



DBA DESIGN EFFECTIVENESS AWARDS 2010

Project Title: Isklar Natural Mineral Water
Category: 4.0 Packaging
Sub Category: 4.5 Structural
Client Company: Isklar AS
Design Consultancy: Blue Marlin
Current Date: 03 June 2010

bluemarlin

EXECUTIVE SUMMARY

In 2007 the founders of Isklar approached Blue Marlin with a one word brief: "Wow". They had found one of the world's purest waters and knew they needed a truly show-stopping bottle to make an impact in the fiercely competitive UK mineral water market. Isklar had to convince retailers that it was worth embracing a new brand and compel consumers to try it. The design had to convey and justify its everyday premium positioning just as the economy took a downward turn and the media backlash against bottled water gathered momentum.

The UK mineral water market was saturated and shrinking. Isklar was up against household names that had been around for decades, had multimillion pound marketing budgets and across the board distribution. Isklar had an Everest to climb.

Isklar is now the second fastest growing brand in the UK mineral water market, racking up growth of over 600 per cent in the year to April 2010. It has gained listings in most major multiples, achieved sales of almost £2m a year and maintained a price premium despite tough economic and category conditions. The total bottled water market shrank by 11 per cent between 2006 and 2008 and by one per cent in 2009 making Isklar's performance all the more impressive.

Independent market research shows that consumers rate the bottle as the most distinctive in the market and worth paying more for.

Isklar's determination to be one of the most environmentally responsible brands in Europe meant the bottle had to be structurally unique as well as beautiful and commercially effective. It is now considered one of the most environmentally friendly mineral waters on the market.

274 words

PROJECT OVERVIEW

Outline of Project Brief

Isklar needed a bottle design that would wow everyone who saw it, from busy trade buyers to savvy consumers, who were also feeling the affects of the credit crunch. The design had to work hard to achieve a challenging set of objectives:

- Stand out in an overcrowded market
- Gain distribution in major multiples
- Justify its premium price point in an increasingly commoditised category
- Drive sales
- Reflect the product's glacial origins

Description

Isklar hails from one of the most pristine and remote areas on earth, the Hardanger region in Norway. The water is drawn from underneath the 6,000-year-old Folgefonna glacier, which inspired the core brand ideas: dazzling, unexpected, magical, enchanting and breathtaking. Isklar means ice clear in Norwegian and its founders were completely clear on sustainability. They were determined to create the most ecologically friendly bottled water on the market and insisted that every facet of the business was as sustainable as possible.

Overview of Market

The UK bottled water market is worth £1.9bn. Concerns over the environmental impact of bottling and transporting water have become an increasingly important issue and there has been a significant behavioural shift amongst consumers to choosing plain tap water over bottled. In addition the economic downturn hit bottled water sales early and has continued to have a depressing affect on sales. Sales fell by 11 per cent between 2006 and 2008 and by one per cent in 2009; the market is forecast to resume steady growth in 2011 and volumes will not return to 2007 levels until 2014.

Bottled water is a very crowded and fiercely competitive market, dominated by major players with deep pockets. Danone, Highland Spring and Nestle own the leading five brands, all of which are well established in mainstream national distribution and backed by huge advertising budgets. Compared with the heavy hitters, Isklar is a small fish and on paper its chances of gaining a foothold in the UK looked slim. In context, its success has been remarkable.

Water has become more of a commodity market with promotion and deep discounting being the category norm. Premium positioning is nigh on impossible to maintain as retailers demand promotional incentives and consumer loyalty is low. Considering the market conditions Isklar's success in creating and maintaining premium positioning is all the more impressive.

Project Launch Date

Isklar launched in the UK in April 2008.

Size of Design Budget

The design budget was £250,000, which covered new brand development, strategic planning, brand positioning brand expression, brand story, graphics development, structural development and prototyping, manufacturing and production audits, realisation, brand guidelines, character development, fleet livery, trade presentations, website and point of sale materials.

Outline of Design Solution

Blue Marlin's first task was to define the brand proposition, which is all about Norwegian glacial natural mineral water of exceptional purity. We summed it up as "glacial purity". The overall design is a stunning encapsulation of that positioning, based on the core brand ideas: dazzling, unexpected, enchanting, magical and breathtaking.

The brand identity and bottle design take inspiration from Isklar's source: the pristine wilderness of one of Norway's oldest glaciers. The brand marque includes a faceted brand icon composed of lighter to deeper shades of ice blue, which echo the blue of compacted glacier ice, rising above a distinctive angular typeface inspired by the structure of glacier ice.

The label blends seamlessly into the bottle structure to convey contemporary sophistication and purity. The bottle is unique. Faceted to reflect Isklar's glacial provenance, it is not only beautiful, but structurally exceptional. Initially, manufacturers said it couldn't be done, but our perseverance, creativity and ingenuity prevailed to create an object of desire that is aesthetically pleasing and very distinctive.

The design was independently endorsed by the 2008 Water Innovation Awards, the most prestigious global bottled water competition, where Isklar won the highest accolade of Best Overall Concept and was winner of the Gold Award; it also picked up the Silver Award for

Best Newcomer. Since then it has collected a brace of design awards in the UK and internationally.

Independent market research, conducted by Market Measures, showed that Isklar had more distinctive packaging and better standout than any other major water brand in grocery in the UK. It also confirmed that consumers felt it was worth paying more for.

The bottle design has subsequently become the hero of all communications. It is central to and features heavily in all Isklar's advertising and communications.

292 words

SUMMARY OF RESULTS

ONE OF THE FASTEST GROWING BRANDS IN BOTTLED WATER

Isklar grew by over 619 per cent in value terms in the 52 weeks to 24 April 2010, which made it the second fastest growing brand in the market. The fastest growing was Abbey Well, which was acquired by Coca Cola in November 2008 and relaunched in spring 2009 backed by the might of Coke and an extensive advertising, marketing, PR and promotional campaign. It achieved growth of 12,000 per cent, but from an almost nil sales base.

INCREASE IN SALES

Isklar achieved respectable first year sales of 540,400 litres, which increased to over 3m litres in year two. By 24 April 2010 its value sales had soared to almost £2m a year. As a percentage share of the market it may be relatively small, but it has been achieved against a background of economic downturn, the environmental backlash against bottled water, fierce competitive pressure and a market that has been shrinking rather than growing.

INCREASES IN MARKET DISTRIBUTION

Isklar has now gained listings in most of the major multiples. It is now also listed in Harrods, Harvey Nichols, Whole Foods, Boots, Shell, Esso, Total and many more national chains.

CHANGES IN PERCEPTION

Independent research conducted by Market Measures showed that Isklar's packaging significantly out-scored ALL other mineral water brands on the following measures: stands out more on shelf than any other bottled water; looks truly different to all other brands; looks sophisticated, modern and up to date and is worth paying more for.

AWARDS

- GRAMIA Diamond Award 2009
- Pentawards Gold 2009
- UK Packaging Award 2009
- Water Innovation Award Best Newcomer Silver 2008
- Water Innovation Award Best Overall Concept Gold 2008
- Water Innovation Award Best Environmental Initiative Silver 2008
- FAB Awards finalist 2009

RESEARCH RESOURCES

- Mintel, Bottled Water Report 2009
- Water Aid 2009
- TNS October 2009
- Britvic Soft Drinks Report
- AC Nielsen
- Market Measures 2009
- talkingretail.com

OTHER INFLUENCING FACTORS

Was it advertising?

It is worth noting that Isklar's packaging features prominently in all its advertising. Isklar has invested in seasonal bursts of TV, press and poster advertising to maximise the impact of a limited budget. Its total advertising spend in 2009 was less than £900,000 – compare this to the £6m a year individual competitors routinely spend. Advertising has undoubtedly contributed to awareness, but Isklar's bottle has been the only consistent year round marketing presence and is therefore responsible for its consistent growth in sales.

Was it promotion?

Isklar has managed to maintain a premium price point despite category-wide deep discounting. Price promotion is the norm in bottled water. All major brands engage in promotion at the retailers' behest and, naturally, Isklar too has had to incentivise and satisfy retailers in line with market activity. However, it has kept to a higher price point overall and arguably promotion has little overall affect as it has become standard.

Was it PR?

PR concentrated on three core sampling events in 2009 and like advertising it has contributed to awareness, but has not been responsible for consistent and sustained growth.