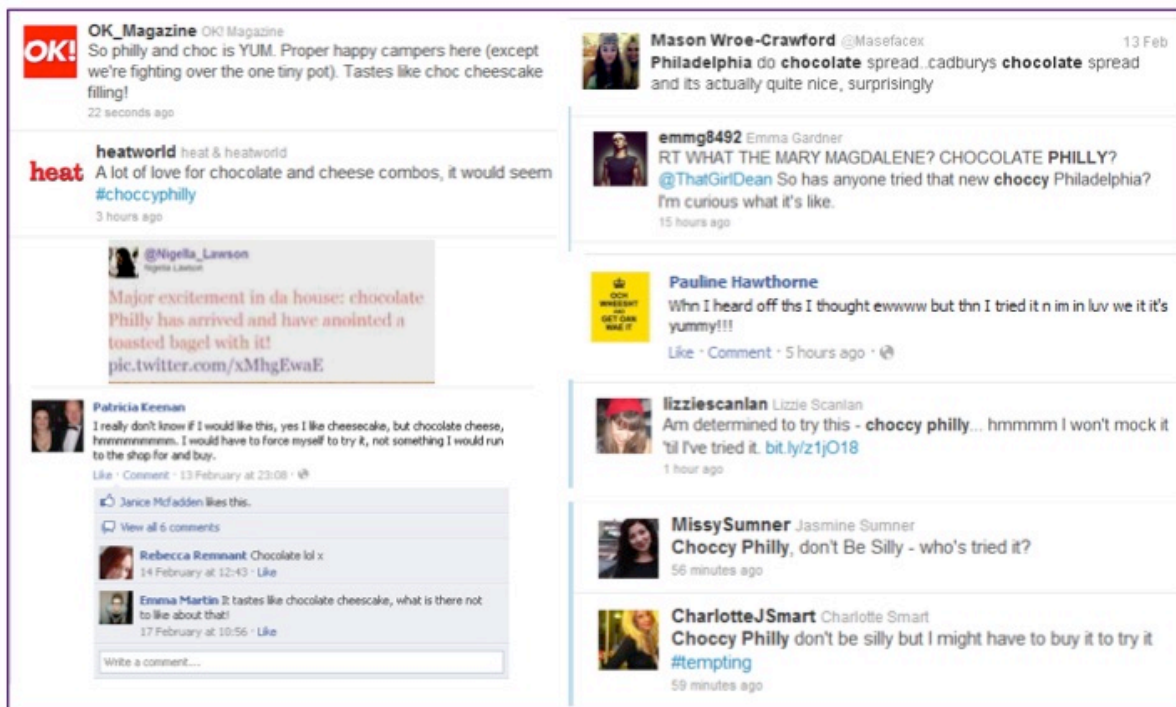


Figure 7: Earned and social media amplified the campaign message and fuelled consumer engagement

Radio: To create the radio content we asked consumers on Facebook how they like to eat Choccy Philly. We then recorded Jennifer’s character amusingly responding in ‘disgust’ to consumers’ suggestions. Activity was weighted to mid/late afternoon to drive consideration at key snacking moments and drive repeat purchase.



Results

Unsurprisingly, based on what we saw in research, consumers reacted overwhelmingly positively to our news and Philadelphia with Cadbury has driven all time high results for NPD within the cream cheese category.

Campaign results

According to IPSOS 64% of consumers were aware of Philadelphia with Cadbury. With the “Choccy Philly? Don’t be silly” campaign delivering the right messages:

- 78% of consumers believed PwC is a high quality brand
- 74% said that PwC had a delicious taste. (IPSOS 24.05.12).

In addition to the ATL campaign, 400k people watched the teaser video online. We also achieved widespread print coverage reaching 5.5m people, with over 12,577 Tweets reaching a further 3m people. 400k consumers were sampled and over 80,000 consumers engaged on Facebook.

Business results

The campaign didn’t just positively affect consumer attitudes but drove significant business results that surpassed our expectations. With an incredibly ambitious stretch target of 20% penetration in the first year, we were delighted when we beat this before year-end, reaching a staggering 20.6% (approximately 5.3m households) from a standing start. And sales weren’t just a one-off purchases driven by novelty; 27% of customers repeat purchased (Figure 6).

Crucially, these impressive sales figures weren’t at the expense of Philadelphia’s core offering. Instead, Philadelphia with Cadbury brought new sales into the total category and new customers to the brand:

- 60% of PwC sales are incremental to the total Soft White Cheese category (Figure 7);
- with 67% of sales incremental to Philadelphia (Figure 8).

The campaign drove significant shifts in overall Philadelphia brand perception impacting the masterbrand positively (Figure 9). The campaign also positively impacted salience of the masterbrand. Top of mind awareness is 12%pts higher amongst those who’ve seen the campaign versus those who haven’t. According to IPSOS norms, this is unexpected. Line-extensions don’t normally significantly impact the masterbrand, especially for strong brands such as Philadelphia. (IPSOS 24.05.12)

Retailer responses have been similarly overwhelming and we achieved a staggering weighted selling distribution of 89% (Nielsen 29.12.12).

At the end of 2012, Philadelphia with Cadbury sales represented 6.1% volume share and 5% value share of Soft White Cheese and had contributed an astonishing £9.26m (£6.2m incremental) to Philadelphia sales – again exceeding our full year targets early (Nielsen 29.12.12).

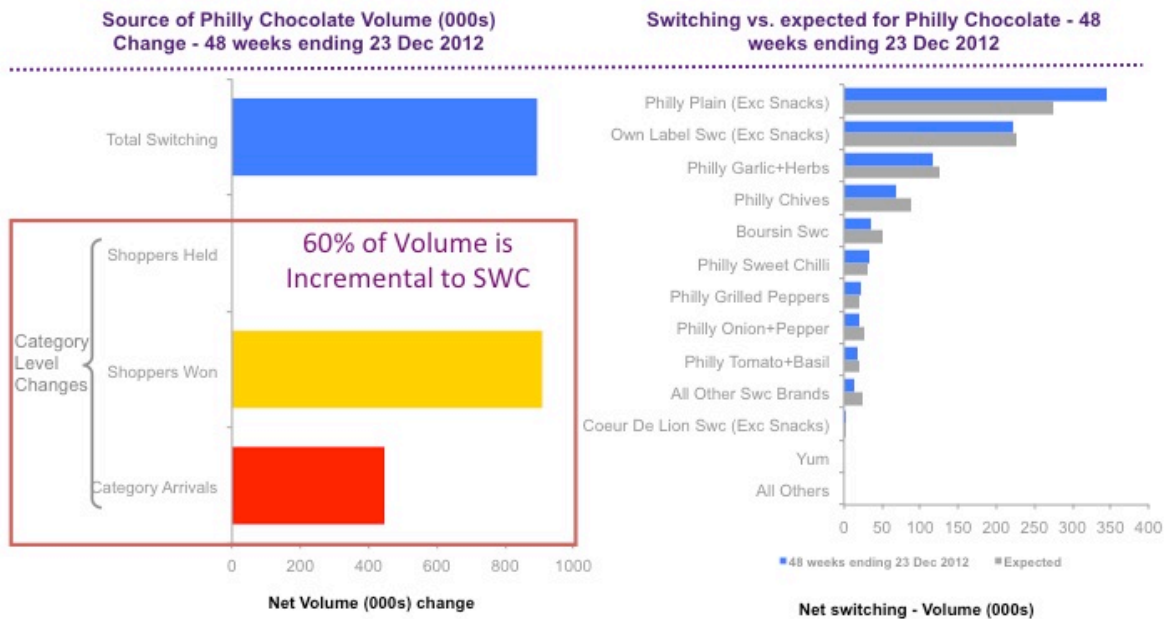


Figure 9: Philadelphia with Cadbury is growing the total category by bringing more volume to the market. Source: Kantar Worldpanel 48 we 23 Dec 2012

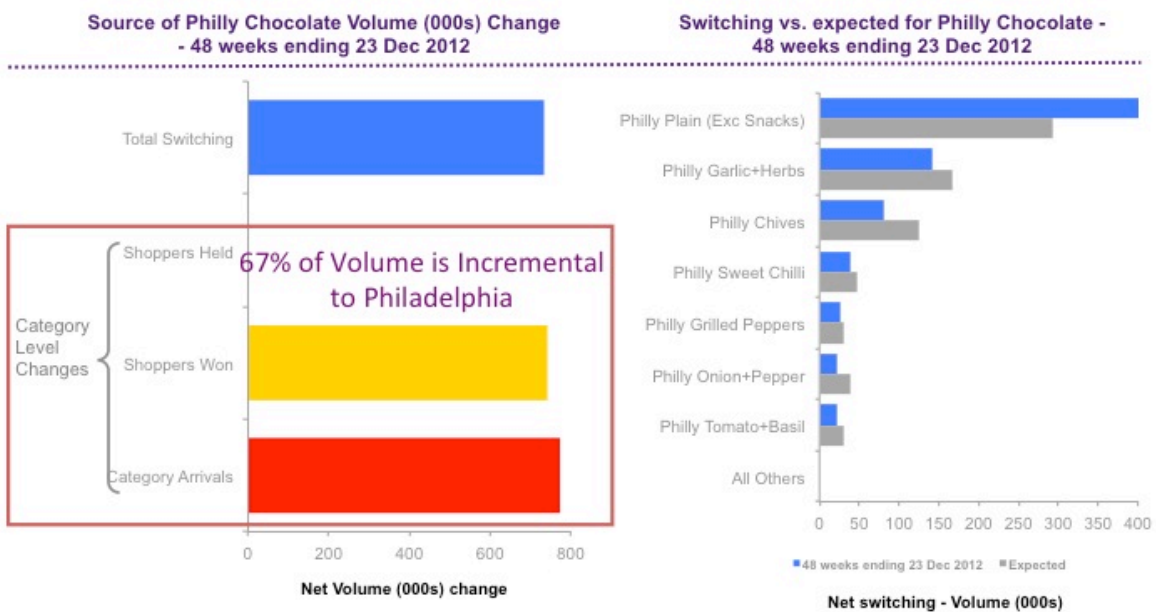


Figure 10: Philadelphia with Cadbury is expanding overall Philadelphia volume with 67% of sales incremental to the brand. Source: Kantar Worldpanel 48 we 23 Dec 2012

Philadelphia with Cadbury: Cumulative Penetration and Cumulative Repeat

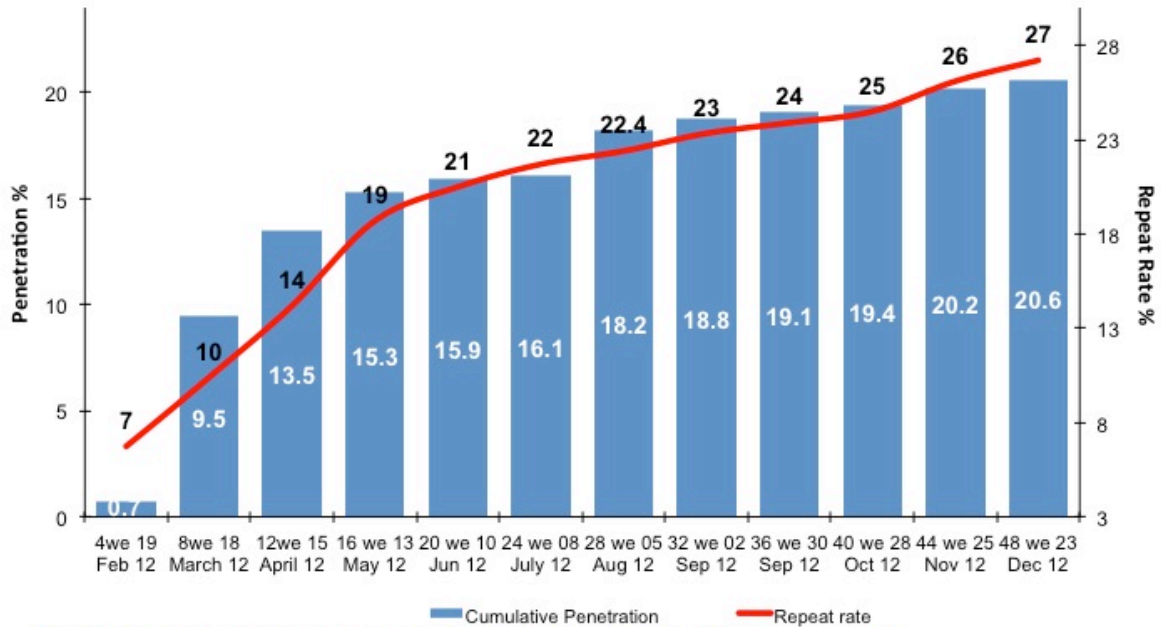
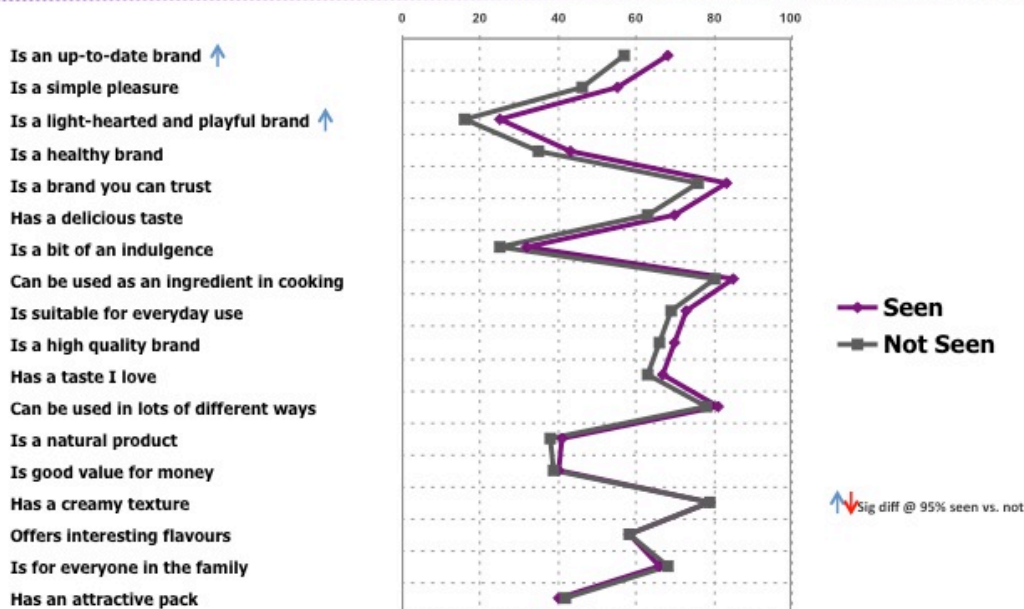


Figure 8: Penetration and repeat rates continued to increase to the end of 2011
 Source: Kantar Worldpanel, Basic Data to 23 Dec 2012

Philadelphia with Cadbury campaign impact on core Philadelphia masterbrand image



QP14. Thinking about Philadelphia Cream Cheese, please consider each of the statements below and for each one please indicate how much you agree or disagree.
 Base: Brand aware – Campaign recognisers (342); Non campaign recognisers (164)

Figure 11: The Philadelphia with Cadbury campaign had a positive impact on the masterbrand in terms of being 'up-to-date brand' and 'light-hearted / playful'. Source: IPSOS



Conclusion

Philadelphia has delivered strong growth over recent years, moving from just spreading to spreading and cooking, alongside a robust flavour innovation strategy. The launch of Philadelphia with Cadbury built on this strategy with a bold approach to both product innovation and creative strategy. Launching a unique, if slightly crazy product and a campaign which confronted consumer perceptions to drive trial - moving consumers from 'Urghh' to 'Mmmm'. Paving the way for future sweet variants.

The results were overwhelmingly positive. In 2012, Philadelphia with Cadbury contributed £9.26m in sales (£6.2m incremental) with low cannibalisation from the existing core brand. Philadelphia with Cadbury achieved outstanding penetration and repeat purchase rates, growing the category, delivering value to our retailers and bringing new consumers to the Philadelphia brand.

All this is remarkable in light of the difficult economic climate and the fact that only one in ten new launches in food and drink get sales above the category average and only 3% of new brands achieve £1m annual sales (Source: IRI/TNS – WARC April 2008). Which PwC exceeded comfortably.

What may have begun as a peculiar new product launch in consumers' eyes has driven serious sales results. We haven't just launched a brand extension; we have created an entirely new sub-category of sweet cream cheese. Proving that Choccy Philly is not so silly after all.

Word Count: 1,996