

Makebelieve Self Tan range



Project title: Makebelieve Self Tan range

Category: 4.0 Packaging

Sub-Category: 4.3 Branded - Other

Client Company: Makebelieve

Design Consultancy: Nude Brand Creation

Current Date: 16th June 2010

nude

Executive summary

This is the story of a David taking on the Goliaths of the self tan industry and beating them by playing a different game. In the spirit of their entrepreneurial ethos, the four directors of packaging design agency Nude Brand Creation launched their very own premium challenger self tan brand Makebelieve.

Makebelieve's positioning and packaging are key to its extraordinary success under the context of a growing market and lack of marketing budgets:

- **312%** retail sales increase
- Listings in Boots outstrips objective by **60%**
- Boots self tan share of market (value) ambition surpassed by **56%**
- Boots self tan self tan share of market (volume) target exceeded by **54%**
- Overall category value and volume more than **doubles** objectives
- Design investment recouped within **first** 4 weeks

Initially launching with a 5-strong product range, by March 2010 the range almost trebled to 13 products. Not only this, but from the outset the plan was to build a brand around a promise that could extend into related indulgent categories. And so in August 2009, Makebelieve launched premium cosmetics range Enhance exclusively at Boots. In a first for the retailer, and true to Makebelieve's roots in the self tan category, Enhance is positioned in the sun care fixture, not the cosmetics counter.

Makebelieve was born out of a desire to do things differently. By not doing 'what they know' and transcending the industry norms, they remain restless, always looking to take the brand to unexpected levels.

And it's working.

Project overview

1. Outline of project brief

In the spirit of their entrepreneurial ethos, the four directors of packaging design agency Nude Brand Creation launched their very own premium self tan brand Makebelieve in April 2006. Here was not only an opportunity to understand every aspect of product development to better service Nude's core client base of premium brands, but also to create a new revenue stream for the directors by building a brand in a market that is growing but that sorely lacks differentiation.

With no marketing budget, the packaging design was seen as the key element that would:

- Achieve **200%** increase in retail sales after three years of trading
- Achieve listings in at least **one quarter** of Boots retail stores nationwide by end 2009
- Achieve **2.5%** share of market within Boots self tan in terms of value by end 2009
- Achieve **1%** share of market within Boots self tan in terms of volume by end 2009
- Outperform the category value by **25%** by end 2009
- Outperform the category volume by **15%** by end 2009

Project overview

2. Description

The starting point was to create a premium challenger self tan brand and product range that breaks the mould and category conventions of the UK premium self tan sector through an emotive approach and clearly differentiated attitude. In a market characterised by clinical, rational benefits, Makebelieve focuses on consumers' beauty aspirations. It targets beauty seekers interested in trying the latest, hottest products. Married to this aspirational approach, the key benefits of the range needed to counter consumers' negative self tan product usage experiences by having a gorgeous smell, natural looking tan without streaks, no artificial colourants, no dyes, rainforest blend, controlled tanning, moisturising skincare properties and instant colour for easy application.

While Nude's four directors continue to be major shareholders in Makebelieve, they have not been actively involved in the day to day running of the business since April 2008. As the brand grows and evolves, Nude's role has been to provide brand design, innovation and NPD consultancy.

From the outset, the plan was to extend the brand with more self-tanning products but also into related indulgent categories such as cosmetics.

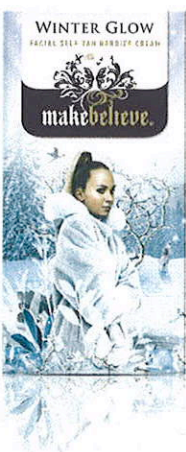
Project overview

Timeline

April 2006 - The Makebelieve self tan range, consisting of 5 products, was launched in April 2006 at Selfridges and its sister stores Brown Thomas Ireland and Holt Renfrew Canada in what was an exclusive contract for the duration of 2006.



October 2006 - Winter Glow Facial Self Tan Barrier Cream

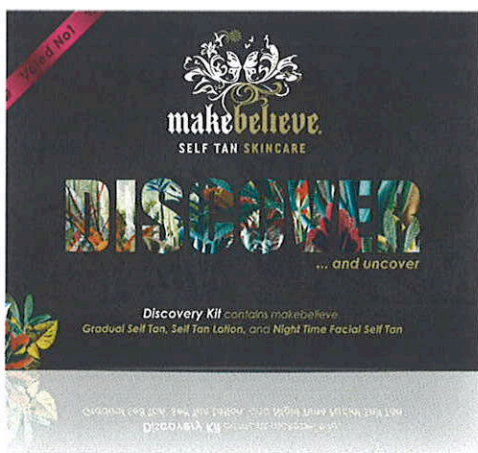


Project overview

Timeline cont.

January 2007 - The range launches in **375** Boots stores, John Lewis and Fenwicks.

January 2008 - As the brand grows three new products.



January 2009 - Three further products were introduced:



Project overview

Timeline cont.

March 2010 - Wash off bronzers in light/medium and medium dark launches at Boots.



By 2009, Boots in the UK accounted for **80%** of Makebelieve's sales. 10% of sales were made up of UK department stores such as John Lewis and House of Fraser and online retailers such as Asos and John & Ginger. International sales in Ireland, Canada, South Africa and New Zealand accounted for the remaining 10%. In April 2010 the brand launched on Next.com and was available on the Ideal Shopping Channel from May 2010.

Project overview

3. Overview of market

According to Datamonitor, the UK self tan sector was worth £28m in 2005, representing 17.5% of the overall suncare market. The study went on to predict that self tanning was set to grow by 60% by 2009 to represent 36% of the overall suncare market, largely due to premium products.

More recently, the UK self tan market increased by 13% in terms of value in the 52 weeks ending November 2009 (Source: IRI).

Given the predicted rise of the premium self tan market Makebelieve's positioning and packaging needed to be the primary vehicles to make an impact in what was becoming a crowded but undifferentiated market.

Boots – The retail power in self tanning

Boots is the number one Health & Beauty retailer in the UK. It dominates the self tan category – around 50% of all self tan products are purchased there. Not only this, but Boots massively overtrades in premium self tan products in that segment. Superdrug accounts for around 20% of self tan purchases and department stores account for 8%. The remaining 22% is a combination of online and independent retailers.

Given this, the primary objective for Makebelieve's success was to achieve significant listings, sales and market penetration at Boots.

Project overview

4. Project launch date

April 2006

5. Size of design budget

£50,000 total design fees for all 13 products in the range from launch to March 2010

6. Outline of design solution

From product formulations and NPD through to brand identity, pack design, website and point of sale – all decisions are around the brand promise that Makebelieve gives consumers the chance to break free from the dull and everyday and escape into a world of make believe, while achieving a professional natural looking tan.

The packaging evokes positive aspirational emotions, is sophisticated, distinctive, eye catching and has sex appeal. Consumers can indulge body and mind in total make believe. The use of a beautiful woman provides reassurance of the product's result – a natural colour with positive skincare benefits.

This is a radical departure from the rationally led, clinical designs typical of the premium self tan market.



Summary of results

312% retail sales increase

Retail sales, without the benefit of any additional marketing support, have been quite simply phenomenal – a 312% increase after three years of trading from the end of 2006 to the end of 2009. This completely blows away the original retail sales objective of 200% increase after three years of trading.

	Total sales	Year on year increase
2009 (Jan-Dec)	£2,523,768	15%
2008 (Jan-Dec)	£2,196,738	164%
2007 (Jan-Dec)	£831,554	36%
2006 (Apr-Dec)	£611,917	

40% of Boots retail stores list Makebelieve – outstrips objective by 60%

Boots is understood to massively overtrade in premium self tan products and its top 300 stores represent 70% of Boots' weighted distribution. A primary goal was to achieve listings in at least one quarter of Boots' 2,500 UK retail stores, and in all 300 top stores, by the end 2009.

The objective had been surpassed by 5% at the end of 2009. Just three months later, Makebelieve had achieved listings in 40% of Boots stores and all top 300 stores – that's 60% more than expected. (Source: Makebelieve internal data, 2009-2010)

	2007 (Jan-Dec)	2008 (Jan-Dec)	2009 (Jan-Dec)	2010 (Jan-Mar)
Number of stores selling Makebelieve	375	525	750	1006
Percentage against Boots total 2,500 stores	15%	21%	30%	40%

Summary of results

3.9% share of market within Boots self tan (value) – surpasses objective by **56%**

Makebelieve set out to achieve 2.5% share of market within Boots self tan in terms of value by the end of 2009. In fact, it achieved a 3.9% value share – surpassing the objective by 56%. (Source: IRI share data, YE 30 November 2009)

1.54% share of market within Boots self tan (volume) – exceeds objective by **54%**

Makebelieve needed to realise a 1% share of market within Boots self tan in terms volume by the end of 2009. It reached 1.54% – exceeding the objective by 54%. (Source: IRI share data, YE 30 November 2009)

Makebelieve achieves **68%** growth within category against overall category growth of **13%** – more than doubles objective (value)

Makebelieve sought to outperform the category by 25% in terms of value by the end of 2009. It had a 68% value against the overall category value of 13%. That's a 55% outperformance and more than double the objective. (Source: IRI Jan-Dec 2009)

Makebelieve achieves **23%** growth against overall category growth of **6%** – more than doubles objective (volume)

Makebelieve also wanted to outperform the category by 15% in terms of volume by the end of 2009. It achieved 23% volume against the overall category volume of 6%, once more surpassing its objective. (Source: IRI Jan-Dec 2009)

Design investment recouped within first month

The £50,000 design investment was recouped within the first month of launch – a remarkable accomplishment since there was no additional marketing support or sales promotions in this period.

No additional funding required to support NPD

At a time when most start-ups were borrowing like crazy, Makebelieve only borrowed at initial launch stage. All NPD from 2007 onwards came from Makebelieve's own cash flow.

Summary of results

Pre-launch consumer research

Makebelieve ran one 3-hour qualitative focus group with a professional moderator. Ten opinion-forming participants aged 24-35 were selected on the basis of their knowledge and influence within the premium fashion and beauty industry, such as fashion designers, beauticians and stylists.

The primary objective of the research was a 'reality check' to confirm the need state of escapism was relevant to the group and their lifestyles. They were presented packaging from key competitors such as St Tropez and Lancaster, followed by Makebelieve's brand proposition, brand mark and three packaging design routes.

The key finding was that competitors' packaging was all of a muchness – focussed on functional benefits. They felt that competitors' emotional benefits were only communicated through advertising. There was a hugely missed opportunity to convey emotional benefits at the point of purchase via the packaging design. Makebelieve's packaging was overwhelmingly perceived to do this, as well as clearly reflecting the brand's positioning and key skincare benefits. This was hugely important for the brand, given that there would be no investment in advertising.

This is what they said about the winning design:

"If that came onto the market I'd pick it up and buy it no matter what the price – it's just so different."

"Looks classy and sexy"

"Not too serious, not too young"

"Makebelieve is a fantasy, a fairy tale"

"We can fantasise in our own way"

Awards and accolades

- **Best New Design and Packaging: Pure Beauty Awards 2007**
- **Nominated Artificial Tanning Launch: Pure Beauty Awards 2009**
Makebelieve's Self Tan Lotion with Bronzer, its best selling product in 2009, was recognised by the Pure Beauty Awards, the UK's leading beauty awards scheme.
- **Best Self Tan and Overall Product 2007 and 2008: How to Look Good Naked**

Testimonials

"I saw the design and thought it was unique and felt that our consumers would love to see it in our stores. I therefore had no second thoughts about taking Makebelieve into our self tan environment."

Hilary Leam, Category Manager, Boots

"Makebelieve is one of the finest self tanning ranges I have found, globally. The Canadian consumers love the products."

Shelley Rozenwald, President, Murale (part of Shoppers Group – number 1 health and beauty retailer in Canada)

Research resources

- Makebelieve internal data, 2006-2010
- Makebelieve focus group results 2005
- IRI
- Datamonitor, 2005
- Cancer Research UK
- Mintel Market Intelligence, 2004
- Mintel Market Intelligence, 2002

Other influencing factors

Marketing

Makebelieve has not spent anything on additional marketing since the initial launch of the brand in April 2006. At that time the business ran two print adverts in Hello and Irish Times announcing the 2006 exclusivity agreement with Selfridges and Brown Thomas.

Promotions

As self tan products are seen as highly desirable, particularly in the summer and over the December holiday season, Boots conducted four one-month long promotions:

- Mid-June – mid-July 2008: buy any Makebelieve product and receive a **free Bronzing Palette.**
- December 2008: buy any Makebelieve product and receive a **free Bronzing Palette.**
- Mid-May – mid-June 2009: **1/3** off price of any product
- December 2009: **1/3** off price of any product

Whilst each of these four one-month long promotions had some impact on brand recognition, they still cannot account for Makebelieve's dramatic year on year success since the April 2006 launch. The 1/3 off promotions were also done for competitive brands such as St Tropez and Lancaster at that time, so Makebelieve didn't derive any benefit over its competitors, as the data on value and volume against overall category suggests.