

Molton Brown Christmas Boxes 2009

4.5 Packaging: Structural

Molton Brown

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Executive summary

Since being introduced 8 years ago, Molton Brown Christmas gift sets have become a regular feature in stores like Selfridges, John Lewis, Heal's and Debenhams. With third-party distribution now greatly exceeding that within their own shops, Molton Brown wanted a box design that would combine practicality with beauty.

While being desirable to customers, the 2009 boxes had to perform to a high standard in terms of their utilization of space and issues of shrinkage caused by damage and loss of components from units used for shelf display.

The 2009 box achieved an 85% sell-through of stock, their best ever.

Meanwhile, sales grew 23%, despite the recessionary environment, another new record!

+23%

Value sales

10%

Less wastage

22 fold

ROI

The Challenge

Deliver seasonal gift packaging sets for Molton Brown desirable enough to maintain the previous year's sales from less shelf space and with less 'shrinkage'.

The Results

In 2009 Molton Brown sold 192k units which equates to an 85% sell-through. As a result, volumes were up 14% in the UK and prices rose 4% on average to £54.

'The best sell through of Christmas boxes we've ever had, and in the end that's the perfect marriage of aesthetic achievement with a commercial one.'

Craig Allen, Creative Director, Molton Brown

The desirability and practicality of the design generated an incremental profit of £1.22m for an investment of £55,000, a return of 22 to 1.

The Effects

- Increased standout and desirability through eye-catching design.
- Estimated 10% reduced wastage as all elements contained within the pack.
- Ease of display & consumer interaction facilitated by the swing door and magnetic clasp.



The Brief

- Design a gift box desirable enough to maintain sales in a recession.
- Improve space utilization with structural design to maintain previous levels of retail display.

Description

Molton Brown have pioneered the Christmas box market since 2002 and they have become a regular Christmas feature in the high-end department store chains.

Overview of the market

Despite their previous successes, with the recessionary environment affecting consumer confidence, retail customers began to doubt the potential for the 2009 boxes to achieve previous years' sales. Alongside this, competition from both high-end brands such as Clinique and Chanel and low cost imitators such as Baylis & Harding was intensifying.

To encourage retailers to maintain their commitment and devote as much shelf space to them the gift box had to address three major objectives:

- Aesthetic appeal, to command a slightly higher price.
- Functionality in transit and efficient space utilization, in-store.
- Cost of goods within £1 of previous years' level.

Project launch date: October 2009

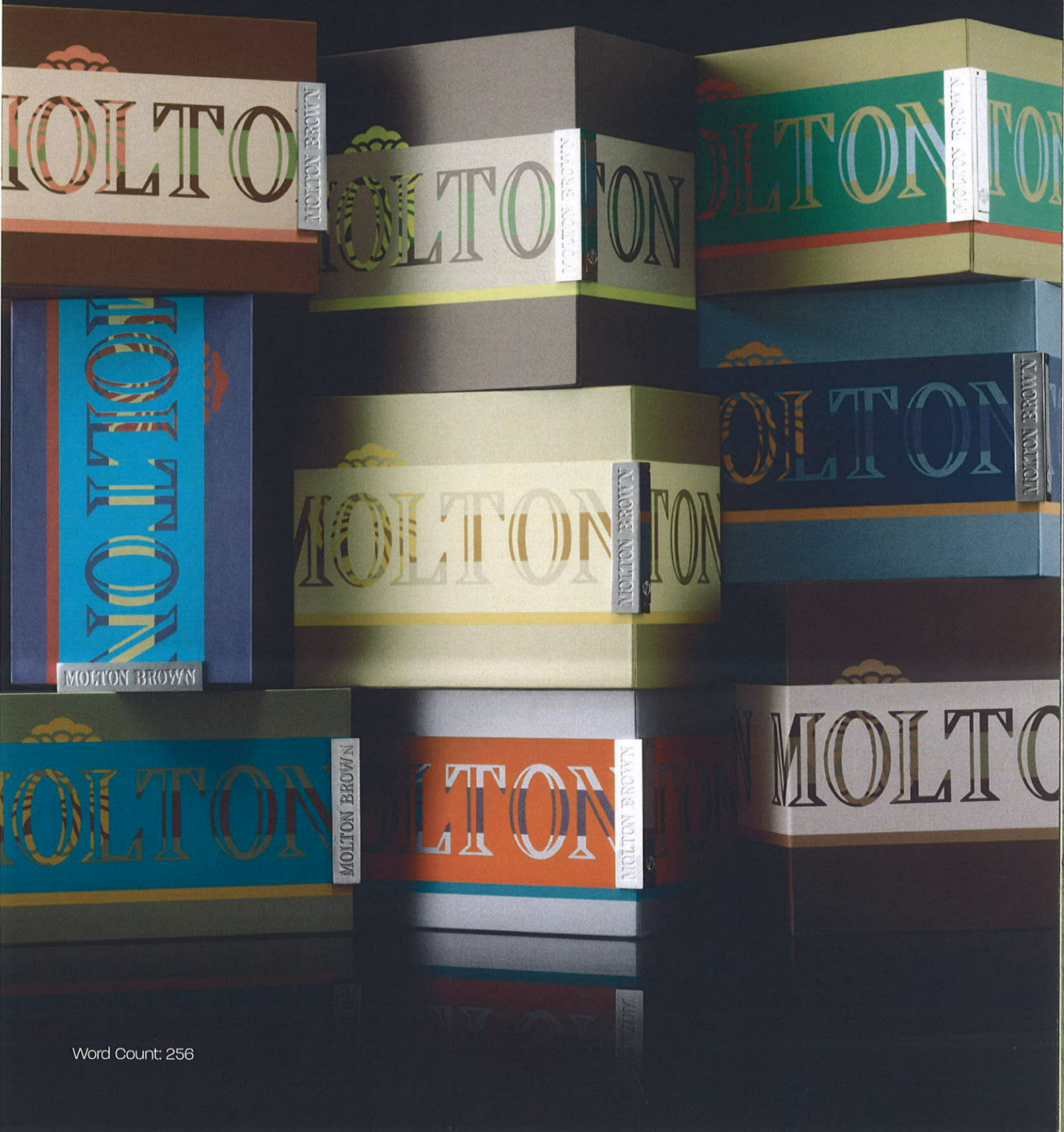
Size of design budget: £55,000



Outline of design solution

The inspiration for the magnetic closure on the 2009 Christmas box came from the idea of a personal diary. With embossing on the clasp, the graphics brought all the elements of the Molton Brown branding – the word mark, band and lotus flower – together in an integrated style.

As well as delivering a unique detail to the pack, the clasp allows the gift sets to be displayed more effectively in store with the door of the pack swinging open to reveal the tray of products within. This allows for increased interaction with the packs in store and yet avoids any loss of products and parts with everything kept together until sale.



Summary of Results

Sales

Sales volumes were up 14% and sales values up 23% from a higher achieved price, despite the recessionary environment and increased competitor activity.

In total, Molton Brown sold 27,200 extra units, an 85% sell-through and reduced stock damage by 10%.

'This is the best sell through of Christmas boxes we have ever had and in the end that's the perfect marrying of an aesthetic achievement with a commercial one.'

Craig Allen, Creative Director, Molton Brown

Functional Benefits

'Amazing box to work with, the best ever in terms of its efficiency in use of space – the footprint was the same as previous years, but the front opening produced a lower height when open for display, which reduced the need to store empty components. This was a major help in smaller concessions, where Christmas boxes are a key component.'

Visual Merchandising Manager, Molton Brown

Functionally, the 2009 box reduced the level of damage and wastage as no element of the box could go missing. This issue was particularly prominent in department stores such as House of Fraser where Molton Brown had stand-alone displays. The ease of display facilitated by the swing door and magnetic clasp enabled display products to be handled by customers and still be good enough to sell.

'Display wise these boxes worked perfectly. The swing door was easy to open, with the ability to make the products visible. Very user friendly and worked well in store as a result.'

Regional Manager, Molton Brown

Distribution

'Increased shelf allocation was achieved after people saw the box. In Selfridges and Harrods, we got shelf space and stood up to the strong brand fragrance sets like Chanel & Clinique.'

Visual Merchandising Manager, Molton Brown

Reusability

The metal clasps also drove reusability of the boxes as they facilitated storage once the products had been enjoyed.

Estimating the ROI

Taking estimated normative margins for the skincare industry of 50%, the growth in sales value will have produced an incremental profit of £1.22m for an investment of £55,000 in design fees, a 22 fold return on investment.

'The Christmas '09 boxes were both practical and innovative. The metal clasp added real value to the overall look and feel of the gift sets, whilst being easy for the stores and customers to use. I think this simplicity of use was instrumental in the higher sale achieved in 2009.'

Jo Jackson, Product Developer, Molton Brown

Prices up to

£54

Sales up by

23%

Damage down by

10%

ROI

22 fold



Research sources

- 1 Molton Brown internal data.
- 2 Personal communication from telephone interview.
- 3 There has never been any promotional offers or advertising for Molton Brown. Their success has been built on quality products and beautiful packaging good enough to command both prominent shelf display and off-shelf feature in high end stores.

