INNOVATION OF BERTOLLI PASTA SAUCES

FOEKE KOLFF

Executive summary

This graduation thesis was developed for Bertolli, a brand of Italian food products with a strong position in pasta sauces. However, the development of ambient pasta sauces is stagnating due to multiple factors. The fact that scratch cooking with fresh ingredients is becoming more popular, which accelerated during COVID times, and the increased variation and offerings of other kitchen types are the main drivers of this trend.

Over the years, consumer habits and needs related to food and cooking are shifting due to demographical and social-economical developments. There is an increasing need for convenient and healthy products in the Fast Moving Consumer Goods (FMCG) market. People are looking for products that are both healthy and save them time and effort in their daily lives. This trend is particularly relevant for the large and growing number of single households in the Netherlands.

In this graduation thesis, a pasta sauce line, called Rustica, has been developed for the brand Bertolli. The main goal of the project was to design a new pasta sauce proposition that helps Bertolli to become THE leading Italian food brand. An extensive iterative design process using multiple design methods has been applied to achieve the goal.

The project started with a broad analysis, including desk research and empirical research, followed by an ideation and a concept development phase. In the last phase, the concept was tested quantitatively and all learnings were combined in a launch plan for the Rustica line.

The final result is a concept consisting of a line of four pasta sauce variants for one or two-person households that meet the demand for convenient and healthy products. It covers the positioning, pricing strategy, packaging design, recipes, business potential and a launch plan.

Preface

Dear reader,

First, I would like to thank all the people of Enrico Food who have supported me during the past five months and were always ready to help. I immediately felt welcome and part of the team. It was educational, interesting and fun to be immersed in the world of Italian pasta sauces.

I want to thank Aleks and Danique in particular, for providing me with the opportunity to work on this challenging project. Both of you have been of great support throughout the whole project. I had the freedom to set up the project myself and come up with my own ideas, from which I learned a lot. Your experience and strategic knowledge were a great source of inspiration and education. The clear and honest feedback helped me tremendously and brought the project to a higher level.

Additionally, I would like to thank the supervisory team Pinar and Sijia, who have mentored me through all the project stages. I enjoyed all our meetings as you were sincerely interested in the project and were always excited to see how I had progressed. It was an honour to be mentored by both of you.

Lastly, I would like to thank all volunteers who participated in the interviews. I enjoyed all the fun moments we shared when discussing the best pasta sauces.

Enjoy reading!

Foeke Kolff


Bring Tuscany To Your
SINCE 1865
BERTOLLI
DAL 1865
NEW
1/2 THE FAT & CALORIES
MADE WITH CAULIFLOWER & MILK
CREAMY ALFREDO SAUCE
NET WT 15.2 OZ (431g)

Contents

‘YOU CAN’T GO WRONG WITH PASTA …… BUT IT SURE HELPS IF YOU HAVE THE RIGHT SUPPORT’

– In-home interview respondent –

Thesis introduction

For years, Italian cuisine and especially pasta's have been a great source of inspiration for the Dutch consumer. It is an easy way to prepare a delicious meal that is nutritious and liked by almost everyone. Many consumers indicate that 'you can't go wrong with pasta'. The Italian cuisine is the most popular cuisine in the netherlands after the Dutch.

However, in the last decade, many new cuisines have won popularity in the Dutch market at the expense of the Italian kitchen. Besides, COVID times have made scratch cooking more popular. Instead of using ready-made products, people turned to cooking a meal from scratch with unprocessed ingredients. These trends resulted in stagnating growth of the category of ready-to-eat pasta sauces. As the overall fast-moving consumer goods (FMCG) market is growing, the category is losing market share.

Bertolli is a key player in the Mediterranean category and is active in seven different sub-categories. The company's priority is to innovate its portfolio to accelerate growth of the brand by responding to recent consumer trends and needs. This thesis describes the innovation process of a pasta sauce for Bertolli that led to the 'Rustica' pasta sauce range. A line of pasta sauces for one or two-person households that meet the demand for convenient and healthy products.

Project strategy

The structure of a double diamond design approach has been used for the overall process of the project. This approach includes a discover/define part and a develop/deliver part.

The discover/define part consisted of an analysis and empirical research phases. The analysis phase includes an extensive literature study of the historical development, recent consumer trends, and the role of branding within the domain of food and eating. This phase also includes an analysis of the context, company, competitors, and consumers (4C analysis).

The empirical research phase comprised inhouse and focus group interviews to retrieve consumer insights. The in-house interviews functioned as a way to explore the topic of food preparation in single households. The focus group interviews were held to further deepen the insights and to discuss possible concept ideas. The conclusions of the literature research and the insights of the interviews resulted in a program of requirements.

The develop/deliver part consisted of ideation, product development and the delivery of a final concept with a launch plan. The ideation generated many concepts of which one has been selected to further develop. The development phase included many iterations on the business side of the concept as well as on the recipe and design. These iterations led to a final concept with a launch plan.

Project stakeholders

TU Delft – Faculty of Industrial Design Engineering

The faculty requires a graduation project to test if the student has obtained the right level of knowledge and design skills. The student can choose a graduation subject/topic that he/she is interested in and show his/her skills and knowledge that are needed to become an engineer at Delft University of Technology.

TU Delft – Supervisory team

The supervisory team guides the student during the whole process of graduation. Every three weeks a coach meeting is planned to discuss the progress of the project and to assess whether the right choices have been made to allow the student to continue. The supervisory team will assess the project on the set requirements of the faculty.

User/Consumer

The designed product needs to fulfill a need of the selected target group. This group needs to be well understood to enable the design of a concept that will fulfill their needs. The user is the central point of reference during the whole process to achieve the best possible result.

Enrico Food - Bertolli

Enrico Food is the company that provided the graduation assignment. They have a supervisory role during the graduation project as well. The brand Bertolli is part of Enrico Food, which owns and sells multiple European Mediterranean brands. Enrico has 35 employees working from their office in Weesp, Noord-Holland. The graduation was executed at the office of Enrico Food together with the Bertolli team. There were daily progress meetings with Bertolli's team to discuss the project's progress. Their resources and experience were of great value during the design process.

Manufacturer

The pasta sauces will be manufactured by a food company that produces vegetables and legumes packaged in glass jars and pouches. Every two weeks a meeting was set up to discuss the project, its feasibility and to check if deadlines could be met. These meetings were fruitful as they ensured that Bertolli and the manufacturer were aligned throughout the project.

Student

I am a stakeholder in this process as I have the opportunity to showcase the knowledge and design skills that I have obtained during my education in Delft. In addition, the project enabled me to develop myself as a designer in the FMCG field, where I could learn from professionals. Finally, this project also let me experience what it is like to work in real life for a company and deal with different stakeholders during the development of a new product.

Methods

The Double Diamond Design method was used for the project's overall structure. It created clarity throughout the project as it was clear when and which decisions needed to be taken for every phase and enabled the project to progress at the right pace.

During the four phases of this approach, several design methods have been used to develop new directions for the concept. In addition, the design methods helped to create new unique ideas that are different from the company's current views.

Delft Design Guide
The Delft Design Guide is a compilation of design approaches and methods that have been used throughout the four phases of the project. These methods helped with making decisions, working efficiently, and clear communication of the project in a complex design environment.

Bipolarity technique of Roland van der Vorst, Contrarian branding
Creating bipolarity is a technique to reframe the positioning of a brand to make it stand out from the competition. This technique has helped sharpen Bertolli's positioning to set the brand apart from its competitors.

4C Analysis
Methods of the 4C analysis have been used. Not all steps of this model have been followed strictly, but the method was very helpful for analyzing the context, company, competitors, and consumers. It also brought together the building blocks for the positioning of the concept that is in line with the overall strategy of Bertolli.

Objective

Project assignment - Design a new product line of pasta sauces that Bertolli can launch in the Dutch market in 2023. The product line should include multiple variants which are to be qualified in qualitative and quantitative research. The goal of this project is a detailed brief for packaging design, product formulation, pricing, and a launch plan that enable a profitable business case.

Project Aim

Bertolli wants to innovate in the segment of pasta sauces as this is their core product category. The brand has the ambition to become the leading Italian food brand by making all the good things of the Italian kitchen accessible. Innovation is needed to grow their core business and to meet their ambitions.

This project aims to design a new pasta sauce proposition that helps Bertolli become THE leading Italian brand. There is a need to understand which target group has the highest potential for Bertolli. Furthermore, it is important to know what is essential to this target audience and how to reach them appropriately. Consumer research should therefore be executed to retrieve insights from the target group on which the new pasta sauce proposition will be based.

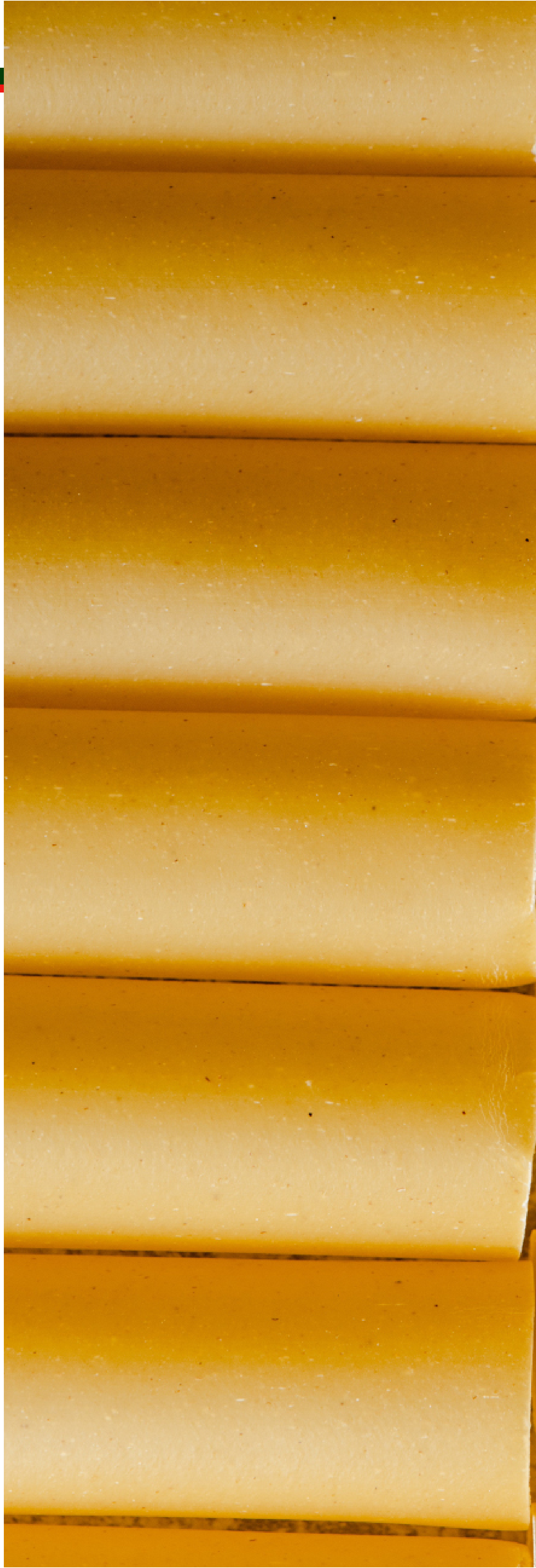
Summary

Project context
This project is in collaboration with Bertolli, a brand that Enrico Food took over in 2021. The ambition of the brand is to become the leading Italian food brand by making all the good things of the Italian kitchen accessible. Therefore, Innovation is needed to grow their core business in order to meet their ambition.

Project Objective & Approach
The project objective of this project has been formulated into an assignment:

Design a new product line of pasta sauces that Bertolli can launch in the Dutch market in 2023. The product line should include multiple variants which are to be qualified in qualitative and quantitative research. The goal of this project is a detailed brief for packaging design, product formulation, pricing, and a launch plan that enable a profitable business case.

The Double Diamond Design method was used for the project's overall structure.
During the four phases of this approach, several design methods have been used to develop new directions for the concept. First, literature and empirical research were conducted, after which ideation and concept development took place. These steps resulted in a new pasta sauce line that meets the requirements of the set objective.



Analysis

The analysis aims to create an understanding of the domain in order to develop an innovative proposition for Bertolli. This chapter exists out of a literature review of different subjects. Some parts provide general background information but were crucial for the final result. The final part provides a conclusion and possible requirements for the product.

Literature Review

The literature review is an overview of the conducted literature research regarding product innovation with a focus on food products. The research goal is to answer topics and questions that are relevant to the project. The competition, consumer, context, and company are analysed to create a strategy for the concept that helps Bertolli reach its goal of becoming THE leading Italian food brand.

Literature Review Consumer needs and trends in eating and cooking

The importance of food and nutrition for a long and healthy life is recently becoming more evident. Studies that investigate drivers of health and living longer show "that a diet of soy and beans, eaten moderately, is common in societies where people live on average 10-15 years longer than average" (Buettner, 2015)

The Mediterranean diet, as described by Keys (cited in Kastorini et al., 2011), consists of a high quantity of grains, low/ non-saturated fats (olive oil), vegetables, fruits, little amounts of red meat, and moderate consumption of fish or poultry. The effects of this diet on health have been extensively studied and revealed a beneficial effect on mortality from heart problems and cancer and a beneficial effect on type 2 diabetes, obesity, and the metabolic syndrome and its components:
Waist circumference, cholesterol, and blood pressure). (Kastorini et al, 2011)

The evidence that food has a positive effect on health and living longer is reflected in the most important consumer trends with respect to food and nutrition.

There is a growing need for transparency. Consumers increasingly want to understand where and how food products are manufactured: for 25% of consumers, it is important to know where their food comes from. Products and brands that communicate clearly about their origins enjoy consumer preference (IFIC, 2020).

The interest in organic and biological products is growing, as demonstrated by the strong increase in environmental, organic, and biological labels (Gruère, 2014).

Plant-based food is gaining ground. Manufacturers like Unilever (Vegetarian Butcher) and Nestlé (Garden Gourmet) actively marketing plant-based meat alternatives. In the US, this leads to year-on-year double-digit market growth as consumers eat more protein from plant sources, more plant-based dairy, and more plant-based meat alternatives (Balderrama, 2021).

Avoiding unwanted ingredients and/or perceived allergens is increasingly popular. On the one hand, this is related to health and dieting when people want to avoid carbs, gluten, nuts, or other ingredients. On the other hand, avoidance of animal-based products for climate change or humane reasons is growing as well. Among non-meat eaters, 70% for humane reasons; 59% for climate change reasons. Among flexitarians, health is the key driver. (IRI , 2021)

Food products that help to manage and treat conditions are gaining interest. Consumers turn to food products for weight control, hypertension, stress, cholesterol management and other health issues. Natural ingredients such as fibres, superfruits, green tea, avocado and nuts are the most sought after (Balderrama, 2021).

Literature Review The value of home cooking

Home cooking is declining in Western societies. In all Western societies, the time spent on household and cooking has been declining for years (Plessz & Étilé, 2018). This is partly due to changing habits, e.g. eating out more often, but also driven by the availability of appliances and products that shorten food preparation time (Gershuny & Harms, 2016).

Also in the Netherlands, this trend is apparent, although the average time spent on eating at home (i.e., not the time to prepare food) seems to stabilize in recent years.

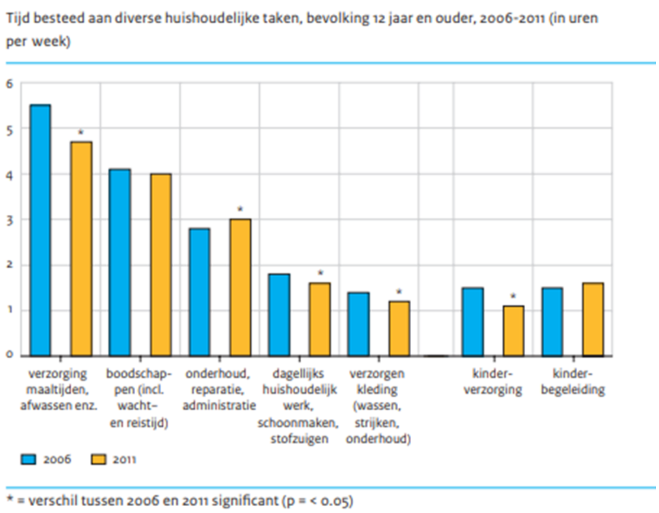


Figure C2.01 - Time spend on household task (Boer et al., 2018)

The decline in food preparation time is driven by an increase in the number of people who once a week don't feel like cooking. This percentage has grown from 35% (2019) to 50% (2021). The end of the COVID restrictions are expected to further fuel this development.

Persoonlijke tijd: de tijd besteed aan bedrust, eten en drinken, wassen en overige verzorging, personen van 12 jaar en ouder, 1975-2005 en 2006-2016 (in uren per week)[a]

	1975	1985	1995	2005	2006	2011	2016
bedrust	60,5	59,4	59,4	60,3	58,6	59,5	**59,2**
eten en drinken (thuis)	9,1	8,8	8,2	8,2	10,8	10,6	11,1
wassen en overige verzorging	5,7	5,9	6,2	6,6	6,2	6,2	**7,1**

Vet = verschil tussen 2006 en 2016 is significant (p < 0,05).

a Omdat bijna alle respondenten ten minste op één moment van de week in deze activiteiten participeren, rapporteren we hier de deelnamecijfers en de gemiddelde tijdsbesteding van de deelnemers niet.

Bron: SCP (TBO 1975-2005), SCP (TBO'06), SCP/CBS (TBO'11 en '16), gewogen gegevens

Figure C2.02 - Time spend on eating (Boer et al., 2018)

Among younger generations, the decline of home cooking is the strongest. Home delivery and eating out are growing among people between 25 and 40 years old (34% regularly order food or eat out). They don't want to cook themselves too often, but still want to eat healthy and tasty (FSIN, n.d).

Literature Review Home cooking is beneficial for health, social contacts, and family economics

Qualitative research suggests that cooking meals at home helps people to control their food supply, the quality of it and at the same time has social benefits such as connecting with others. When cooking with others, helps to explore other food cultures (Simmons & Chapman, 2012). The general consensus of other qualitative and quantitative studies lists health benefits: Health improvement, dietary benefits, and improvement in Body Mass Index (BMI), as well as social-cultural benefits like closer personal relationships and strengthened cultural and gender identity. As factors determining home cooking, gender, greater time availability and employment, close personal relationships, and culture and ethnic background were identified (Mills et al., 2017)

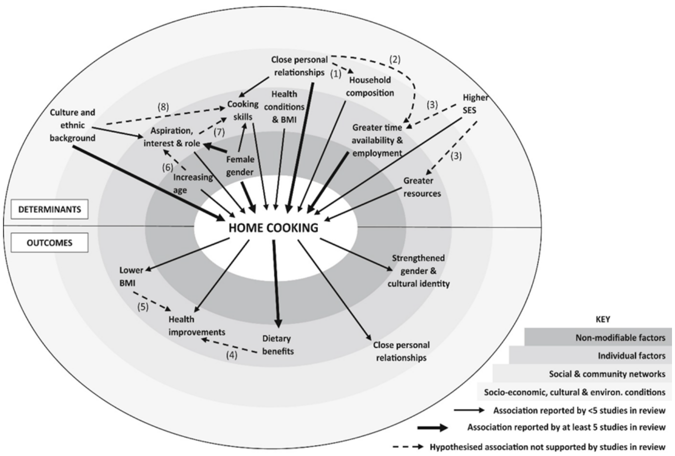


Figure C2.03 - Home cooking determinants (Mills et al., 2017)

Literature Review Role of brands in mature markets and in relation to food

Brands as well as food retailers can positively impact eating habits

Retailers can also have a positive impact on consumer (food) buying and eating behaviour. They can do this by giving more shelf space to healthier products, attractive pricing and offering price promotions in store (Guèvremont, 2020). Attractive pricing and price promotions are found to have the most considerable effect on consumer buying behaviour. Thus retailers are found to be able "to play an important role in shaping dietary habits that contribute to obesity and other chronic diseases" cited (Hecht et al., 2020). Manufacturers and brands can again stimulate this via their trade terms (Hecht et al., 2020).

To win in a saturated market, various strategies have been proven effective

The Food Market in which Bertolli operates is a highly mature market, although in recent years, the market is still growing in value but not in volume (NielsenIQ, 2022)

Brands grow because they focus on getting new customers

Byron Sharp argues that brands benefit more from focusing on getting light users and non-users into the franchise than existing users. This is based on research that indicates that consumers hardly ever become totally loyal and only returns to a brand as it is more convenient for them (Sharp, 2019).

Brands grow because they have more mental and physical availability

As convenience is such an important driver of the purchase decision, making it easy for consumers to recall, find and buy the brand is crucial. Brands have to be easily recognizable and distinctive. This means that brands should cherish their heritage and physical assets (packaging, logo, house style) as opposed to changing it whenever a new trend becomes popular. This is crucial for maintaining a top of mind brain position. Next to this mental availability, also the physical one is essential. Brands should therefore strive for large distribution, omnipresent visibility and continuous media presence (Sharp, 2019).

Roland van der Vorst

The strategy recommended by Roland van der Vorst, is to make a brand stand out by positioning it radically different from the competition. By defining the brands' context in a radically different way, the brand is enabled to take an extreme position, clearly differentiating it from its competitors (Vorst,2017).

Literature Review Packaging

Packaging has an influence on the consumers' attention towards a brand. The packaging can increase the image and the consumers' product perception. (Rundh, 2005)

Packaging design has proven to be more effective than an advertisement because packaging not only stimulates the purchase decision in store but also every time the product is used. (Raheem et al.,2015)

(Lee and Hoffman, 2016, cited in Mohamed et al., 2018) categorize packaging design into two categories which are visual and informational elements. Visual elements are graphics, colours, shapes, and fonts. The informational elements are the facts that are communicated on the packaging as ingredients and usage.

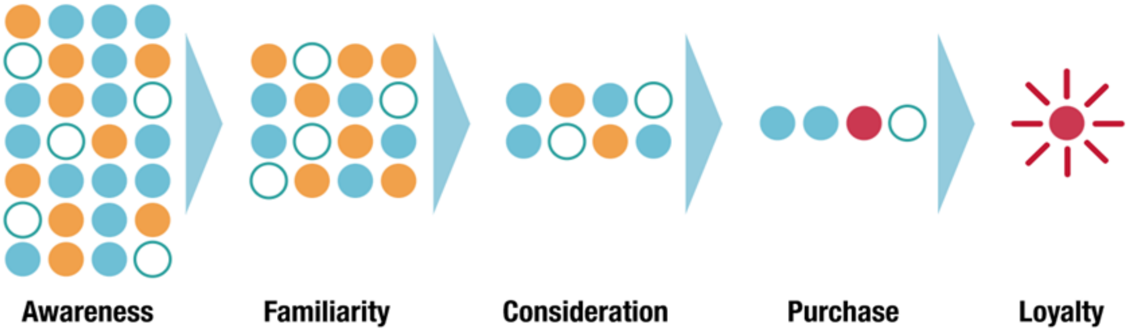
New package designs helps in shaping a differentiation from competitors of a brand (Mohamed et al., 2018) Within today's competitive environment, the most important marketing tool to overcome this challenge is the product package design which can persuade people at the point of purchase in stores where products are presented on the shelves.

How are consumers convinced to purchase a brand?

The stages consumers go through before purchasing the brand, have been studied to identify how elements of the proposition impact this process.

The decision process is impacted by many factors, such as the individual buying and using the product, the value, the (perceived) benefit and the risk when buying the product. Assael (1984, cited in Kottler) identifies four types of buying behaviours using

Figure C2.05 - AFCPL model (Elzinga et al , 2009)



level of involvement and level of brand differentiation as determining factors.

Marin et al. (2015) discern extended decisions – for complex or expensive products for which relatively long time is taken; limited decisions for buying products with moderate risk for which a smaller amount of time is spent and routine decisions for which the consumer wants to lose as little time as possible. These routine decisions are driven by loyalty and/or inertia. Inertia is regarded here as a consequence of little differentiation between brands (and the opportunity for a new brand to break through this).

Santos, S. and Goncalves, H.M. (2021) describe how the process can be looked at from different angles. Kottler (1999), Solomon (cited in Marin (2015)) and Lemon & Verhoef (2016) identify five different actions of the consumer:

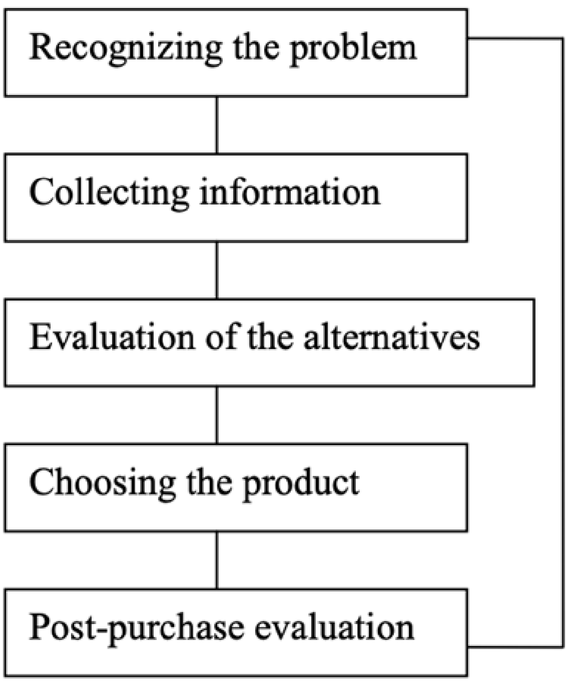


Figure C2.04 - five stages of consumer decision journey (Santos, S., & Gonçalves, H. M. ,2021)

Another model is based on the AIDA model (Attention, Interest, Desire, Action), which was introduced in 1900 by Lewis and was first coined in advertising studies by Strong (1925). This model, which most marketing organizations use, mentions five stages of consumer mindset, also called the hierarchy of effects model. The model has been further explored and optimized, incorporating the effects of new technologies and shopping channels by such as De Bruyn & Lilien (2008), Elzinga et al (2009) and Wijaya (2015).

In many consumer goods companies, these stages are measured regularly in trackers that report one or more of the following KPIs (Kall, 2021).

- Aided brand awareness
- Spontaneous Brand awareness (as an indicator for familiarity)
- Brand consideration
- Brand preference and/or Brand Purchase intent
- Penetration rate as an indicator for Brand purchase and Trial purchase as an indicator for newly introduced brands.
- Brand preference and/or Net Promotor Score (as an indicator for loyalty)

The growing importance of the internet as an information provider and shopping platform has impacted consumer buying behaviour. However, this model is still being used, sometimes adding a sixth stage: Brand advocacy, as an additional step after loyalty (Vázques et al., 2014).

Brand Awareness

According to Hoyer & Brown (1990), brand awareness is defined “as a rudimentary level of brand knowledge involving, at the least, recognition of the brand name”.

According to Kall (2021) awareness is especially important in the case of fast moving consumer goods (FMCG) as there is strong correlation between spontaneous awareness and a brand’s market share.

It is the crucial first stage in the funnel, without which brand attitude cannot be built. (Rossiter & Percy,1987, cited in Macdonald and Sharp, 2003). Consumers will never consider a brand if they are not aware of it, and communication efforts make no sense if there is no brand awareness (Rossiter, Percy & Donovan, 1991).

It is important for a brand to have a higher awareness than other brands in the consideration set, and it is even more valuable for a brand to have a high top-of-mind awareness (i.e. the first brand name that is spontaneously mentioned when asked to name brands of a specific category). When a brand comes to mind more quickly than other brands, consumers have a relatively higher intention to purchase the brand as well as a higher actual purchase (Woodside & Wilson, 1985 cited in Macdonald and Sharp, 2003).

One reason why high awareness leads to higher purchases is that consumers who are already aware of a brand will not consider less well-known alternative brands when making their purchase decision. More over, when consumers know a brand, they will more easily choose it, even when they are offered better alternatives (Hoyer & Brown, 1990).

Factors that influence brand awareness

A strong brand positioning that is really different from its competitors is a key element to building brand awareness. Focusing on the key attributes and advantages versus competitors in communication is essential. (Aaker, 2009). Continuous investment in advertising and promotion of the brand focusing on the brand’s promise and its competitive advantage, even in difficult times it is essential to maintain and grow brand awareness (Latif, Islam & Noor, 2014).

Brand consideration - Factors that influence brand consideration

Brand consideration is strongly influenced by advertising. This particularly applies to the mature packaged (consumer) goods markets. The level of advertising needs to be finely balanced as the effect above a certain satiation level diminishes or disappears. (Terui, Ban & Allenby, 2011).

Next to communication via media (advertising), point of sale communication has a direct effect on consideration to buy. In some studies, this effect is found as the most important one, and advertisingas the second most important factor (Baxendale et al., 2015). Point-of-sale communication methods, such as in-store display and promotion support, are found to strongly affect brand consideration (Van Nierop et al., 2010). Attractive packaging design is an essential element of point-of-sale communication and thus drives brand consideration.

Brand purchase

Where advertising is found to have a positive effect on brand consideration, no direct impact could be found on brand utility and purchase of the brand (Terui, Ban & Allenby, 2011). However, promotion, price and brand image do have a positive effect on brand purchase decisions (Hermiyenti & Wardi, 2019) and according to Kall (2021), packaging and brand communication are also effective drivers of the brand purchase decision. The previous paragraph reviewed the importance and drivers of brand awareness. The fact that brand awareness is an important driver of the brand purchase decision (Ambalau, 2015) further underscores how important it is for brands to prioritise brand awareness.

How can packaging design build brand preferences?

A study about the effects of brand design on brand perception states that “brand design elements are names, signs and symbols that identify and differentiate the brand, and include brand name, logo shape, colour and type font” (Lieven et al., 2015, p. 147)

The shape of a logo influences the perception of a brand. People perceive an angular heavier logo shape as more masculine and round, slender logo shape as more feminine (Lieven et al., 2015). The study shows that congruence between the brand and the product category enhance preferences. (e.g. a feminine brand in a feminine product category).

The shape of a logo, angular or rounded, is regarded as the factor that has a major influence on consumers' attitude towards a brand. In a study where new logo designs for a brand were evaluated by committed and weakly-committed consumers of those brands, it was found that a change to the shape of the logo had a negative impact on the brand attitude among committed consumers. With weakly committed people, the effect was the opposite: they became more positive. (Walsh & Mittal, 2010)

Literature Review Conclusions

In the Netherlands, next to traditional potato dishes, the Asian kitchen was the first foreign cuisine to become wide spread. Since then, the Mediterranean and particularly Italian kitchen has become most popular. The Mediterranean kitchen, with honest ingredients and many vegetables, has proven to have substantial health benefits. This is also reflected in consumer trends where the need for transparency in ingredients and plant based food are increasingly important. These needs have been taken into account in the concept development.

Although consumers wish to eat more healthy food, they only do this if it is made convenient for them. As the time spent on home cooking is decreasing, cooking meals shouldn't take up much time. Also, it should be easy to buy healthy products, which is why retailers can stimulate healthy diets via their promotion and pricing. Convenience of the product as well as an attractive retail strategy are therefore key elements of the concept.

In a mature market, such as the food market, brands need to have clear strategy for attracting consumers to their brand. Selecting the right target group is important to have sufficient business potential. Distinctiveness is essential to help consumers understand the added value of a specific brand versus its competitors. Specific attention is paid to this in the analysis phases prior to the concept development.

Packaging design and innovative propositions play an important role in building brand awareness and consideration, two key drivers of brand market share. The learnings of the literature review on these aspects have been included in the design and marketing plan for the concept.

Literature Review Potential requirements for the product

The concept should be transparent. Consumers want to understand where and how products are manufactured and where the ingredients come from.

The product should be plant based. The market of plant based product is increasing rapidly and is becoming widely accepted

Product should have a clean label (no added products). Consumers are avoiding unwanted ingredients as added sugars because of health reasons and are looking for natural ingredients.

Product should be healthy. Food products that help consumers with health management are gaining interest. Retailers are as well interested in healthy products as they want to act responsible.

Product should be convenient in use. Consumers are spending less time on cooking and looking for products that shorten the preparation time.

Product should targeted a group of consumers that is not yet served by Bertolli. Brands benefit more from attracting light users and non-users than from existing users.

Product should communicate its heritage and assets. In this way the brand becomes distinctive and easily recognisable which is beneficial for top of mind brand awareness.

Product should have packaging design that is distinctive from the competitors. When consumers buy food products it are routine decisions driven by inertia. Inertia is regarded here as a consequence of little differentiation between brands.

Context

Recent geopolitical shifts have made it challenging to predict the future of the food market in the coming years, as some forecasts have become less relevant. An attempt is made to cover these recent shifts in the analysis by interpreting reports and forecasts with the developments in mind.

Context Market development of Italian food products

The market for pasta sauces is declining compared to the total FMCG market (NielsenIQ, 2022). The decline is the result of the introduction of new cuisines and scratch cooking. The Italian cuisine is well known in the Netherlands as it is the second most popular cuisine (MetrixLab, 2018). However, other types, like the Asian and Mexican kitchens, have arisen and won popularity. Another reason is that people started doing more scratch cooking during COVID times. scratch cooking is when the pasta sauce is made with essential ingredients like tomatoes and herbs (Insight company, 2021).

The total market of Italian grocery products is € 355 million (in 2021/22). It is growing in value (+2% vs. a year ago) but not in volume (- 5.1% vs. a year ago), reflecting the growth of average prices. The most significant segments are pasta products (35%) and ambient pasta sauces (20%). The total market of ambient pasta sauces in the Netherlands is declining (NielsenIQ, 2022).

Context Market development of Italian food products

Within the category of ready-to-eat Italian meal sauces, Bertolli has a market share of 16,4%. The key competitor is Grand'Italia represents 35,6%, and private labels represent 24,2% (NielsenIQ, 2022).

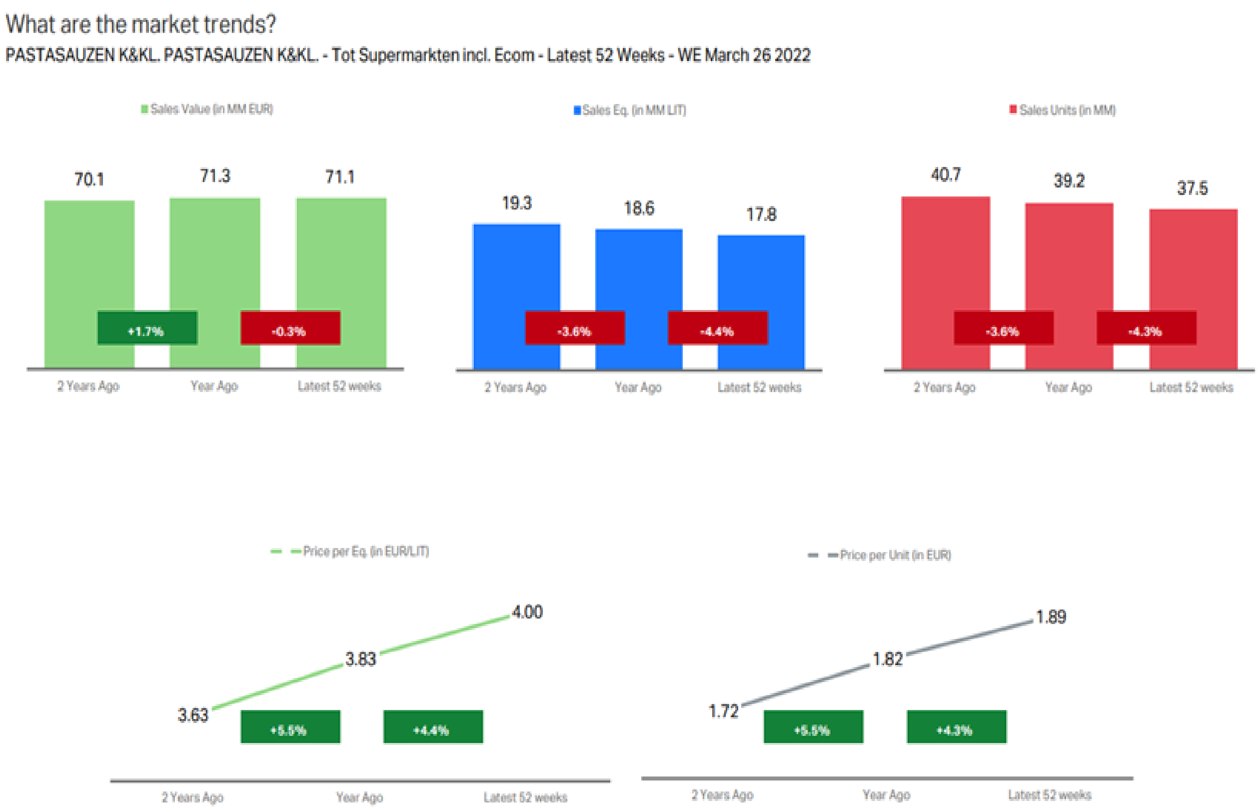


Figure C2.06 - Sales volume and sales units MAT compared with the latest two years (NielsenIQ, 2022)

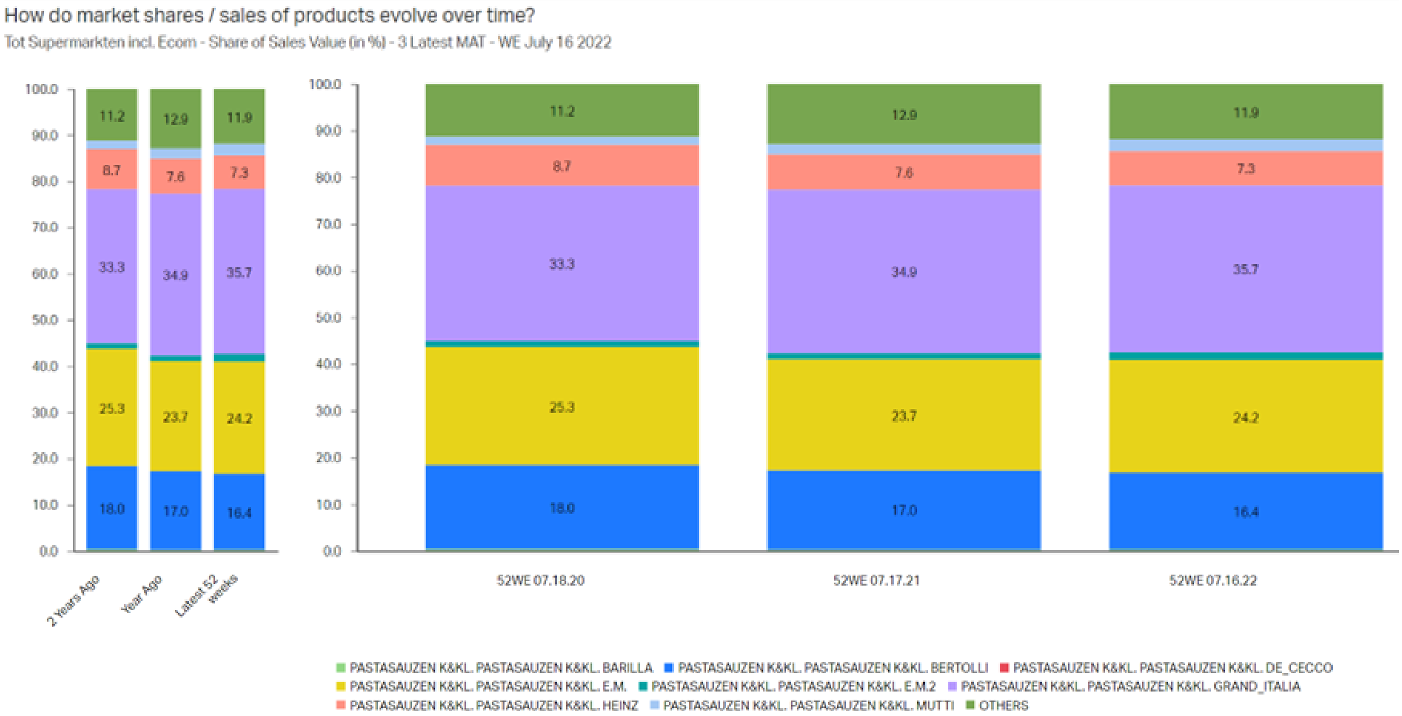


Figure C2.07 - Market share per brand (NielsenIQ, 2022)

Context Sales channels

The Dutch Food market has a variety of sales channels: supermarkets, discounters, omnichannel, and pure-play channels.

Omnichannel and pure play are two types of channels using e-commerce. Omnichannel players sell via physical stores (supermarkets) and online platforms (online groceries) like Albert Heijn & ah.nl, Jumbo & Jumbo.com. On the other hand, pure-play businesses (or online retail food) only operate via their online platforms like Picnic, Amazon, and home delivery parties such as Thuisbezorgd.

The online channels are growing at the highest pace. Currently, 14% of the food sales in the Netherlands are sold through online channels. This is expected to reach 25% by 2025. (Kantar Addedvalue, 2016) As consumers experience online shopping as more convenient, this growth comes at the expense of convenience stores and Cash & Carry. All other physical channels are expected to grow more moderately than online ones.

Bertolli is primarily sold through supermarkets which accounts for around 90% of the total sales. 10% is sold through e-commerce (NielsenIQ, 2022) which is above the average of the total category of ready-to-eat pasta sauces of 6.5%. The online market has been taken into account during ideation as this will become more important in the future.

Figure C2.08 - Sales value per channel (Kantar Addedvalue, 2016)

Sales Value (*billions €)	2021	2025	index
Supermarket	27,6	32,7	118
Discounter	9,7	11,21	115
Online Grocery	3,7	9,6	259
Online Retail Food	3,1	6,2	200
Cash and Carry	1,4	1,3	93
Convenience	0,8	1	125
Hypermarket	0,7	0,7	

Context Mediterranean kitchen in physical stores

An analysis of the shelf space dedicated to the Mediterranean category has been conducted to see what it is made of. Ninety percent of the Mediterranean shelf space is dedicated to Italian products. Although almost all products are cooking products, a small part of products can be categorized as snacks (e.g., crostini) or hybrid products (e.g., pesto sauces and tapenades that can be used as cooking ingredients and as a spread for a snack). Consumers were asked when, how, and why they would use the cooking products of the Mediterranean shelf to understand better what the consumer values in these kinds of products. They said they use cooking products to prepare regular, standard dishes during the week. These can be semi-scratch cooking meals as well as fresh meals. Snacks are used more on the weekends to accompany cocktails and drinks, and hybrid products can be used for cooking and snacking. (Insight company, 2022)

People choose Italian cooking products for a combination of real authentic flavours, convenience and simplicity, and the fact that everybody likes the dishes. In addition, people appreciate pasta sauces as a great way to serve more vegetables as these can be easily hidden in the sauce dishes.

Figure C2.09 - Mediterranean shelf at Albert Heijn

Figure C2.10 - Green: cooking, red: snack, yellow: hybrid

Company

Bertolli was founded in 1865 by Francesco and Caterina Bertolli in Lucca (Tuscany). The brand became the first exporter of olive oil to the United States and grew into a well-known international brand.

From 1945, the Bertolli company became a trendsetter by advertising Bertolli as a brand. The commercials were very popular because of the animated characters “Olivella” and “Maria Rosa” which was new for Italy at that time. In the 50s, they changed the packaging of olive oil from a can to a glass bottle with the slogan ‘See what you buy.’ They were also the first food company to communicate health-related product information on its packaging.

Unilever bought Bertolli in 1994, who have expanded the business, and entered new categories. In 2008 Unilever started to sell divisions of the brand to different parties. The European pasta sauce, pesto, and mayonnaise division of Bertolli were sold in 2021 to Enrico Food. A more detailed analysis of Bertolli’s history has been described in appendix B.

Enrico Food has set the goal of becoming the leading Italian food brand in the Netherlands. The mission of Bertolli is to make all the good things of the authentic Italian cuisine accessible.
To achieve this ambition, Bertolli created a strategy based on three pillars:

Strengthen the core – the existing product portfolio has been and is being improved. Products got a renewed recipe with ingredients of higher quality. A new design language for the packaging has been developed. All products are based on an authentic Italian recipe. Many products now contain extra virgin olive oil and high-quality tomatoes from Italy. Soffrito, a base with onions, celery, and carrot, is being used for most tomato sauces.

Communication - Bertolli invests significantly in marketing communication to build awareness of their improved products and innovations.

Innovation - To keep existing consumers using the brand and to attract new consumers, Bertolli continuously innovates its existing products. It also launches new innovative propositions in the market to become the leading brand.

Figure C2.11 - Pillars

Originally, the Bertolli brand perception was built by advertising the Italian roots of the brand: old Italian mamas cooking large meals for their extended families. Over the years, the brand became regarded as less authentic, also driven by the investigative TV-program Keuringsdienst van Waarde'. This program concluded that Bertolli products were not manufactured in Italy and that the lead characters in the commercial were neither Italian nor working for Bertolli. Since Enrico food took over the brand, they invested heavily in debunking this 'inauthenticity perception'. They launched advertising that focuses on the ingredients' quality, and that is produced in Italy with Italian actors. This new approach has strengthened the brand perception of Bertolli as it now has the highest score for the brand value 'authentic' (Memo2, 2022). A more extensive explanation of brand values has been described in the chapter about competition.

Brand consideration however, is not growing, suggesting that the advertised propositions are not regarded as more attractive.

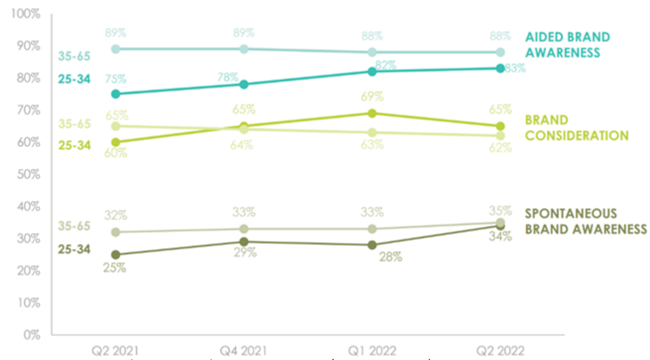


Figure C2.14 - KPI's per period Q2 2022| n=300 (Memo2, 2022)

Figure C2.12 - Bertolli commercial 2004

Figure C2.13 - Bertolli commercial 2022

Company The Brand funnel – From Brand awareness to Brand purchase

The brand funnel is a framework for the theoretical 'journey' of consumers from brand awareness to brand purchase. Each stage indicates the percentage of consumers who are aware, consider, prefer, or have bought the product. For a more detailed explanation of the various stages of the funnel, see confidential appendix B.

Bertolli tracks its brand funnel and that of its competitors every quarter via a Brand tracker study among an audience of 300 respondents between 25 and 65 years old. (Memo2, 2022) Looking at the trend of aided and spontaneous awareness over the past year, Bertolli is clearly on a growth track, driven by higher investments in media and product quality.

Brand funnel per shopper and age groups

From the brand funnel in figure C2.15 for different consumer segments, it can be concluded that younger consumers are more likely to buy the Bertolli brand. The brand has a stable performance versus the previous quarter in the awareness and consideration stages. As an exception, there is a decrease in consideration in the younger age group (shoppers 25 - 34).

Figure C2.15 -

However, in the vital stage of brand purchase, the brand shows an increase, especially among younger females. It is expected that this is the effect of the recent social media campaign on Instagram and Pinterest in combination with in-store promotions.

Company Product portfolio Bertolli of Enrico Food

When Enrico Food took over Bertolli, they acquired four product categories: pasta sauces, pesto, vinegar, and mayonnaise. Nowadays, Bertolli is active in seven categories, having added pizza products, toasts, and vegetables (e.g., sun-dried tomatoes). Belgium is the only market where Bertolli is active in the mayonnaise category. This product category does not fit with the authentic Italian mission of Bertolli, but as the mayonnaise category is popular in Belgium, it will not be sold. However, Bertolli mayonnaise will not be introduced in the Dutch market.

Figure C2.16 - Portfolio Bertolli

A new design language for Bertolli has been developed to better support their authentic positioning. These improvements are part of the strategy to strengthen the core. building on this, the packaging design of the whole product portfolio of Bertolli will have a new package design that is in line with the new design language. For more details about the brand assets of the new design language, see appendix C.

Figure C2.17 - Old vs New design

Pasta sauce portfolio

Pasta sauce is the core product category of the brand. Bertolli has three main product lines in this category. The most important product line in terms of sales volume is the line of pasta sauces in pouches. This product line consists of eight variants with a weight of 460 grams and represents 63% of the sales value of pasta sauces of Bertolli (NielsenIQ, 2022). A pouch is associated with convenience (Insight company, 2021). Consumers express that a pouch packaging is easy to store and unbreakable. The second product line is pasta sauce in a jar that consists of five variants with a weight of 400 grams. The third product line is a bottled pasta sauce with two variants with a volume of 690 ml.

Figure C2.18 - The Bertolli pasta sauce portfolio

Opportunity within the Bertolli portfolio

An analysis of the ambient pasta sauce portfolio of Bertolli and its competitors has been executed to see where there are opportunities to expand the brand. The analysis of the variants and sizes in the Dutch market shows that the majority of units have a weight of 400 – 600 grams. This quantity is sufficient for a meal for 4 - 5 people. The portfolio analysis shows that fewer products are offered with a smaller volume for smaller groups. Only Grand'Italia, Heinz, and some private labels have a proposition in the small volume pasta sauces, but Bertolli does not yet have this. The small volume of pasta sauce is an excellent opportunity for the brand to expand its portfolio and reach new and light users of the brand.

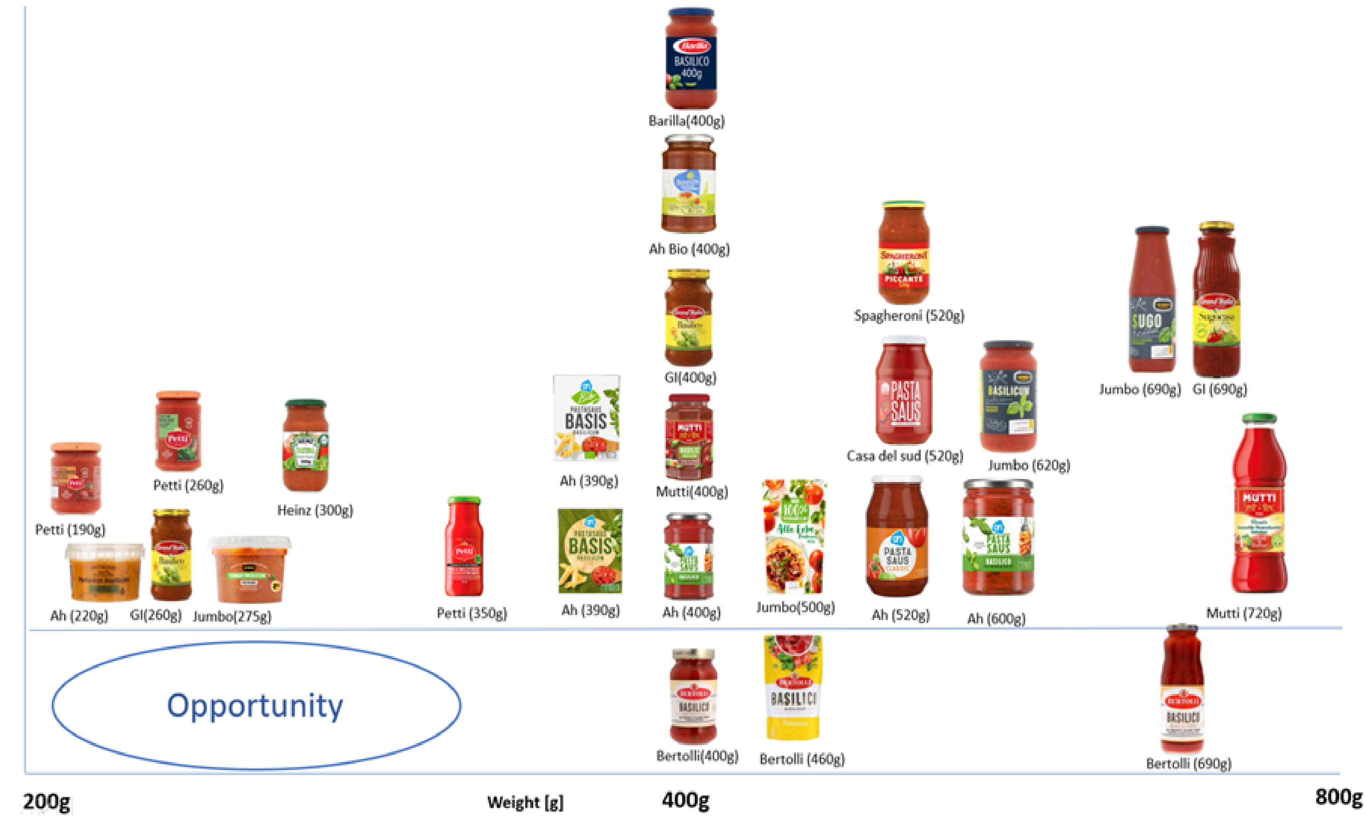


Figure C2.19 - Volume distribution of sauces

Previous experience

In the past, there was a small pouch variant on the market which didn't perform well enough and was eventually delisted by the retailers. The small variants had the same packaging design and proportions as the 460g pouch. The only difference was its volume and recipe. The feedback from the consumers/retailers was that it was hard to distinguish them from each other. Consumers mixed up the variants because they didn't notice the difference and thought it was another variant of the 460g.

Figure C2.20 - 260g variant in 2014

Figure C2.21 - 500g variant in 2014

Company Price

The price level of Bertolli used to be at market average and in line with key competitor Grand'Italia, above Heinz and private labels and well below high-end brands such as Mutti and Petti. One of the objectives of Bertolli is to become the premium mass brand of Italian food products. Therefore they have started to innovate their products while increasing their price point above the other mass brands. However, they want to stay below the price point of high-end brands like Mutti to continue to be accessible to the mass.


BERTOLLI
NEW!
d'ITALIA
MADE IN ITALY
FOUR CHEESE ALFREDO
WITH FRESH CREAM & OTHER CHEESE
SAUCE

Competition

The market of ambient pasta sauces in which Bertolli operates is highly competitive. An analysis of the positioning of all competitors and their propositions has been made to identify how Bertolli can strengthen its position. This chapter describes the main competition on product and brand level and the outcome of the methods used to design a concept that can compete and distinguish Bertolli from the rest.

Competition Market Definition

A market definition has been selected to understand which market Bertolli pasta sauce is competing and identify competitors. For the first analysis, a broad definition of the market as 'all products and services that (help to) make an Italian pasta dish' was selected. The competitor analysis uses four levels to identify competition within the defined market. See figure C2.22.

Level 1: Product competition – Products with exactly the same product features such as packaging, variants, and volume.

Level 2: Product category competition – Products or services in the same product category of ambient pasta sauces (un-cooled/shelf stable pasta sauces) but with different features

Level 3: Generic competition - Products or services in another category but still fulfil the role of producing a pasta sauce.
Level 4: Budget competition - Products or services who offer complete pasta meals in the same price category.

Level 1 - Product competition

Private-label Jumbo is the only product competitor that has a pasta sauce with a pouch packaging. Jumbo has two variants (Alle Erbe and Classico), which have relatively low sales volumes compared to Bertolli their pouch products.

Level 2 - Product category competition

There are multiple competitors who offer a product in the same category of ambient ready-to-eat pasta sauces (uncooled/shelf-stable pasta sauces) with similar recipes, volumes and preparation. The difference is that they are offered in different packaging forms: jars, bottles and cans. The brands that are the closest to Bertolli in terms of variants, preparation, price and volumes are Grand'Italia, Mutti, and private labels.

Level 3 - Generic competition

This level consists of private-label pasta sauces that are stored in a cooled shelf and fresh pasta meal kits. The pasta meal kit is also different from the category in terms of preparation, as it has to be made from scratch.

Level 4 - Budget competition

These competitors offer a proposition with a whole pasta meal, including the pasta sauce. Brands like Iglo, Knorr, and private labels offer these complete pasta meals. Iglo has a frozen pasta meal that has to be heated for five minutes before it can be served. Knorr Wereldmaaltijden offers pasta kits, including the pasta and pasta sauce, whereas HelloFresh includes complete pasta meals in their home-delivered boxes. Home delivery parties, such as Thuisbezorgd, are not taken into consideration at this level because they are in a higher price range.

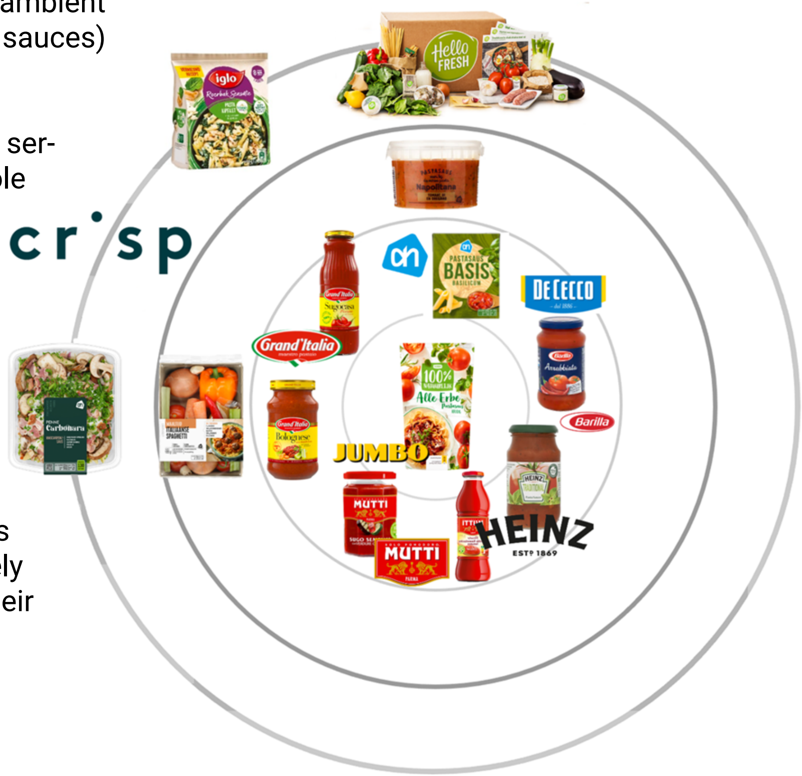


Figure C2.22 - Competitors in the category of ambient meal sauces – Level 1 to 4

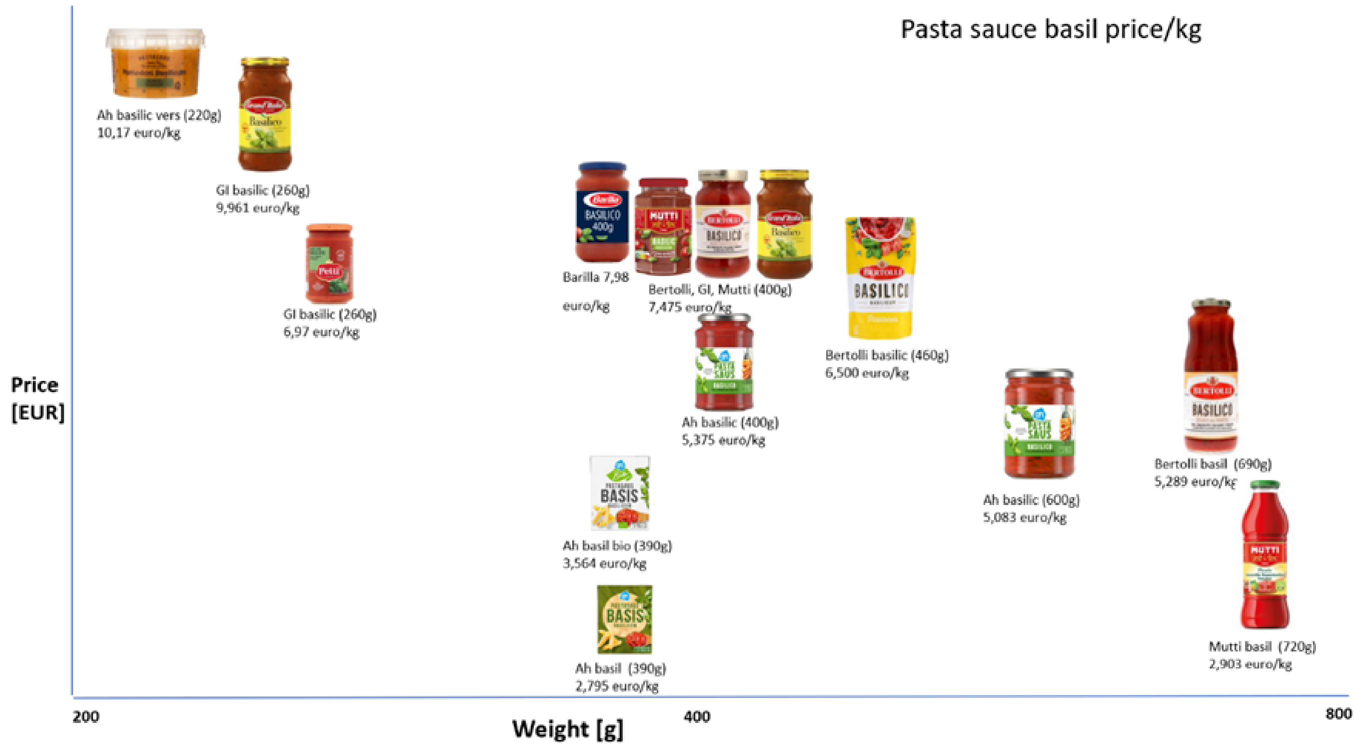


Figure C2.23 - Basil pasta sauces ranked on price and weight. There is relatively little competition in the small-volume propositions.

Competition Mapping Competitive positioning

The brand tracking report of Memo2 measures how consumers perceive the various pasta sauce brands, specifically for the brand values in figure C2.25 It can be concluded that the new advertising approach has strengthened the brand perception. Bertolli has now the highest score for the brand value 'authentic' (Memo2, 2022). This graph also shows that Bertolli and Grand'Italia are perceived similarly, whereas Barilla and especially Mutti have lower scores for the measured values. To achieve an uncontested position for the brand, Bertolli needs to create a distinctive character from Grand'Italia. An overview of the key competitors' brand characteristics and product categories can be found in appendix B.

Competition Aided brand awareness

Aided brand awareness is the percentage of people who recognize a brand when confronted with a list of brand names. The aided awareness of Bertolli is stable at 87%, which is at the same level as Grand'Italia with 86%. This is an excellent score for a food brand. Only iconic brands such as Coca-Cola have a higher aided awareness. Bertolli and Grand'Italia are clearly the best established 'Italian' brands since the other 'Italian' brands, such as Barilla and Mutti, have significantly lower brand awareness.

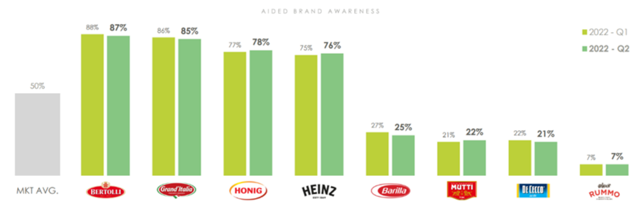


Figure C2.24 - (Aided brand awareness Q2 2022| n=300) (Memo2, 2022)

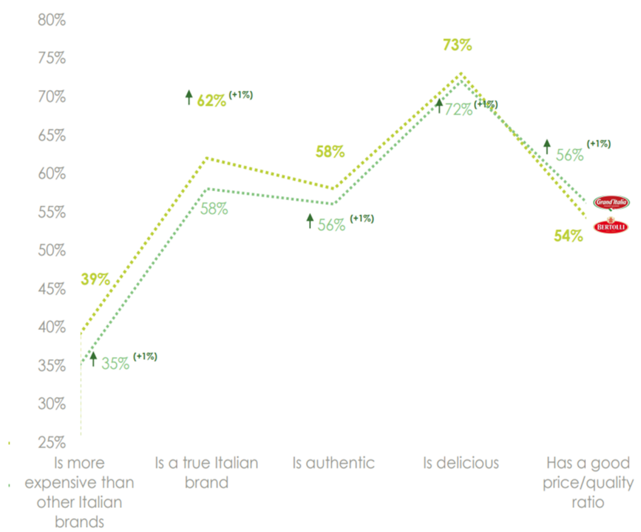


Figure C2.25 - Brand value score per brand Q2 2022 (Memo2, 2022)

Competition Market Definition

The brand tracker showed that Bertolli should become more distinctive from Grand'Italia in order to become the leading brand. To see the score of all the italian food brands in the Netherlands, see confidential appendix B . In his book 'Contrarian branding', Roland van der Vorst defines various methods for brands in mature markets to distinguish themselves in a radical way. The approach makes smart use of contradictions: absolute polarity, bipolarity, and tripolarity.

The bipolarity method has been used to develop a distinctive positioning for Bertolli.
The method starts with identifying the core quality of the brand and finding a negative related characteristic of this quality. This is followed by turning this negative into a strength. The positioning is reframed by combining the core quality with the opposing strength. It is important that a logical connection between the two characteristics is made.

The core quality of Bertolli is 'authentic Italian.' The negatively related characteristic is 'predictable.' Many recipes and products of the Italian cuisine are well known, so for consumers, it is obvious and predictable what they get when choosing Italian. The opposite strength of 'predictable' is 'surprising.' The chosen combination of these opposites is 'surprising Italian authenticity'. Bertolli has great expertise and knowledge of all the good things of the authentic Italian cuisine. This enables them to experiment with recipes, be creative, and develop surprising new products. With this positioning, the Bertolli brand can stand out from key competitors.

Figure C2.26 - Bipolarity model Bertolli

Competition Positioning versus competition

Bertolli and its competitors have been mapped on two axes to identify the current position of Bertolli and how it should move to have a distinctive positioning.

Y-axis: Level of authenticity of the brand. This axis is labelled as 'Authentic Italian'. The more a brand conveys its Italian roots and historic character, the higher it is placed on the axis.
X-axis: Level of creativity offered by the brand that enables it to be surprising. Brands that are stronger in bringing unique propositions to the market that surprise the consumer are places more to the right.

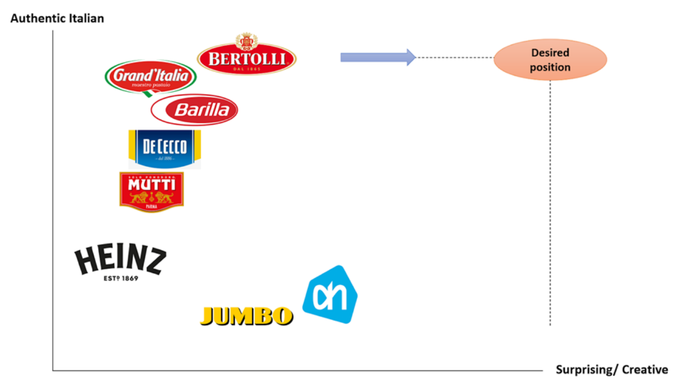


Figure C2.27 - Brand positioning map

Bertolli scores high on the Y- axis as it has for years emphasised its Italian heritage and recently built the credibility of this positioning. This is also shown in the brand tracker results. However, Bertolli is not alone in this position, as Grand'Italia and Barilla are positioned and perceived similarly.
The aim of Bertolli is to stand out from the competition on the X- axis by becoming THE creative brand with surprising propositions. Keeping the authentic Italian roots and adding surprising propositions will make Bertolli the brand with 'surprising authenticity.' To achieve this they are introducing products that are totally new to the Dutch market. All those products come with a story of their origin and an explanation of their purpose and usage. An example is their piadina, an Italian flatbread that can be used for a lunch or meal, that has been introduced this year. The challenge for Bertolli is to creatively add an element of surprise to their new products.

Consumers

This chapter is divided into three sub-chapters: consumer types, consumer trends and a volume potential analysis. The sub-chapter consumer types analyses the demographics and typologies. The sub-chapter, consumer trends, analyses consumer behaviours and trends that potentially have an influence on this behaviour. The insights derived from the consumer analysis helped to select a target group that represents a valuable opportunity for Bertolli.

Brands grow when they focus on getting new customers

Byron Sharp argues that brands benefit more from focusing on getting light users and non-users into the franchise than existing users. This is based on research that indicates that consumers hardly ever become really loyal, and only return to a brand when it is more convenient for them (Sharp, 2019). So focussing on building brand loyalty hardly ever leads to better results than attracting non- and light users. Bertolli should therefore identify which consumer groups they do not yet serve and consider to select these as their target group.

Consumers Types

Consumer demographics

The build-up of the Dutch population has been analysed to identify which population segments represent the most exciting business potential. Overall, the Dutch population is becoming more individual. Single households have increased in the last forty years, and they are expected to keep growing. 40% of Dutch households are single households, and they account for 18% of the Dutch adult population, i.e., 3,2 million people. The biggest group of single households are those with people of 70 years and older. The second biggest group are the single households of people between 22 and 45 years old, representing 1.0 million people (Cbs, 2022). Since younger people/millennials have a relatively high consumption of Italian food (Metrixlab, 2018), these households represent the most interesting target group for Bertolli's pasta sauces. Two-person households also represent a substantial number of people: 4.6 million in total and (almost) 1.0 million people between 22 and 45 years old.

Household types *Kids not included	Persons
Single households	3.172.564
Two person households	4.615.990
Households with more than two persons	4.039.592
Single parent households	596.408
Other	527.163
Total	12.951.717

Figure C2.28 - Number of persons per household (Cbs, 2022)

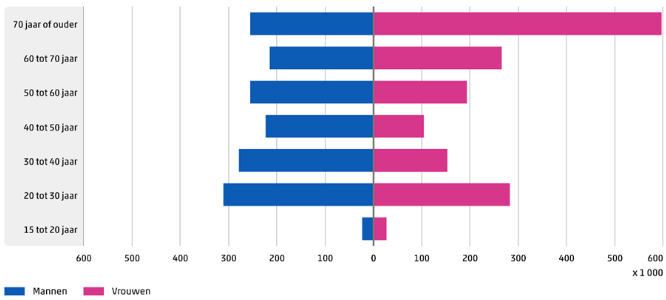


Figure C2.29 - Single households in The Netherlands (Cbs, 2022)

Household types *Kids not included	Persons
Single households (age: 22-45)	1.003.693
Two person households (age: 22-45)	984.061
Households with more than two persons (age: 22-45)	2.028.412
Other (age: 22-45)	751.181
Total	12.951.717

Figure C2.30 - Number of persons per household between 22- 45 years old (Cbs, 2022)

Consumer typologies

Based on worldwide research among 53.000 consumers, Kantar Added Value (KAV) created a map with four different attitudes towards food against which they mapped six typologies of consumers. Understanding the specific food consumption habits of these six typologies can be used to identify which typology to target for a particular food category. Of note, some general food trends found in literature research, such as the need for transparency and plant-based food, apply to all typologies.

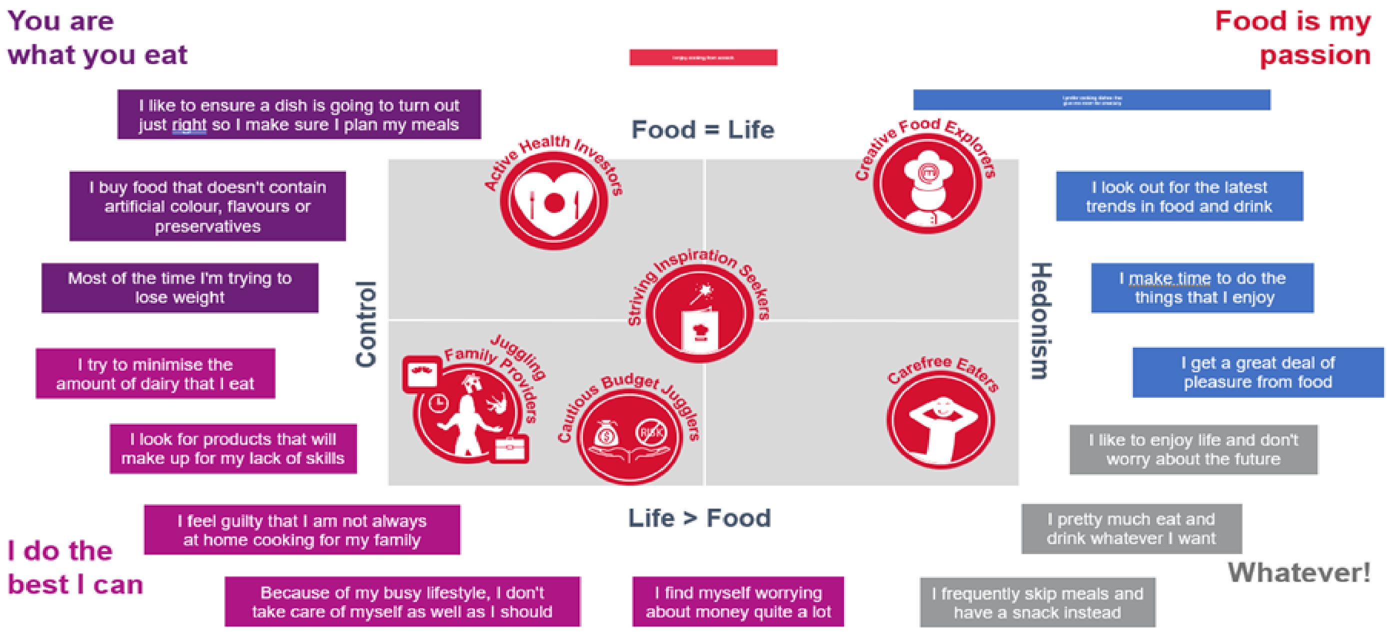


Figure C2.31 - Typologies (Kantar Addedvalue, 2016)

		Creative Food Explorers	Striving Inspiration Seekers	Active Health Investors	Juggling Family Providers – Health & Weight	Juggling Family Providers – Ambition vs Obligation	Cautious Budget Jugglers	Carefree Eaters
Share of Total occasions	row%	21	18	9	16	8	16	13
SAVOURY	row%	20	19	8	17	9	15	11
Index vs total foods	Index	97	107	90	106	121	95	88
	Col%	Col%	Col%	Col%	Col%	Col%	Col%	Col%
SAVOURY	19.8	19.2	21.3	17.8	20.9	23.8	18.7	17.6
Salt & pepper	17.1	17.2	21.1	12.6	16.8	16.2	16.9	15.8
Cooking herbs & spices	8.7	8.8	10.6	7.4	9.1	9.4	7.6	7.6
Seasoning	4.1	3.3	5.9	2.6	4.9	4.7	3.9	3.2
Bouillon/Stock	3.7	3.9	3.2	4.7	4.1	5.7	2.6	2.9
Cooking sauces/pastes/mixes	3.3	3.4	2.8	3.4	3.9	3.9	3.4	2.6
Pasta Sauce	1.3	1.1	1.1	1.3	1.4	1.1	1.5	1.3
Wet soup (wet/ambient)	1.1	1	0.8	1.4	1.1	1.5	1.3	0.8
Dry/instant soup	1.1	0.8	0.9	1.7	0.8	2	1	1.2
Meal maker/oven bags/meal kits	1	0.9	0.9	0.7	1	1.6	1.1	1.1

Figure C2.32 - Share of total occasions (Kantar Addedvalue, 2016)

Further research among these consumer types shows that the typologies that have the highest pasta sauce consumption are the 'Juggling family providers', with a focus on health and weight, and the 'Cautious budget jugglers'. They represent 31% of all consumers. Within these segments, the largest subgroup are the millennials without children. Literature research demonstrates that this group is highly interested in healthy and convenient food products.

The Juggling family provider

Kantar Addedvalue describes the 'Juggling family provider', with a focus on health and weight, as an experienced cook with an extensive repertoire of recipes. They are conscious about their food choices and spending. They enjoy cooking from scratch but also value convenience. They need some help to ensure successful results and are looking for practical solutions to make life easier. More than other consumer typologies, they spend 15 minutes or less preparing a meal.

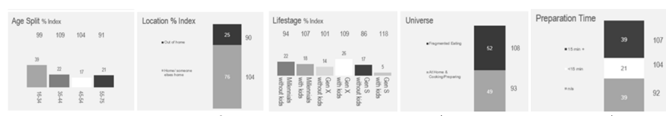


Figure C2.33 - Characteristics of the Juggling Family provider – (kantar Addedvalue, 2016)

The Cautious budget juggler

The ‘Cautious budget jugglers’ are described as people who do not really enjoy cooking. They want dishes that are easy to prepare and deliver great value for their money. This group is living a busy life and looking for meal solutions that make up for their lack of skills and are easy to prepare. More than other consumer types, they spend less than 15 minutes preparing a meal.

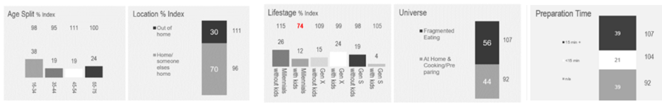


Figure C2.34 - Characteristics of the Cautious budget juggler – (kantar Addedvalue, 2016)

Consumers Trends

Kitchen types in the Netherlands

Research from MetrixLab shows that Dutch cuisine is most popular in the Netherlands (MetrixLab, 2018). When asked what they had for dinner, 42% responded with Dutch cuisine, followed by the Mediterranean kitchen.

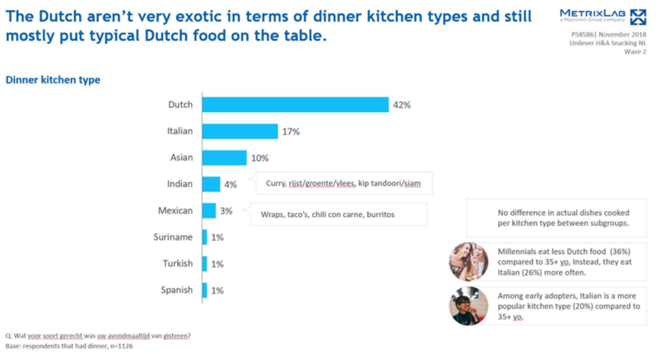


Figure C2.35 - Dinner kitchen types (MetrixLab, 2018)

The Mediterranean kitchen covers many different countries and product categories. The Italian kitchen is by far the most significant (17% of all meals), with Spanish (1% of meals) and Turkish (1% of meals) at a great distance at number 2 and 3 positions. Consumption of other cuisines (Greek, Egyptian, Lebanese) is marginal and not reflected in this study.

Research shows that Italian food is the second most popular cuisine in the Netherlands after Dutch cuisine. Further research indicates that millennials are the consumers with the highest consumption of Italian cuisine and are more likely to try new kitchen types. (MetrixLab, 2018). Within the Italian cuisine, the most chosen dish is pasta Bolognese with beef and tomatoes. This suggests that a new pasta sauce concept should at least include a variant with bolognese characteristics.

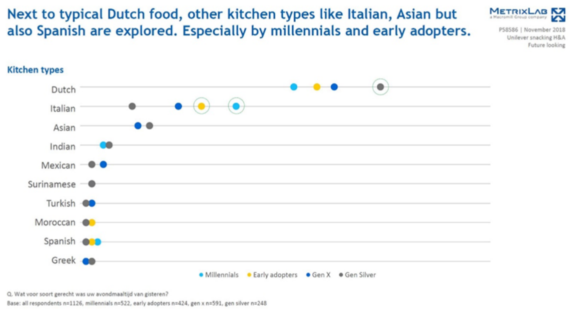


Figure C2.36 - Dinner kitchen types per age cohort (MetrixLab, 2018)

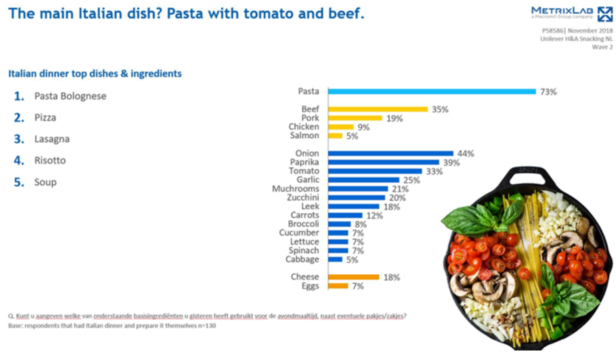


Figure C2.37 - favorite Italian dish (MetrixLab, 2018)

Packaging for pasta sauces

Almost 50% of Dutch consumers regularly buy Italian meal sauces in a jar, bottle or pouch. (GFK, 2021). Most consumers are loyal to a type of packaging and only buy either a jar or a pouch. 89,6% of the consumers always buy sauce in the same packaging (jar, bottle or pouch). Consumers regard a pouch packaging as convenient in use (Insight company, 2021).

Consumer spend development

Until the pandemic in 2020, Food expenses in the Netherlands were growing year-on-year. This was driven by the growth of out-of-home consumption and consumers looking for sustainable and convenient products which are relatively higher priced. During the pandemic, food spending declined as out-of-home consumption decreased, partly compensated by the growing home delivery segment and sales through specialty stores. Since the end of the COVID restrictions, food spendings have been on a growth path again. (FSIN 19-25).

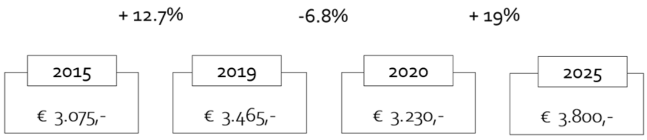


Figure C2.38 - Average spending of Dutch consumers per year.(FSIN 19-25)

Effects of inflation on shoppers

At the start of 2022 this year, it was expected that the global market would grow, and there was a positive sentiment among consumers. The forecasts expected that the market for food eaten at home would grow moderately in the coming years (+ 7% between 2020 and 2025), Out-of-home would continue its strong growth pace (+80% between 2020 and 2025). Based among others on these assumptions, Bertolli envisaged that there is room for moderate price increases for the brand.

However, the latest geopolitical development with the war in Ukraine and the ensuing inflation, have changed this sentiment. As a result, consumers are now more worried about the future, which results in a change in buying behaviour (GFK, 2022).

Shoppers will change their buying behaviour because of the inflation rates. Groceries are of the greatest concern for people who worry about increasing prices. It is estimated that more than half of European shoppers have these worries and are willing to change their buying behaviour (Growth from Knowledge, 2022).

It is expected that shoppers will cook more at home and waste less before they choose cheaper products (Growth from Knowledge, 2022). It is, however expected that inflation will lead to a growth of private-label and hard discounters (Growth from Knowledge, 2022). Therefore brands should keep investing in defending their position. For example, brands that increase their advertisement budget when the market is decreasing grow 12% more in market share than brands that increase their advertisement budget when the market is growing. In addition, broad distribution, also at discounters, is essential as well as bringing innovation to the market (Ritson, 2022).

For Bertolli, this means that there is an interesting potential for attractive home cooking solutions. To maintain or strengthen their market position under these circumstances, they should continue to launch innovative propositions and support the brand in media.

Volume potential analysis

An analysis of the consumption pattern of the selected target group has been executed to determine the potential sales volume.

Figure C2.39 - Total spending on food of Dutch consumers per year.(FSIN 19-25)

A gross estimate of the volume is based on the fact that the target group of single households 22 -45 years old consists of 1 million people. Ambient pasta sauces have a penetration of 48% and a buying frequency of 3.1 times a year (GFK, 2021). In general, 26% of consumers are looking for convenient products (Nielsen, 2018). Combining these assumptions and considering a broad distribution can be achieved would result in a volume of 370.000 units per year (1 million consumers *0,48*3.1*0,26 = 370.000).

The volume per store of this potential, is however regarded as too low to be listed by key retailers. Therefore millennials in two-person households (984.000 individuals) have also been included in the target group. This doubles the volume potential to a total of 740.000 units.

Summary

This part describes the most important findings from the context, company, competition, and consumer analysis. It sums up the conclusions from these analyses and defines the opportunity for Bertolli that will be the basis for the concept development phase.

Summary Context

The category of packaged ambient pasta sauces is declining compared to the total FMCG market. This is caused by an increase of other kitchen types and the rise of scratch cooking. The category of pasta sauces, therefore, needs innovation to grow and win market share.

Summary Company

Bertolli is a strong brand with a high level of brand awareness and consideration. To maintain and grow their business, they need to innovate, as with their current products, they already have a strong position. Pasta sauces are the core product of Bertolli and therefore provide the best opportunity to show innovativeness and drive expansion. The best-selling variant within pasta sauces is the pouch proposition which is not offered by other A-brands. Consumers associate this packaging with convenience. Bertolli doesn't yet have a small-size pasta sauce in its portfolio. Since there is less competition in this segment, it represents an interesting potential for the brand.

Summary Competition

The competitive analysis of product propositions shows a broad field of competition, including cooled packaged pasta sauces, fresh meal kits, frozen meals, and food services. The focus of this project is on packaged ambient and cooled pasta sauces.

Within the field of packaged ambient pasta sauces, Bertolli's biggest competitor is Grand'Italia which offers many similar products. It has the same brand awareness, consideration, and brand perception as Bertolli. For the key brand values 'authentic', 'truly Italian' and 'delicious', both brands have exactly the same scores. Also, the other competitive brands in this segment have similar scores, though lower. A distinctive element needs to be added to the positioning to set the Bertolli brand apart from the competition and increase brand preference. The opportunity is to position the brand as 'surprising' whilst still building on the authentic Italian heritage. Innovation of the product portfolio is regarded as the way to achieve this.

Summary Consumer

Consumers are looking for healthy and convenient products and are willing to pay more for them. Italian cuisine is the second most popular in the Netherlands after Dutch cuisine. Millennials are the group of consumers who eat Italian food most often.

Single households account for 40% of Dutch households and this percentage is growing. Within this, the most interesting target group for Bertolli are the millennials.
Consumer typologies that are interesting for Bertolli are 'Cautious budget jugglers' and 'Juggling family providers,' as they have a relatively higher consumption of pasta sauces. They account for 31% of all consumers.

The target group for Bertolli's new concept is defined as 'Millennials in one and two-person households, with a focus on 'Cautious budget jugglers' and 'Juggling family providers'. The millennials in two-person households have been added since the volume potential of single households would be too low for a viable business case.

Conclusion

The market for pasta sauces is declining, and therefore, to reach its goals, Bertolli needs to innovate. Attracting light and non-users is the most effective way to grow consumption. For Bertolli, these consumers can be found in one and two-person households as they do not have a small volume of pasta sauce on the market. This segment is also attractive as there are relatively few small-size pasta sauces on the market.

'Cautious budget jugglers' and 'Juggling family providers' are the most interesting consumer typologies to focus on as they have the highest consumption of pasta sauces. These consumers are mostly found among millennials in single or two-person households, a substantial and growing segment. Other research on kitchen type preference per age cohort shows that millennials eat Italian food most often, especially pasta. These consumers find it important that food products are healthy, convenient, and transparent about origin and ingredients.

Bertolli needs to differentiate itself from the competition, especially from Grand'Italia. The route to accomplish this is by positioning Bertolli as a brand with surprising authenticity. They can achieve this through innovation.

Opportunity Defined

Combining these insights, the objective is to develop a pasta sauce concept targeted at millennials in one- and two-person households, with a focus on 'Cautious budget jugglers' and 'Juggling family providers'. The proposition should contain two servings in a convenient pouch packaging, should have healthy ingredients, and be easy to prepare. The concept should contribute to the desired 'surprising authenticity' positioning.

Empirical Research

In this phase, the literature and desk research insights have been complemented with qualitative consumer research. These insights have been the basis for the ideation phase. Various concepts have been discussed during the qualitative research and further developed in later stages.

In-house interview- and focus group interview methods have been used for the qualitative research. First three in-house interviews were executed to get a basic understanding of the target group regarding the process of cooking a meal with pasta sauce. The insights of the one-person interviews raised new questions and ideas. After the in-house interviews, an ideation session was executed to create concepts using these new ideas.
Next, focus group interviews were held to dig deeper, find answers to the unanswered questions, and get feedback on the ideas from the first ideation.

In-house Interviews

Respondents for the in-house interviews were acquired through personal networks. They all fit the target group's requirements and gave their consent to be filmed. Two males and one female were interviewed. The interviews were hosted over a period of two weeks at their homes. The aim of the in-house interviews was to get insights into the process of using a pasta sauce. This included all aspects of the process: purchase, preparation, cooking, eating, and cleaning.

At the start of the interview, the participants were asked to make a pasta meal with pasta sauce and were told that they would be followed during the whole process. Throughout the process, questions were asked about their choices and experiences in the supermarket and at home.

In-house Interviews Results/ insights

The learnings and insights of the in-house interviews are described in this sub-chapter.

Two of the three participants started searching for a pasta recipe on their phones. They were looking for inspiration but had difficulty finding really inspiring recipes. One of them mentioned that he always multiplies the recipe's quantities by 1.5 as it otherwise would not be enough for him. Both of them struggled with the recipe quantities as these were either insufficient or too much when the recipe was intended for four people.

All the participants said they added vegetables to their pasta sauce, especially when making tomato sauce. They experience a tomato sauce out of a jar or pouch as a basis to which they have to add products. These are mainly vegetables, meat, creme fraiche, and extra herbs. Two participants bought pre-cut vegetables because it saved them time. They do not buy 'uncut' vegetables as these still have to be cut and leave many leftovers. One interviewee mentioned that pre-cut vegetables are also cheaper than uncut vegetables. One participant had fresh basilic in his recipe but found that too expensive for a one-person meal and left it out. He did add chicken to his meal because he wanted some extra protein.

Two participants bought a jar or pouch with pasta sauce because they found it convenient. One participant bought a tube because he could close it and easily store it. This participant also used uncut vegetables and used the pasta for two days as the recipe's quantity was too much for one meal.

Participants mentioned the fresh meal kits of Albert Heijn as something they prefer over a pasta sauce out of a jar or pouch. One of them finds it convenient that all the ingredients for the sauce are in one package so that he cannot forget any of them.

Two participants who used a recipe were constantly checking the volume and weight of the products because the recipe prescribes specific quantities. They mentioned that this costs them too much time and effort.

The participants expressed that the cooking should not take too long as they live busy lives and want to do something afterwards. They immediately started to boil the water and read the recipe when they came home. The participant who bought the pouch liked that he could immediately throw away the packaging after putting the sauce in the pan instead of having to recycle the glass jar.

In-house Interviews Key insights

The respondents were looking for convenience and products that save them time. Pasta sauces in a jar or pouch are experiences as convenient.

The respondents would like to have inspiring recipes but find it difficult to get the right ones.

They found it difficult to estimate portion sizing and found it too time consuming that their recipes required constant checking of quantities.

They experience pasta sauces in a jar or a pouch as a basis and add products to it.

To get a healthy meal, they add vegetables. However, they struggle with uncut vegetables as it costs them much time to cut and cook. There are too many leftovers. Pre-cut vegetables are more convenient but can also generate leftovers.
and found it too time consuming that their recipes required constant checking of quantities.

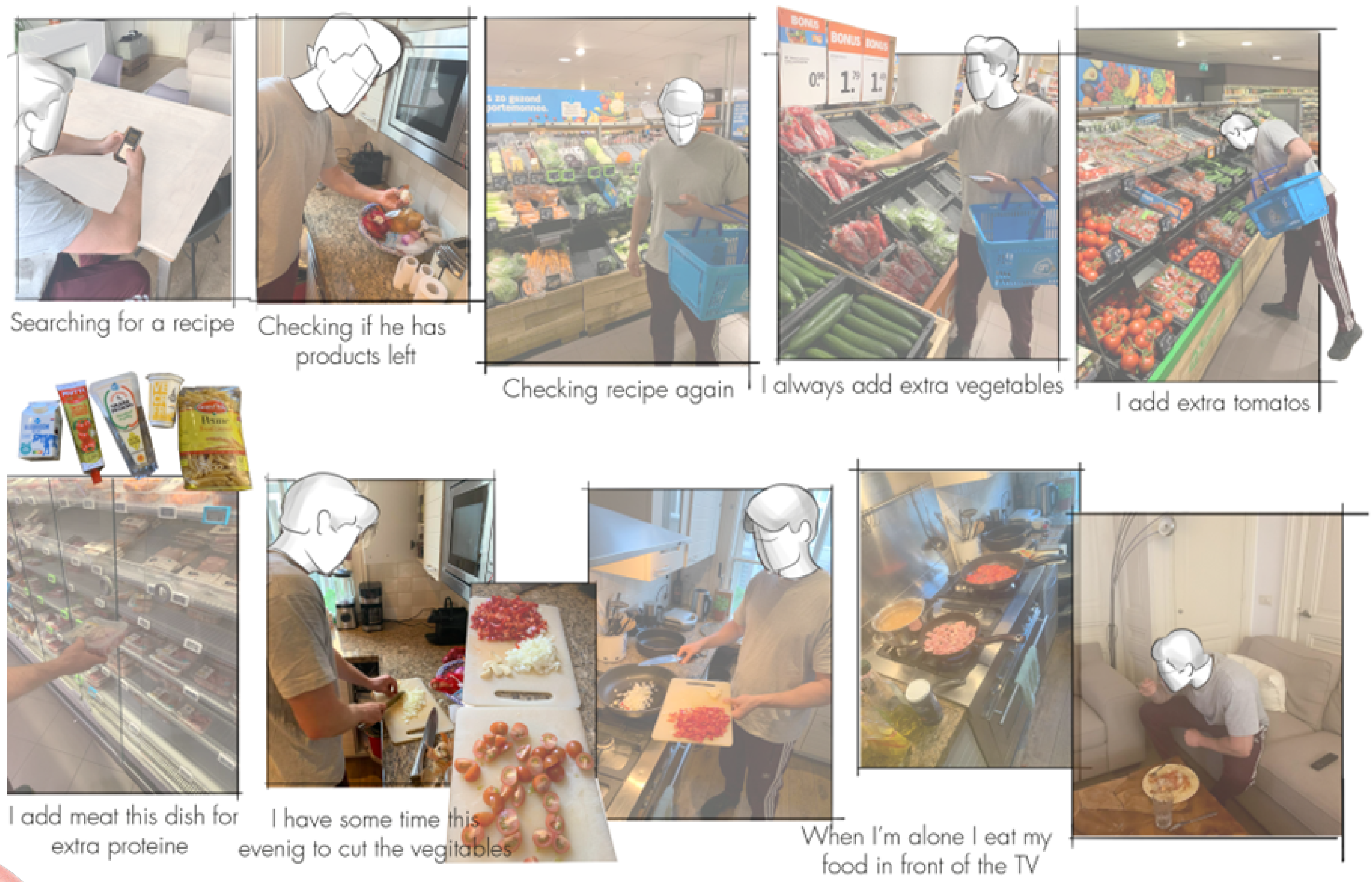


Figure C3.1 - In-house interview

Ideation

Many ideas have been generated during the literature research and the in-house interviews. These ideas were made into concepts and discussed during the focus group interviews. The concepts that have been developed are explained in this chapter.

The ideas have been divided into two sections, one with recipe ideas. Recipes ideas with the goal of solving the inconveniences of the current pasta sauces or recipes that respond to current food trends. The other section concerns packaging design ideas that enhance the brand's character.

Ideation Recipe ideas from in-house interviews

The in-house interviews showed that the target group is looking for products that save them time when cooking a pasta sauce. This insight led to the following ideas.

Pasta sauce with chunks of vegetables

From the in-house interviews, it was clear that respondents added products to a readymade pasta sauce. They expressed that cutting vegetables cost much time and that there are many leftovers. Some of the respondents, therefore, use pre-cut vegetables, which also requires some preparation. This led to the idea of a pasta sauce that contains pre-cut vegetables in the sauce.

Pasta sauce with chunks of vegetables and pieces of meat

Research shows that many Dutch consumers add meat to their pasta sauce (MetrixLab, 2018). The fact that consumers add meat to their sauce and the struggle with vegetables lead to the idea of a pasta sauce that contains chunks of vegetables and pieces of meat.

Organic pasta sauce in a pouch

Consumers care about biological food products, and the number of products with an organic or biological label is growing (Gruère, 2014). However, Bertolli does not have an organic proposition, so it is interesting to learn what the respondents think of an organic pasta sauce in a pouch.

Ideation Packaging ideas

The company analysis showed that the product must communicate Bertolli's authentic Italian heritage. The competitive analysis demonstrated that the concept should have a surprising / creative element. The literature research showed that the target group is looking for convenient food products, which are simple to prepare and have short cooking times.

All these features should be incorporated into the design. Therefore, an analysis of existing Italian food products and convenience products has been made. The objective was to determine what kind of product features, packaging, and communication is common for packaging of pasta sauces.

The design language of Bertolli was taken into account during the packaging design development. For a description of Bertolli's design language, see appendix C.

Convenient products

Many of these products communicate their convenience characteristics on their packaging, sometimes using icons. They mostly communicate preparation time, amount of vegetables, ease of preparation, and nutritional benefits. In addition, some of those products try to inspire with recommendations for recipes or combinations with other products. Figure… is a collage of convenience food products.

Figure C3.2 - Collage of convenient products and their communication

From this analysis, it can be concluded that most of the packaging designs of convenience food products convey their Unique Selling Points (USPs). These USPs are communicated through simple icons and include aspects such as: Ingredient branding, usage instructions, amount of vegetables, amount of protein, portions and preparation time.

This led to the idea of communicating the USPs of the pasta sauce through icons on the packaging. For the pasta sauce concept, a high percentage of vegetables and the short preparation time are relevant. Therefore, these USPs have been translated into icons and discussed during the focus group interviews to see if they trigger the target group. Figure C3.3 shows the icons that were discussed during the focus group interviews.

Figure C3.3 - Tested icons on packaging design

Figure C3.3 - Packaging design with visual of dish

Packaging design that enhances the Brand character of Bertolli.

The concept must reflect the brand's authentic Italian image and contain a surprising element. An analysis of the current packaging design and the new design of the 460gram pouch has been used as inspiration. Also, other Italian products that communicate an authentic Italian story were used as inspiration. Various designs have been developed and are explained in this part.

Design with elements of the old pouch packaging design

The old pouch design had a picture of the sauce on the packaging. This idea was combined with the new pouch design. (Figure C3.3)

Design with Italian flag

A concept with an Italian flag has been designed to reinforce the Italian character. However, when further explored, it became clear that this cannot be used due to 'legal' restrictions. The product will be manufactured in the Netherlands, which makes it the land of origin. The Italian flag is misleading in this case (NVWA, 2020). Therefore, this idea has not been discussed with the focus groups. (Figure C3.4)

Figure C3.4 - Packaging design with the Italian flag

Figure C3.5 - Packaging design with link to Italian countryside 1

Figure C3.6 - Packaging design with link to Italian countryside 2

Design with link to the Italian countryside

Many food products in the ambient category have a link to the countryside. Two designs linked to the countryside have been developed, one with a classic red-white tablecloth and one with a jute (burlap) fabric. The tablecloth relates to a countryside table setting with the whole family around it. The jute fabric is associated with biological products from the countryside. (Figures C3.5 & C3.6)

Design with dark background

A dark-coloured packaging has been added to explore if the brand can move towards a more modern Italian design appearance. This design aims to convey a luxurious character. (Figures C3.7)

Design with a pattern in the background

A design with a pattern in the background has been created to give it a surprising/creative touch and to let it stand out from the 460 grams pouches. (Figures C3.8, C3.9 & C3.10)

Transparent packaging

The literature research showed that there is a need for transparency in food products, which means that consumers want to know where the product is made and what ingredients have been used. Therefore, transparency was a great inspiration as transparent packaging literally creates transparency for the consumer. (Figures C3.11)

Figure C3.11 - Transparent packaging

Figure C3.7 - Packaging design with dark background

Figure C3.8 - Packaging design with a pattern in the background 1

Figure C3.9 - Packaging design with a pattern in the background 2

Figure C3.10 - Packaging design with a pattern in the background 3

Focus group interviews

Focus group interviews Goal

The in-house interview gave some insights about what respondents experienced as inconvenient. The goal of the focus group interview was to understand why certain things are experienced as inconvenient. Secondly, the groups were used to discuss the ideas that had arisen during the literature research and the in-house interviews.

The focus group interviews were executed after the one-person interviews and Ideation. The respondents were recruited through multiple networks. First, all employees of Enrico Food used their network to find participants that fit the target group's requirements (millennials in one or two-person households). This resulted in a total of five focus group interviews that were hosted over a three-week period. The interviews consisted of four online focus group interviews through Zoom and one real-life interview in Amsterdam. Each interview had at least four participants, with both male and female participants from different backgrounds in terms of residence. All interviews were recorded and analyzed afterwards.

Focus group interviews Set-Up

A semi-structured interview was used to make sure that all topics were covered. Two experts have been consulted to develop the right structure for the interview and make sure questions were asked in the right way. Sabine Mulders and Ruben de Groot, who work at market research agencies, are experts in doing focus group interviews. They advised on how to lead an interview and ensure all topics were covered within the given time.

Both the online and real-life interviews had the following structure:

1. Introduction
2. Discussing how the respondents prepare a pasta sauce
3. Discussing recipe ideas
4. Survey about packaging design
5. Discussing the packaging design

Topics and questions that arose during the one person interviews and Literature research

Does this target group always add extra products to their pasta sauce and is it different for specific recipes?

What kind of products does this target group add to their pasta sauce?

Is this target group looking for convenience in a pasta sauce?

What is convenience for them?

What is important to the target group when making a pasta sauce?

What is this target group looking for in a pasta sauce?

What does the target group think of a pasta sauce with pre-cut vegetables?

What does the target group think of a pasta sauce with pre-cut vegetables and pieces of meat in it?

What does this target group think of an organic pasta sauce?

What does this target group think of sustainable food products?

What is a sufficient portion of pasta sauce for the target group?

Design topics

Should there be a difference between the 460g poach and the new product lie in terms of packaging design?

What does the target group think of the current packaging in terms of authenticity?

Product naming Dutch or Italian?

What does this target group think of a design with a link to the countryside?

What does this target group think of a design with a dark background?

What does this target group think of a design with a pattern in the background?

What does this target group think of a design with vegetables in the background?

What does this target group thin of a transparent pouch?

What does this target group think of an icon with the preparation time, amount of vegetables and sizing?

For the detailed questionnaire and survey of the focus group interview, see appendix D.

Focus group interviews Online

The online interviews were executed through Zoom. The interview started with everyone introducing themselves, after which an explanation of the topic and interview was given. First general topics about Italian food were discussed to get everyone to immerse themselves in the subject. After the intro, more in-depth questions and topics were discussed. A survey with questions about the design ideas was sent out during the interviews. A survey was used so that respondents could not influence each other and give the most honest answers. After the surveys, the filled-in results were discussed.

Focus group interviews Real life

The respondents were invited to Amsterdam. The interview occurred in a homely setting where the respondents sat around a kitchen table. The interview started with everyone introducing themselves and giving a short explanation about the subject and the interview. First general topics about Italian food were discussed. Later in-depth questions and topics were covered, similar to the online interview. The same survey that was used during the online meeting was handed out and filled in by the respondents.

The results of the survey were discussed with the group afterwards.

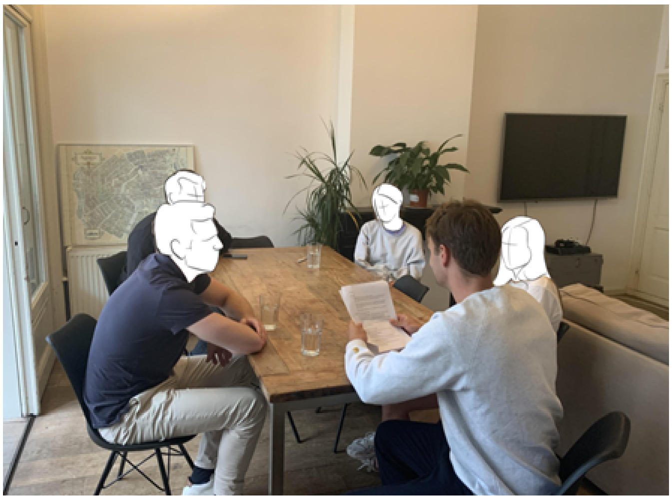


Figure C3.12 - Focus group interview

Figure C3.13 - Focus group interview

Focus group interviews Results and Insights

The main insights of the focus group interviews are explained.

Insights of preparation of pasta sauces

Most of the respondents add products to their pasta sauce and experience a tomato sauce in a jar or pouch as a basis, which is in line with the findings of in-house interviews. The products they mostly add are vegetables, which are important to them to ensure their evening dinner meal is healthy. There were different opinions about adding meat to a pasta sauce. Some respondents often added beef or chicken to their sauce, and others liked it without. Many respondents associated a pasta with an easy way to cook a nice meal. They say that it is simple to cook and rarely goes wrong.

Respondents indicated that they tend to add fewer products in a carbonara or truffle sauce because they can only add mushrooms or onions to it. These sauces are therefore experienced as less healthy than tomato sauces.

Insights recipe ideas

Respondents had mixed reactions when they were asked about the ingredients in a sauce. For example, when they were asked if the tomatoes in a pasta sauce needed to be Italian, many said they did not care. One respondent mentioned he would like to have Polish tomatoes because they have more flavour according to him.

Organic

Some respondents expressed that they would like an organic pasta sauce because they perceive it as healthier, but they also said they do not want to pay more for it. Others said that they do not really care.

Sustainability

Respondents were asked if they value sustainability in a food product in terms of packaging and ingredients. Respondents had mixed reactions. Some indicated that they did care but not when they bought a pasta sauce. Others indicated that they care about sustainability but mentioned that it did not make sense to communicate that a pouch is sustainable. They explained that they would rather go for a glass jar, which can be recycled better.

Naming

There was not a clear preference for the product naming language. More than half of the respondents preferred the Dutch product naming as they could immediately understand it. However, the respondents who preferred the Italian naming explained that the product became more Italian and did not care if they could not immediately understand it.

Sizing

All the respondents expressed that they would prefer to have more than 100g of pasta sauce per person, which is recommended by the Dutch nutrition institute (Voedingscentrum). Almost all of the respondents said that a 1-2 person sauce should at least contain 300 grams and especially for the idea with the chunks of vegetables.

Insights packaging design

One of the goals of the interviews was to retrieve insights about how this target group experiences the packaging design of the current pouch products and to understand what parts should be used in the new design. Also, some new design ideas were discussed to see what parts of the design and communication could be used for further exploration.

Icons to communicate convenience

The use of icons to communicate the convenience of a product was received positively. Most of the respondents liked that they could immediately see the product's benefits. They especially mentioned the icon with the amount of vegetables because it confirms for them the product is nutritious. On the other hand, some of them didn't even care about the amount of vegetables but were triggered when they saw the communication of it.

Usage instructions

Many respondents were positive about the communication of preparation time and the number of portions. Respondents expressed that these indications are really helpful when shopping for groceries.

Focus group interviews Consumer reaction to packaging design concepts

New design of the 460gram pouch

The current pouch of 460grams has a new design which will be introduced next year. This design is perceived as very authentic, with a fit to the brand. Many participants noted that it is hard to immediately see of what ingredients the sauce is made. The design has different colors for every variant and a small visual of the ingredients. Respondents indicated that this could be more clear.

Design with elements of the old pouch packaging design

The design with a picture of the sauce is perceived as staged and outdated. For example, some respondents compared it with the pictures of a dish above the counter of a fast-food restaurant. Respondents also mentioned that it is helpful to see what the product will look like. They do not like the look of photographed food, but it gives an idea of what they could do with it

Design with link to the countryside

The designs with a link to the countryside were experienced as inauthentic and artificial. For example, the design with the blocked tablecloth was associated with a jar of jam. The link between the countryside and the jute fabric was not clear and perceived as fake because it suggests the sauce to be biological, which it is not.

Design with dark background

Respondents had mixed feelings about the concept with a dark design. Some of them experienced it as a luxurious product. Others compared it with a seventies design. The main insight was that it had no apparent connection with a pasta sauce.

Design with patterned background

A design with a pattern in the background resulted in many responses and opinions. Most respondents liked a pattern in the background but said it missed a link with an Italian pasta sauce. The design was associated with rice packaging and with a human brain. A respondent suggested using a pattern with the products in the sauce. This idea was received positively by the other respondents. A new concept with a pattern of the vegetables in the sauce was designed and discussed in the following focus group interview. The design of the new pattern was well received by the respondents of the following focus groups.

Many respondents were positive about the pattern of the ingredients because it is more clear what the product is made of. In addition, some indicated that they do not always read the packaging and that these visuals are helpful to quickly see what it is made of, especially in a pouch that is not transparent.

Focus group interviews Conclusion

The target group likes a pasta sauce as it is an easy way to create a delicious meal. They also want the sauce to be healthy, so they prefer a tomato or pumpkin-based sauce over a carbonara or truffle, which is experienced as unhealthy. They like to add vegetables to their tomato sauce, but they experience the preparation of vegetables as the most inconvenient part. The target group currently resolves this with semi-convenient products like meal kits and pre-cut vegetables.

The target group is positive about the idea of a sauce that contains chunks of vegetables as long as it has a fresh feeling. Some respondents liked the idea of a pasta sauce containing both chunks of vegetables and pieces of meat.

Consumers are more aware of sustainability and value a sustainable lifestyle. However, the focus group interviews showed that although the target group cares about sustainability in general, it is not a priority for a pasta sauce.

The transparent pouch was the most popular packaging design as consumers associated it with convenience as well as freshness, honesty, and quality. For non-transparent packaging, the design with vegetables in the background was perceived as the best because it still communicates that there are vegetables in the sauce.

The target group indicated that a 1-2 person pasta sauce should at least contain 300 grams to be sufficient for two full servings.

Focus group interviews Decisions

The decision has been made to only proceed with pasta sauces with a base of vegetables like a tomato or pumpkin sauce as these best meet the needs of millennials for whom a healthy meal is essential.

Sustainability will not be an element of the product as it is not the main priority for the target group. Furthermore, Bertolli's authentic Italian story conflicts with a sustainable story. For example, Bertolli wants exclusively Italian tomatoes in their pasta sauces. This is not sustainable when taking the whole lifecycle of the Italian tomatoes into account: importing tomatoes from Italy is less sustainable than using Dutch tomatoes.

Moving to sustainable packaging was considered, but only changing the packaging material into biodegradable plastic would not meet the standard of a proper sustainable product. If Bertolli communicated this as a sustainable advantage, they would risk being accused of greenwashing.

The product range will have Dutch naming as consumers should immediately understand the recipe of the variant. Italian naming will be included in a smaller font to highlight that it is still an Italian recipe.

Focus group interviews Program of requirements

The program of requirements results from the findings and conclusions of the analysis phase and the empirical research. These requirements were the starting point of the ideation phase and provided guidance and boundaries throughout the whole process.

Overall requirements

The concept should contribute to Bertolli reaching its goal: Becoming the leading Italian brand in the Netherlands by making all the good things of the Italian kitchen accessible.

The concept should provide a small volume pouch pasta sauce of 300ml for cautious budget jugglers and juggling family providers. It should focus on millennials who live in one or two-person households. It should solve the inconvenience of having to add vegetables to a pasta sauce, and it should communicate the authentic story of Bertolli. At the same time, it should be positioned as surprising/ creative, to create a distinctive positioning for the brand.

Detailed requirements

Positioning

1. The concept should let Bertolli stand out from the rest of the brands by positioning the brand as the surprising/creative authentic Italian brand

Recipe and ingredients

2. The concept should make it easy for consumers to eat a large amount of vegetables.
3. The sauces should be based on an Italian recipe

Packaging

4. The concept should be packaged in a pouch.
5. The packaging should at least have a volume of 300ml.

Aesthetics and design

6. The packaging design should communicate the authentic Italian roots of Bertolli
7. The packaging design should show coherence to the design language of Bertolli and make use of the brand assets of Bertolli
8. The concept should be distinctive from the 460g pouch line
9. The product should be transparent in its communication
10. The packaging should visually communicate the ingredients

Features

11. The concept should communicate the preparation time
12. The concept should communicate the number of portions
13. The concept should communicate the amount of vegetables


PINK LADY
€3,00
CILIEGINO
€3,00
SATURNINE
€2,50
€4,50
la fragola

Ideation

This chapter describes the steps that were taken during this second ideation phase. Multiple concepts have been developed during the Ideation phase. The program of requirements that resulted from the analysis and the empirical research was the starting point of this phase. The ideas that were discussed during the focus group interviews gave insights and new ideas, which were further explored in this phase.

Figure C4.01 - manufacturer session

Manufacturer ideation session

The company is manufacturing the 460g pasta sauce pouch line for Bertolli and will also manufacture the new small size pouch line. At the start of the project, a meeting with the manufacturer was arranged to get to know the manufacturers team, present the possible Bertolli concepts and discuss the possible solutions for recipes and packaging.

The ideas have been divided into two sections, one with recipe ideas. Recipes ideas with the goal of solving the inconveniences of the current pasta sauces or recipes that respond to current food trends. The other section concerns packaging design ideas that enhance the brand's character.

Recipe ideas of manufacturer

During the session, the manufacturer showed what they are capable of in terms of recipes and packaging. They confirmed that they could manufacture all possible product concepts that had been developed in the first ideation phase.

To provide further inspiration and to give an impression of the possible variety of products and different ways of cooking, a display with different pasta sauce variants was served. The manufacturer gave an explanation of the product preparation and the related manufacturing process. Tasting the various recipes was also possible and helped to understand the effect of the different ingredients and preparation methods, which influence the product's taste.

Limitations of manufacturer

The manufacturer clearly explained its limitation for packaging size and -materials during the ideation session. They presented multiple options for the pouch size, but the material was fixed. This consists of aluminium in combination with two layers of PET.

The manufacturing limitations of the manufacturer were not considered in the ideation phase to ensure all possible packaging solutions that could be interesting for Bertolli were explored. This proved to be a sensible choice as the manufacturer later on in the process, came up with alternative pouch packaging solutions.

Ideation concept elements

This sub-chapter describes the ideas for recipes, packaging and other elements that have been taken into consideration when developing the concepts.

Ideas for type of pouch packaging

As consumers in the focus groups clearly expressed a wish to be able to see the product, a totally transparent pouch and a pouch with a 'window' were considered. The existing 'closed' pouch, as Bertolli is using for their large 460 grams variants, was also regarded as an option.

Ideas for packaging design

Sketches and ideas were made using photoshop to ideate and develop different designs quickly. The designs were based on Bertolli's design language and the insights that were retrieved in the focus group interviews.

Ideas for recipes

The program of requirements stipulates that the variants should be based on an Italian recipe. Another requirement is that there should be a focus on the vegetables in the sauce. From the interviews, it became clear that respondents expect vegetables in a red -tomato- sauce but not in a 'white' sauce, such as a carbonara or truffle sauce. Moreover, they perceive these sauces as less healthy. Therefore, the choice has been made not to have a 'white sauce' in the product line.

Ideas for vegetables in or added to the sauce

As consumers attach great importance to the amount of vegetables in the sauce, several ideas to add vegetables to the sauce were developed. This can be achieved by including more and larger chunks of vegetables in the product and by suggesting consumers to add pre-cut vegetables themselves to the sauce. Both ambient and cooled product variants were considered.

Ideas for online propositions

Analysis of online propositions for food products led to the idea of a virtual bundle. Virtual bundles are product bundles that are put together by the retailer and sold as one product on their website. This is convenient for the consumer as they get all the needed products for their meal with just one click.

The figure C4.02 is an example of a Dutch meal for a family. This example was used as inspiration for the idea to offer a bundle of fresh vegetables and herbs with the sauce.

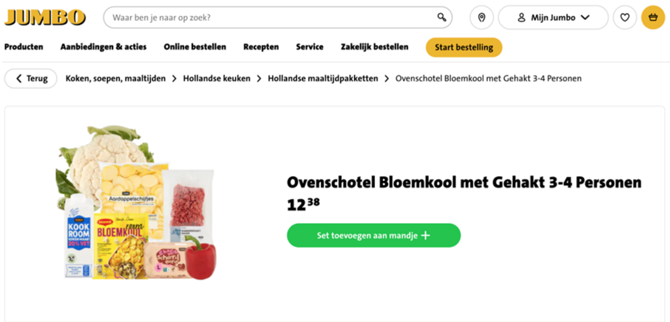


Figure C4.02 - Example of online virtual bundle

Ideas for preparation and inspiration

Various ways for the consumer to prepare the sauce were considered, from very simple to somewhat more complex. However, all methods needed to meet the 'convenience' requirement. The most straightforward method for preparing the sauce at home is heating the readymade product. One step more complex is heating the sauce and adding precut or 'self-cut' vegetables. Finally, various ways were explored to surprise and inspire the consumer with recipes to create their version of a pasta sauce. This led to different ideas: recommendations and suggestions to combine the sauce with other ingredients, recipes on how the sauce can be included in a healthy meal, and QR codes that link to the website where all kinds of inspiring examples can be found.

Concepts

Multiple ideas using the above design elements have been explored. To converge and make a selection, the ideas were evaluated against the program of requirements. Those with the most potential were further developed. Screening these ideas for feasibility, possible speed to market, and cost led to the four most promising ideas that were developed into concepts.

The concepts are all convenient in use, contain vegetables or allow to add these, offer a suitable quantity for one to two persons, and are transparent to a certain extent.
The concepts build on the authentic image of the brand. The packaging design uses the new style guide of Bertolli, which conveys the brand's heritage and contributes to the brand value 'authentic'. All variants will be based on Italian recipes, further strengthening the brand's authentic Italian story.

All concepts are innovative in their own way and contain surprising elements, thus making the brand character more distinctive.

Concepts 1 – Pasta sauce with chunks of vegetables

The interviews revealed that many Dutch consumers use a readymade pasta sauce out of a jar or pouch as a basis and often add products to it, especially vegetables. However, not all respondents find this very convenient. The proposed concept addresses this. It contains large chunks of vegetables to create a proposition where consumers do not have to add vegetables and herbs. The packaging communicates its convenience through icons that indicate the preparation time, amount of vegetables, and portions. This proposition is unique as there are no offerings of pasta sauces with chunks of vegetables in the market.

Figure C4.03 - Concept 1 in-store

Concepts 2 - Pasta sauce with chunks of vegetables with transparent window

A line of pasta sauces in a pouch that contains extra chunks of vegetables. The proposition is the same as concept 1, as consumers do not have to add vegetables and herbs. The difference is the packaging design which contains a transparent window. Respondents indicated that transparency is important and that a window allows them to see what is inside the pouch. They instantly know what the sauce is like. As for concept 1, convenience is communicated via the same icons. Also, this proposition is unique as there is no pouch packaging on the market with a transparent window.

Figure C4.04 - Concept 2

Figure C4.05 - Concept 3 in-store

Concepts 3 – Cooled pasta sauces in transparent pouches

A line of cooled pasta sauces in fully transparent pouches requiring the addition of pre-cut vegetables. The transparent pouch was well received, and many respondents argued that it would be even better if the product were presented on the cooled shelves as it would then be perceived as a fresh sauce. The concept features a basic sauce to which pre-cut vegetables can be added. Instructions on the packaging recommend which pre-cut vegetables should be added. It is still a convenience concept as consumers do not have to think about what kind of products to add. This proposition is also very suitable for online channels because the product can be sold as a virtual bundle with other fresh products. The proposition will be unique as only private label currently has an offering with fresh pasta sauces. These are, however, all offered in a tub.

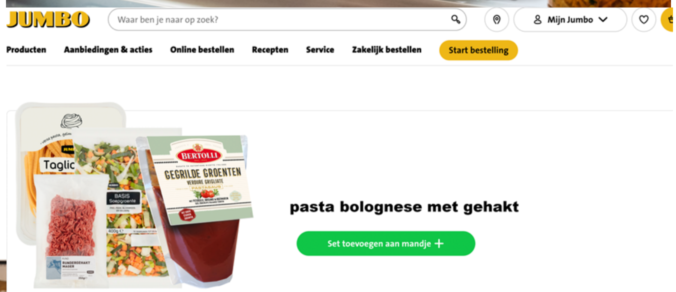


Figure C4.06 - Possible virtual bundle for online channels

Concepts 4 – Pasta sauce box

A box with a cooled pasta sauce in a transparent pouch, pre-cut vegetables, and a bag of herbs. This concept is convenient for consumers as they have everything in one box and do not have to think about the ingredients. However, it still gives them satisfaction of cooking the meal themselves as they have to put the loose ingredients together.

Figure C4.07 - Concept 4

Concept selection

All four concepts meet the set requirements of the analysis phase and can contribute to the overall goal of Bertolli: becoming the leading Italian brand of the Netherlands by making all the good things of the Italian kitchen accessible.

Concepts 1 and 2 meet the needs of the chosen target group by offering a pasta sauce that is convenient to use. It will make Bertolli stand out from the current offerings by having a unique proposition through its chunks of vegetables that are perceived as healthy and nutritious. It is also the most cost-effective way of having vegetables in a sauce.

Concepts 3 and 4 both require the addition of fresh vegetables, which makes the sauce more expensive. Concepts 1 and 2 are, therefore, interesting propositions in the current times of inflation and consumers looking for the best value for money.

To select a concept for further development, the next step was to look at feasibility. Concepts 2, 3, and 4 have a different packaging types than Bertolli's current pouch proposition. For concepts 3 and 4, it meant that additional research and packaging tests had to be executed. It turned out that this process costs too much time to implement within the given time frame. Concept 2 also required additional development, but this turned out to be feasible time wise.

Therefore the decision was made to proceed with concepts 1 and 2.

Recommendations to Bertolli for future concepts

The ideation phase has resulted in many ideas, of which two have been further developed. However, the other ideas could still have potential and be of great value in the near future for Bertolli. Ideas that need more time and research to be implemented are described below. An innovation roadmap based on these ideas is proposed for further exploration by Bertolli.

Line of cooled pasta sauces in a transparent pouch (Concept 3)

This concept could be interesting as consumers are looking for fresh products. The cooled transparent packaging was perceived as more fresh than the closed packaging type.The respondents also mentioned that if the sauce were organic, they would perceive it as healthier. This, in combination with the transparent pouch, would make the concept even more attractive. Therefore, a combination of transparent packaging and an organic sauce should be explored.

This concept could also be interesting for other target groups since there is only a 1-2 portion of fresh pasta sauce available of private label. It could be interesting for Bertolli to look into bigger sizes to serve other target groups.

The feasibility of this concept needs further investigation on transport and logistics as the product should be transported and stored in a cooled environment.

Pasta sauce box (Concept 4)

Respondents indicated that they find the existing fresh boxes of the retailers convenient as they provide a delicious and healthy meal without the consumer having to select all the ingredients separately. This concept would also require a change in the organization of logistics as it includes fresh vegetables, which have to be cooled and transported in a different way than is happening now.

Large size pouch with transparent window

A transparent window in a pouch packaging was an idea that was very well received during the focus group interviews. A transparent window could, therefore, be interesting for the current 460gram pouch range as well. This would also make this variant more unique, as no other brand offers this type of pouch packaging.

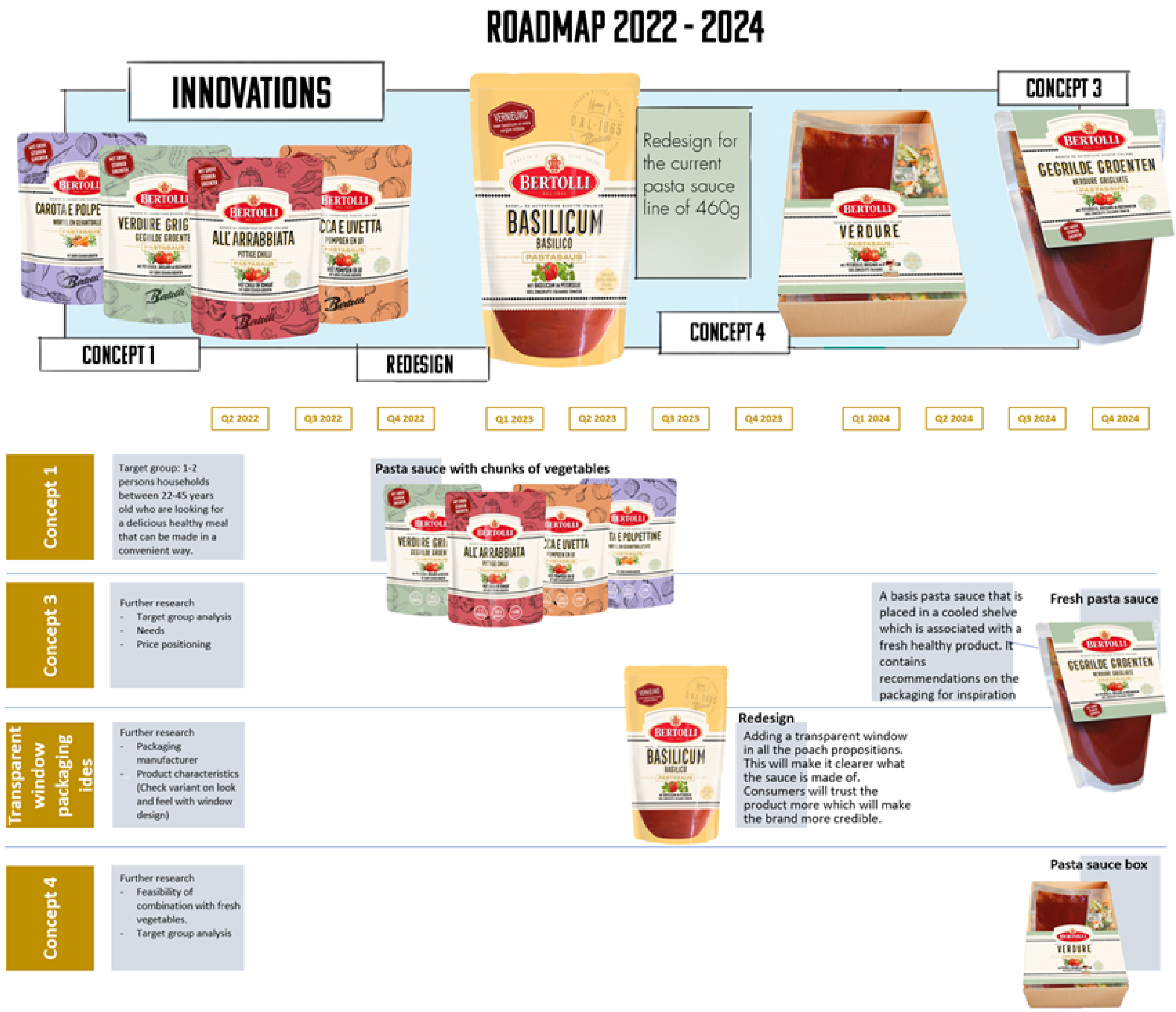


Figure C4.08 - Innovation Raodmap Bertolli 2022 - 2024

Concept development

This chapter describes all steps that have been taken during the concept iteration, particularly the further development of the recipes and the packaging design. This also included a manufacturing briefing for the manufacturer and working with them om the feasibility. Finally, the concept was further detailed with the objective of making it commercially interesting for Bertolli and the retailers.

Concept Development Packaging design iteration

During the concept development, it became clear that the manufacturer was able to manufacture a pouch with a transparent window. The decision, therefore, has been made to proceed with concept 2. The first design iterations of the pouch were made on concept 1. The decision had not yet been made to proceed with a transparent window at that time.

The focus group interviews indicated that consumers want to see what is inside the pouch. They expressed that they would trust the product more when it is shown what the sauce looks like. They regard this as a sign of confidence. The window also has a great fit with the Bertolli heritage. In the past, Bertolli was the first brand to market olive oil in a glass bottle instead of a can. They used the selling line 'see what you buy' for this proposition. Bertolli could reuse this slogan to emphasize the innovativeness of the design and at the same time strengthen the heritage of the brand.

Concept Development Recipe iterations

A Nielsen analysis of the current 460g pouch line and the small volume Grand'Italia jars has been conducted to understand which variants are most popular and could have the highest business potential.

Nielsen analysis showed that pasta sauces with meat perform well. Also, qualitative research showed that some consumers often add meat to the sauce. Therefore, the decision has been made to have one meat variant in the product line. This is a well-considered choice, as the proposition needs to reach a certain sales volume to be successful. A meat variant will make it more likely to reach this volume. This variant should still have chunks of vegetables next to the meat to align with the overall proposition.

The most popular variants have been selected and used as a starting point for the recipes of this range. The classic and widely used Italian cookbook 'The

The Silver spoon' has been used to select recipes that are similar to the popular variants. This is to ensure that the brand can claim that the product is based on authentic Italian recipes.

Concept Development Distinctive proposition name

The product line needs an overall name to support the communication of the product and its uniqueness in order to convince the consumer and the retailer. The name should underscore the authenticity and the Italian heritage of the brand and the proposition.

'Rustica' has been chosen as the name for the product line. Rustica is the Italian for rustic, meaning something is left in its natural state or looks like it. This name is also similar to the Dutch word 'rustiek', so while it is clearly an Italian name it will still be understood by Dutch consumers.

Concept Development Manufacturer briefing

The development phase results have been gathered and put into a briefing for the manufacturer. The briefing includes an explanation of the concept with a list of requirements that should be met. These include recipes, volumes, requirements for ingredients, and costs. the manufacturer uses the brief to test if they are capable of manufacturing the products according to the requirements and for the given price.

The products developed by the manufacturer were tested during a tasting session at their plant. The recipes were checked to evaluate if they meet the standards of Bertolli, and recipe iterations were made to create the best price-quality proposition. Figure A briefing was composed to inform the manufacturer. See, confidential appendix D.

Concept Development Iteration session with the manufacturer

The results of the tasting session were positive, as the manufacturer could deliver the given requirements (e.g. adding the chunks of vegetables). Out of these recipes, four variants were selected to proceed with. However, each variant still needed some improvements, which the manufacturer was requested to develop. Therefore these adjusted recipes were tested during a second tasting session at their plant.

Figure C5.01 - Manufacturer tasting session 2

The decision has been made not to include meatballs (gehaktballetjes) in the variant name as it is will not strengthen the Italian image. Instead, an icon with the claim of meatballs is used to inform the consumer that it is a meat variant.

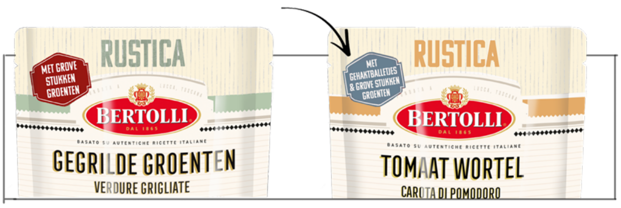


Figure C5.03 - Adjusted icon for meat variant

Concept Development Packaging Design Iteration

The packaging design from the concept selection met the set program of requirements. Nevertheless, the design was not yet finished. The design too colourful and too playful, mainly as a result of the pattern of vegetables in the background. Hence, further iterations were needed. Of note, this thesis will not deliver the final design as an external packaging designer will execute that assignment. However, a design approved by Bertolli was needed for the quantitative concept test.

Iterations of the design have been made in order to make it look more serious and less playful. To involve the target group, respondents from previous focus group interviews were asked to participate. They received an explanation of the concept together with a link to a Miro board and were asked which feeling the concept should communicate. They expressed their ideas in a collage of associations, which has been used as the basis for the next phase of packaging design.

Figure C5.05 - Design iterations

Figure C5.04 - collage composed by respondents

Iteration 1
The overall design has been adjusted to make it look more serious. A respondent had added an Alessi design in the collage, which was an inspiration to create a more clean and neutral background. The first iteration was a pouch with a plain white background and two small stripes of colour to highlight the variant type. The design includes a visual of the vegetables that highlight the sauce's ingredients, similar to the pattern background but with more focus on them.

Iteration 2
This design was similar but had a wider coloured stripe to create more distinction between the variants.

Iteration 3
A design for the packaging variant with a transparent window. The position of the window takes up the space at the lower side of the packaging facing. The visual of the vegetables was moved to the label to make room for the window. The font that was used for the 'Rustica' name was changed to a font of the design language of Bertolli to create more coherence.

Iteration 4
Bertolli perceived the white background as 'cold' and preferred more warmth in the design. Therefore, the colour of the background was changed into a warmer off-white colour. This design has been tested in a quantitative concept test, which is explained in chapter quantitative concept test.

Concept Development Commercial strategy

It is important to consider that an enormous quantity of new products is constantly developed and proposed for market launch. However, not all of them are accepted and introduced by retailers. When a new product has been developed, the whole concept, including consumer benefit, pricing strategy and marketing support, is presented to the key retailers, such as Albert Heijn, Jumbo and Superuni. The category manager, who is responsible for the specific product category, assesses the product and decides whether to add it to the assortment or not.

Next to a healthy profit margin, the retailer wants to know which consumer segment is targeted, if there is a consumer need for the product and if the product will be promoted to make consumers aware of it. Based on this information, the retailers determine if the concept will be sufficiently attractive for their customers and can contribute to building customer loyalty. It is, therefore, essential to have a convincing story about the concept for the retailers.

Concept Development Pricing strategy

A new product proposition includes a pricing strategy. First, a pricing analysis of the competitors is made to determine in which price range the

product will be sold and to define the position of Bertolli within this range. The pricing analysis is based on the consumer prices of Albert Heijn.

The consumer price is the starting point, as the maximum cost price can be derived from it. Deducing the profit that Bertolli and the retailer need to make, leads to the maximum manufacturing cost. The maximum manufacturing cost is part of the briefing to the manufacturer.

The pricing strategy also includes a promotion strategy, which defines which part of the sales volume will be sold against a promotional, lower price. Promotional activities significantly influence the sales volume and penetration of a product. Consumers are stimulated to buy or buy more of the product when it is in promotion which leads to an uplift in sales. Promotions also help to increase the penetration as new consumers try the product because of the promotional activities.

The retailer sets the final consumer price of a product. Given the requirements of the Competition Law, Bertolli can only advise a consumer price, a 'CAP.' As most retailers usually sell at prices lower than the 'CAP', the pricing strategy should be based on a lower consumer price than the CAP.

Concept Development List of requirements to make the pouch line interesting for retailers

The products should have an attractive price point for the retailer to allow them to make a healthy profit margin.

The product should have an attractive promotional pricing strategy because this makes it believable for the retailer that the brand wants to invest in promotional activities. It is a form of guarantee that there will be sufficient sales of the new product.

-The product should have a distinctive character from the current 460g pouch line to make clear on the shelf that the concept is not a small version of the 460g pouch but a new concept.

Concept Development Pasta sauce concept

Combining all learnings of this and the previous phases, the new pasta sauce concept has been fine-tuned and is described as follows.

The Rustica pasta sauce range consists of four pasta sauce variants containing visible chunks of vegetables. There are three variants with purely the chunks of vegetables and one variant that also contains small meatballs. The sauce is easy to prepare as the consumer does not have to add any extra ingredient to the sauce.

Each variant contains more than 250 grams of vegetables to meet the need for a healthy product. The sauces are prepared according to authentic Italian recipes using extra virgin olive oil and Italian tomatoes, thus building on the authentic Italian image of the brand. The chunks of vegetables represent the surprising character of the concept.

The product will be packaged in a pouch for 1 to 2 persons and have a transparent window to allow the consumer to see what the sauce looks like. The sauces can be prepared in ten minutes which provides the consumer with the needed convenience. For a more extensive eleboration of the product line abiiut the recipe packaging and the final iteration see, confidential appendix D.

Figure C5.08 - Rustica range in store


Pizza-Pasta
Gravisi
PIZZA

Quantitative concept test

The qualitative research provided insights that were used to develop the final concepts. This provided trust that consumers are positive about the concept. Nevertheless, quantitative data on consumer acceptance are needed to justify the investments that are required for a successful product launch. Therefore, a quantitative concept test has been conducted to test how the target group perceives the product range. Multiple key performance indicators (KPIs) have been tested, and this chapter explains the concept test results.

Concept Test Set Up

Two examples of other concept tests have been analyzed to determine the best setup for the test. These were a quantitative concept test of Ipsos (market research company) and a concept test of The Vegetarian Butcher brand. These tests have been used as a blueprint for the Rustica concept test.

Before the respondents could answer the questions, they first had to study the concept slide (figure C6.01). The text first explains the current consumer problem and need and then introduces the solution offered by the new proposition. The whole product range is showcased together with its USPs and product information. The variant, which is expected to be the bestselling SKU is shown with a large picture.

The respondents had to answer fifteen questions in total to measure their attitude regarding the KPIs, their cooking habits and demographics. The questions could be answered by dragging a slider with a scale of 0 to 100. The most important questions are discussed in this part. For the full survey, see confidential appendix D.

Questions that have been tested are:
General opinion:
What is your first impression of the Bertolli pasta sauce range with chunks of vegetables?

Purchase intention
Are you interested in buying one of these products?

Differentiating
Do you experience this pasta sauce range as innovative?

Relevance
Does the product meet your needs?

Packaging/ recipe
Does the packaging make clear what the product is?
Does the packaging make clear that the sauce is an authentic Italian recipe?
What do you think of the transparent window in the packaging?
What do you think of the fact that the sauce contains at least 250 grams of vegetables?
What do you think of the sauce containing chunks of vegetables?
What do you think of the fact that the sauce can be prepared in 10 minutes?

What do you think of the sizing of 1 -2 portions?
User type
Do you ever use a jar or pouch of ready-made pasta sauce?
Do you ever add vegetables to a pasta sauce?

Respondents have been recruited using Pollfish, a platform on which respondents can be selected based on demographic variables. 100 respondents between the age of 18 and 65 living in a single or two-person household in the Netherlands have been selected. For more details on the distribution of the audience, see confidential appendix chapter E.

Respondents who never use a pasta sauce out of a jar or pouch have been left out of the audience. This group existed out of thirteen respondents who are rejectors of ready-made pasta sauce and are therefore not representative for the selected target group.

Concept Development Result

A good score for a concept is 70 out of 100, according to the marketing director of Bertolli Aleks Fiege.

Overall, the concept is well received by consumers as the general opinion score came in at 70. The scores for purchase intention and innovativeness were also very positive at 70 and 72, respectively.

Looking at the building blocks of the concept, the amount of vegetables of 250 grams scored high at 74 as well as the preparation time of 10 minutes at 75. The transparent window was also positively judged with a score of 71.
The fact that the variant is based on an authentic Italian recipe had a good score of 74, but the packaging does not yet communicate this aspect well enough as the packaging scored 68 for Italian authenticity.

Surprisingly, the fact that the product contains big chunks and of vegetables was less well received with a score of 67. During the focus group interviews, most of the respondents liked the idea of chunks of vegetables in a pasta sauce. This could be caused by the less prominent communication of this USP on the packaging.

Concept Development Summary/Conclusion

The overall score for the concept of 70 out of 100 is a healthy score and, together with the positive scores on purchase intent and innovativeness, provides Bertolli with the confidence to move forward with the launch. What stood out was the high score for most of the convenience attributes such as the short preparation time and the amount of vegetables, so no vegetables have to be added. The transparent window was as well positively perceived. These results are also in line with the insights derived in the focus group interviews and confirmed the expectations.

The concept had, however, a relatively lower score for Italian authenticity and the presence of chunks of vegetables. Since these elements were well accepted in the focus groups, they will be maintained in the concept.

Final Iteration

The data of the concept test has been analysed, which led to some new insights. These new insights have been included in the last design iteration of the product. This chapter describes the last step of the iteration of the packaging design.

Final Iteration Insights

The concept test showed that the range had a relatively low score for authentic Italian image. Therefore, an iteration on the packaging design has been made to improve this authentic Italian image.

Final Iteration Improvements after the concept test

An original stamp of Bertolli has been added to the label of the design, and a striped pattern to the background. These changes are made to create a more rustic and authentic feeling.

Finally, the claim of 100% Italian tomatoes has been added. A final discussion led to the decision to add the claim of 100% Italian tomatoes. During the focus group interviews, respondents indicated that they did not really care. It is, however, a USP of the product, and it will strengthen the qualitative image of the product.


SINCE
1865
BERTOLLI
DAL 1865
BEST TASTE
TOMATO & BASIL
SAUCE
MADE WITH 100% BERTOLLI® OLIVE OIL


BERTOLL
DAL 1865
SINDS 1865

Launch plan

For the new proposition to become successful, it is required that the key retailers agree to add it to their assortment. To achieve this, the Bertolli sales department needs a strong story with which they can convince the retailers. Therefore, the sales people need to understand the strengths and added value of the concept. The launch plan explains this to them and will eventually be used as the basis for the negotiations with the retailers.

The launch plan that has been composed explains the concept and describes how it should be launched on market. First an overall rationale of the concept is given and a detailed description of each variant. The last part describes the marketing-communication plan together with recommendations for the shelf placement.

Rationale

The first part of the launch plan provides the rationale that explains the current market situation and opportunities for the brand. From this follows an explanation of the way the concept responds to the opportunities in the market.

Rationale Variant description

The detailed section of the launch plan includes a description of each variant and its USPs, shelf placement, price analysis and a marketing plan. The price analysis is left out as this confidential information. Promotional activities have been incorporated in the price analysis. For the description of all variants see confidential appendix F.

Rationale Packaging design description

This part explains the reasoning behind the packaging design. The most important and new attributes of the design are described. Quotes from the consumer research are added to strengthen credibility.

The Rustica consumer

The size of the target group needs to be considerable to ensure sufficient business potential for the retailer. This part describes the demographics, characteristics and needs of the selected.

Rustica Consumer Marketing and communication plan

The marketing plan describes how the product launch will be supported in media and which communication channels are planned to be used.

Multiple channels have been considered and television, online videos and social media have been selected. These channels deliver the highest reach within the target group in the most cost-effective way.

TV- campaign
Television billboards have been chosen as the primary media channel to communicate with.
A television billboard is the sponsoring of a TV-program, shown at the start, end or both of a certain program (Dit programma wordt mede mogelijk gemaakt door…). These billboards have a duration of three seconds in which the product range can be communicated. The advantage of this media type is that a program can be selected that has a relatively high reach within the target group. Combined with the fact that the for billboards are lower than for regular longer TV-commercials makes this a very cost efficient tool. Hence, it makes it affordable for Bertolli to be on television.

The TV campaign will be targeted at millennials 35 – 45 as they can be reached most cost effectively via TV. Consumers 22 – 35 watch relatively less TV, so they will not be included in the target audience of the TV-campaign. This group will be reached via online video and social media campaigns.

Online video campaign

As the online video platforms have access to very detailed consumer data, these campaigns can be very selectively targeted and are therefore cost efficient. The online video campaign will be targeted at consumers 22 – 35 as well as 35 – 45 years old.

Social media campaign

Also this media type can be very selectively used on the basis of data. The social media campaign will be targeted at consumers of 22 to 35 years old. Instagram has been chosen as channel where sponsored reels will be used to showcase the new product range with focus on the variants and the preparation.

Shelf recommendations

The launch plan includes an analysis and a recommendation for the shelf placement of the new range. In order for the range to be listed, other products have to be removed to create space on the shelf. An analysis of the pasta sauce category at the three big retailers, Albert Heijn, Jumbo and Superunie, has been executed to create well-argued recommendations. In addition, multiple Nielsen analyses have been made to see which SKU's underperform and could potentially be replaced. The analysis aims to find arguments to list all four variants of the Rustica range on the shelf of the retailers. Each retailer is analysed individually as they all have a different product portfolio. For an extensive explanation of the shelf recomandation see confidential appendix D.

Recommendations, Limitations & Reflection

Recommendations

During the development process, many ideas came up that could not be fully explored. Moreover, in the given timeframe of the product, it was not possible to develop the chosen concept to the level of detail needed for real live launch on the market. These ideas and elements have been summarised as recommendations divided into three categories. They can be followed up by either students and Bertolli or both.

Recommendations Research

There are two recommendations for further research on the gaps in existing knowledge about food preparation and consumption:

A study to determine which factors influence the propensity of consumers to try new ingredients and recipes.

Research into the difference in health benefits between freshly made or ready-made components of Mediterranean diets.

Recommendations Development

The Rustica product range still needs further fine-tuning before it can be launched onto the market. Multiple elements of the Rustica concept have to be further developed and researched and these are described below.

Packaging

The packaging design has been tested in a first concept test. The insights derived from this test have been incorporated in the design brief for the external designer. It should be evaluated how this improved design is perceived by consumers and if this is an improvement versus the first round of design.

Recipe

Recipes have been tested by the Bertolli- and the manufacturer-teams during the whole process and constantly iterated. The manufacturer is currently improving the chosen recipes. A final test of these improved recipes should be executed with actual consumers to incorporate their feedback on the latest adjustments.

Naming

The naming of the variants has not been explicitly tested in the concept test. A quantitative test of these names, to evaluate consumer understanding and associations with these names will identify if they communicate the concept convincingly enough.

Recommendations Company

Other concepts

The ideation resulted in multiple concepts that were not further developed as they could not be completed in the given time frame. Concept 3, with the transparent pouch on the cooled shelf, is potentially a very interesting route for an SPD or IPD student to develop further.

Positioning

The proposed addition of the value ‘surprising’ to the positioning, to make Bertolli distinctive from all other ‘authentic Italian’ brands, should be further explored. Within the given constraints of this project, it has not been possible to fully bring this idea to live. Qualitative research in which more creative concepts are tested, should be executed to generate consumer insights. This research could very well be combined with the recommended study of concept 3.

Sustainability

As there is an increasing consumer interest in sustainable food products, it should be investigated what the drivers are of this interest and to what extend consumers are willing to pay more for this extra benefit.

It is furthermore recommended to make it standard procedure to measure and determine the CO2 footprint of all sourced products and packaging types. With this information, the brand can make well-argued choices for the ingredients and packaging if they want to move in a more sustainable direction.

Limitations

Limitations Literature Research

The literature study into the Consumer needs and trends in eating and cooking, the role of branding and packaging was conducted to understand the topic better and find possible improvements. This thesis included extensive literature on this topic; however, some details could be missed. Next to this, there are multiple visions on the role of branding in relation to food which could not all be taken into account considering the project's time frame.

Limitations Empirical Research

The empirical research resulted in many insights which have been used for the development of the new product range. During the focus group interviews, multiple design ideas were discussed. The designs were discussed by using a visual of the packaging design.

Ideally, the designs should have been visualised in an in-store environment to create an even more realistic setting for the idea, which could have resulted in even better insights.

During the online focus group interviews, respondents were asked whether a portion of 100 grams was sufficient. Ideally, they should have seen the portions in real life. This was, however, too complicated to arrange for the online interviews. (it has been tested in the real-life interview).

Reflection

The final result of this thesis is above all my expectations, but looking back at the whole project, certain things could have been done differently. I will explain the most important subjects of the graduation project from which I learned the most.

I want to start by mentioning that I experienced the deliverable of this project as my biggest advantage. From the start, it was clear that a new pasta sauce range should be delivered. This deliverable gave clear boundaries to the project and the complex design process.

Although the project brief explains what the goal of the project was, I should have more clearly explained to the company the skills and strengths of an SPD student. As a result, they would better understand all the steps made in the design process and the thinking behind some of my choices. In addition, I learned that I have to better communicate some of the used design methods.

Another aspect I would like to mention is the project's planning. I have tried to strictly keep track of the planning which I had accomplished till the midterm meeting. After the midterm meeting, it took me too long to make decisions which got me in trouble the last four weeks. Because of these late decisions, I was still developing and iterating the product till the end of the project. These developments and iterations also had consequences for the report, as it had to be adjusted multiple times. These last few weeks have been exhausting and could have been avoided.

Overall I have learned that each design process comes with unforeseen activities and delays. Therefore, it is important to consider the final result and adjust the project in a way that leads to the best possible outcome.

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Faculty of Industrial Design Engineering

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Appendix

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