



Case Study Biscuits Challenge

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Introduction

Background

Biscuito International led the biscuit category in 2010 through Lion as a line-up and Olio as a secondary product. However, Lion's market performance began to deteriorate in 2015, and a good understanding of events over the last three years (2016–2018) needed to be assessed to reestablish Lion as the market leader.

Objective

- What are the existing issues that need to be resolved for Lion?
- What are the key short-term goals for Lion?
- What are the key long-term goals for Lion across the areas of brand, creative, media, innovation, and commerce?

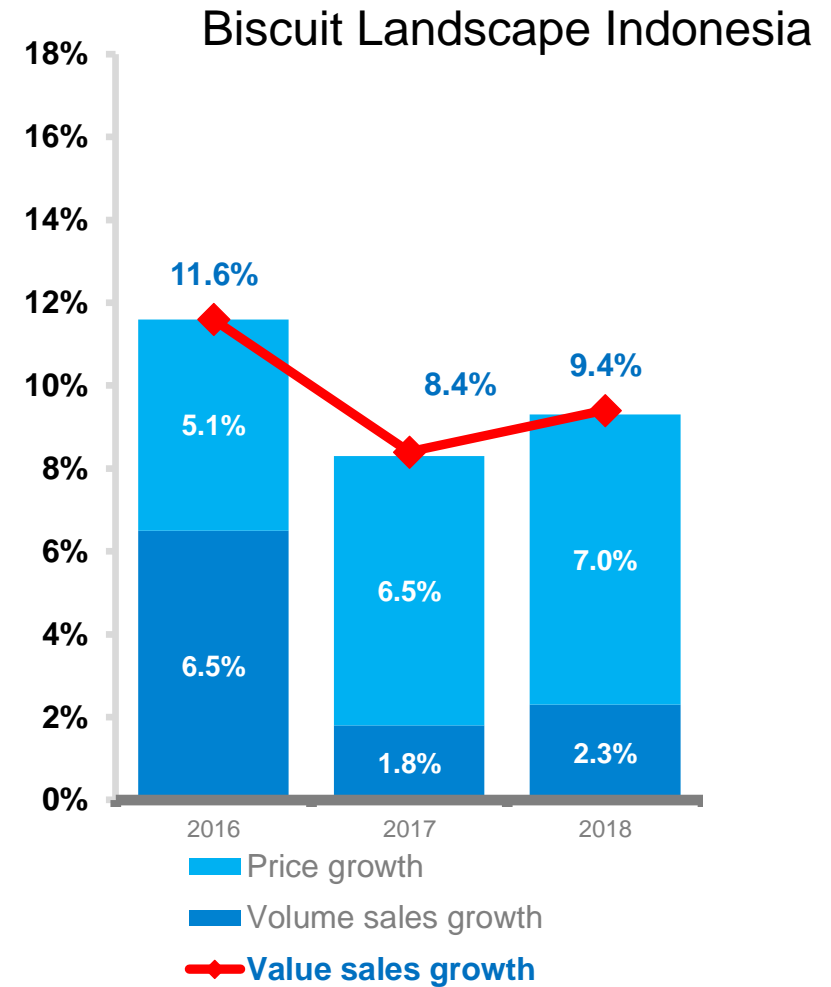
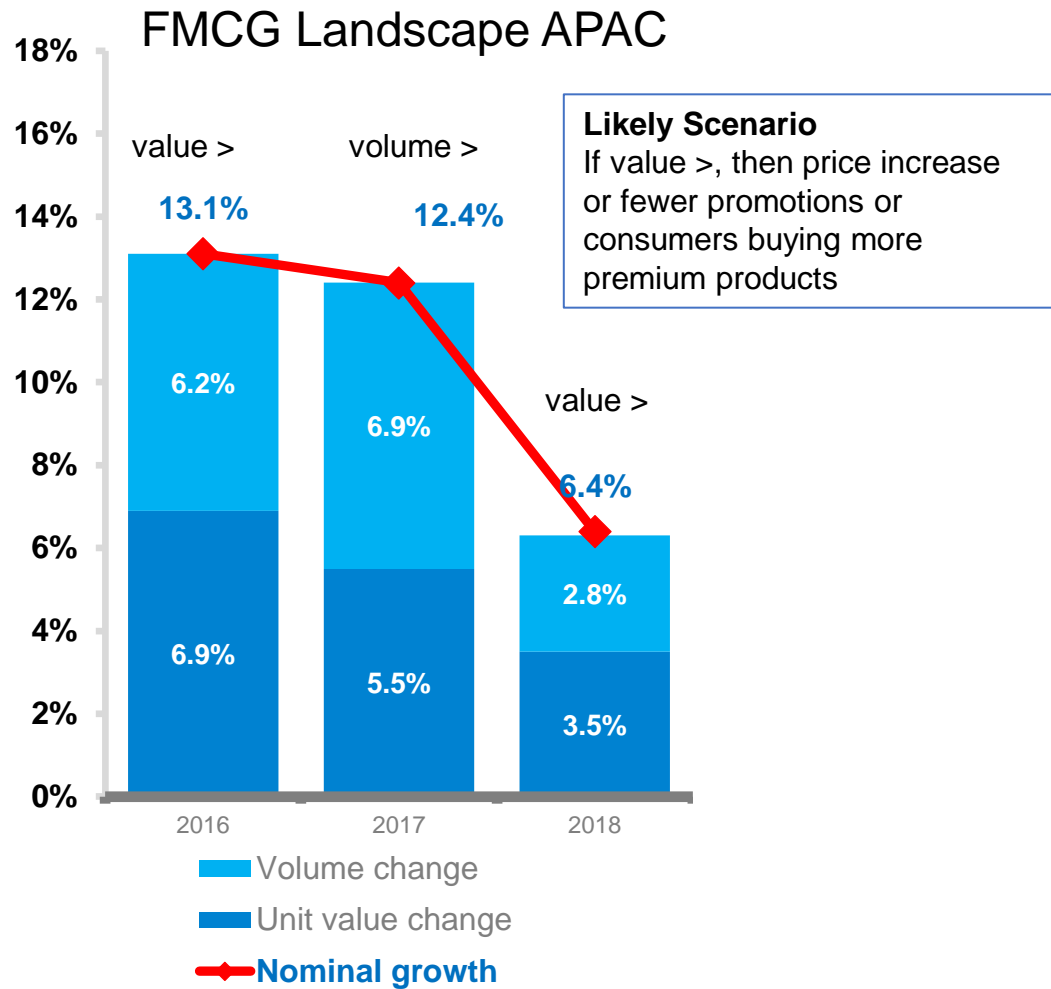


Issues Contextualization

The most recent data is from 2018, and not all data is up to date.

Market Update

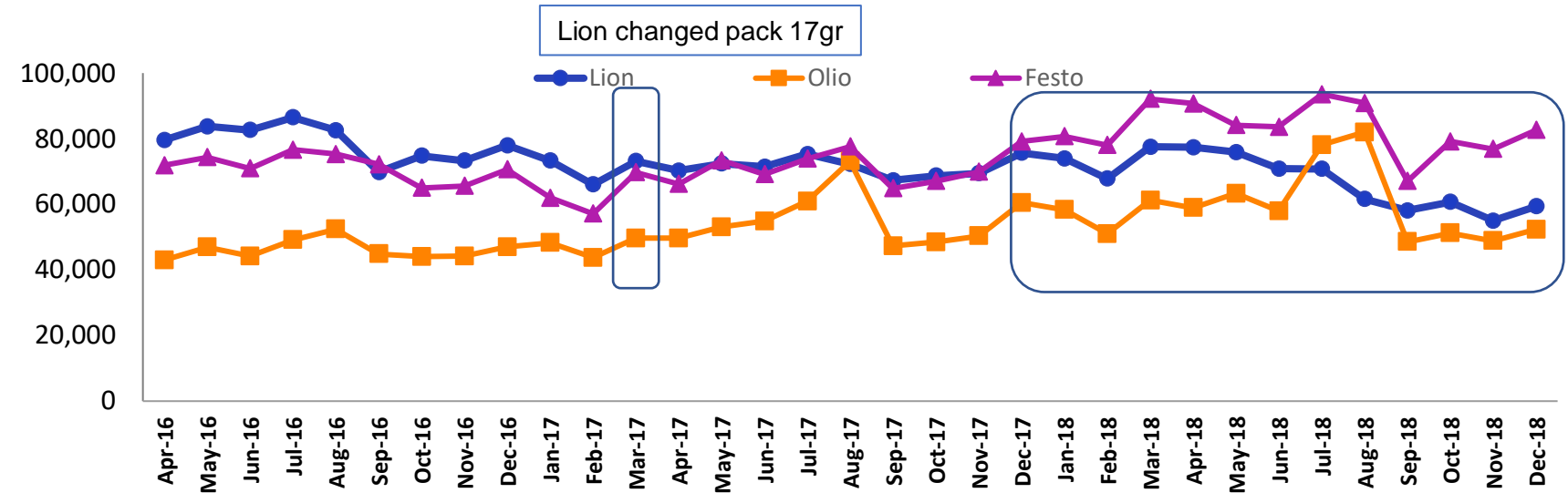
The number of FMCG products that had been purchased in APAC showed a stage where demands may vary each year, but nominal growth was consistently declining. Nevertheless, the biscuit category managed to raise the value of sales in 2018, showing that Indonesia is still a promising market for this category.



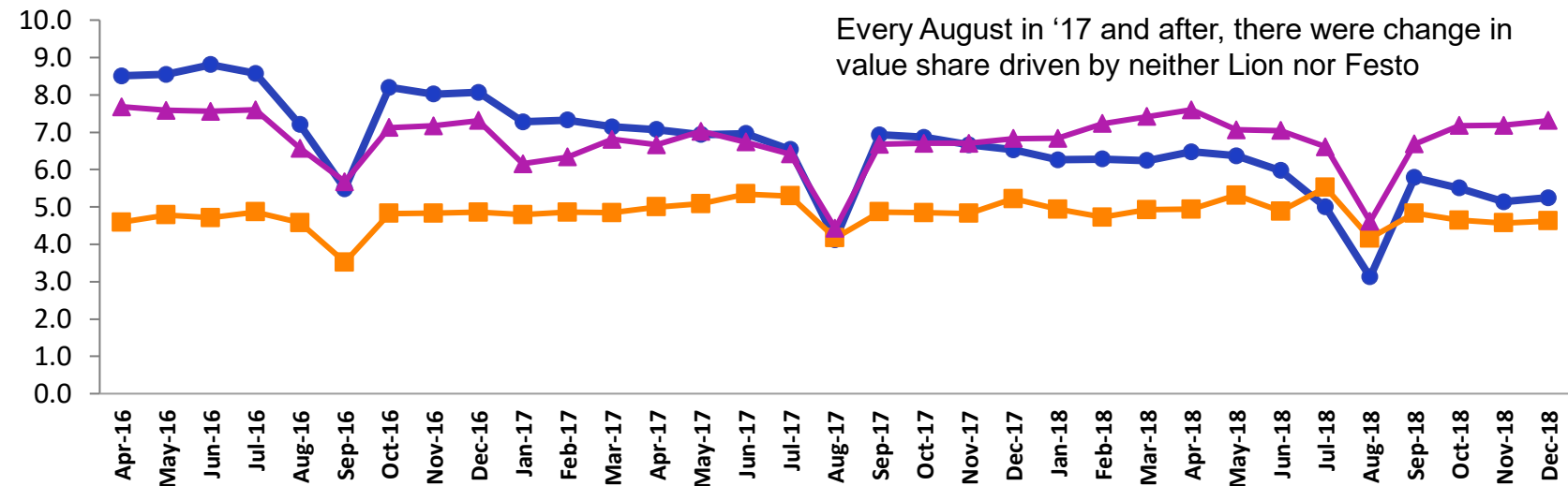
Market Update

In March 2017, a notable shift was seen in Festo and Olio, which might be a predictor of Festo's positive movement in the next year.

Value sales (billion IDR)

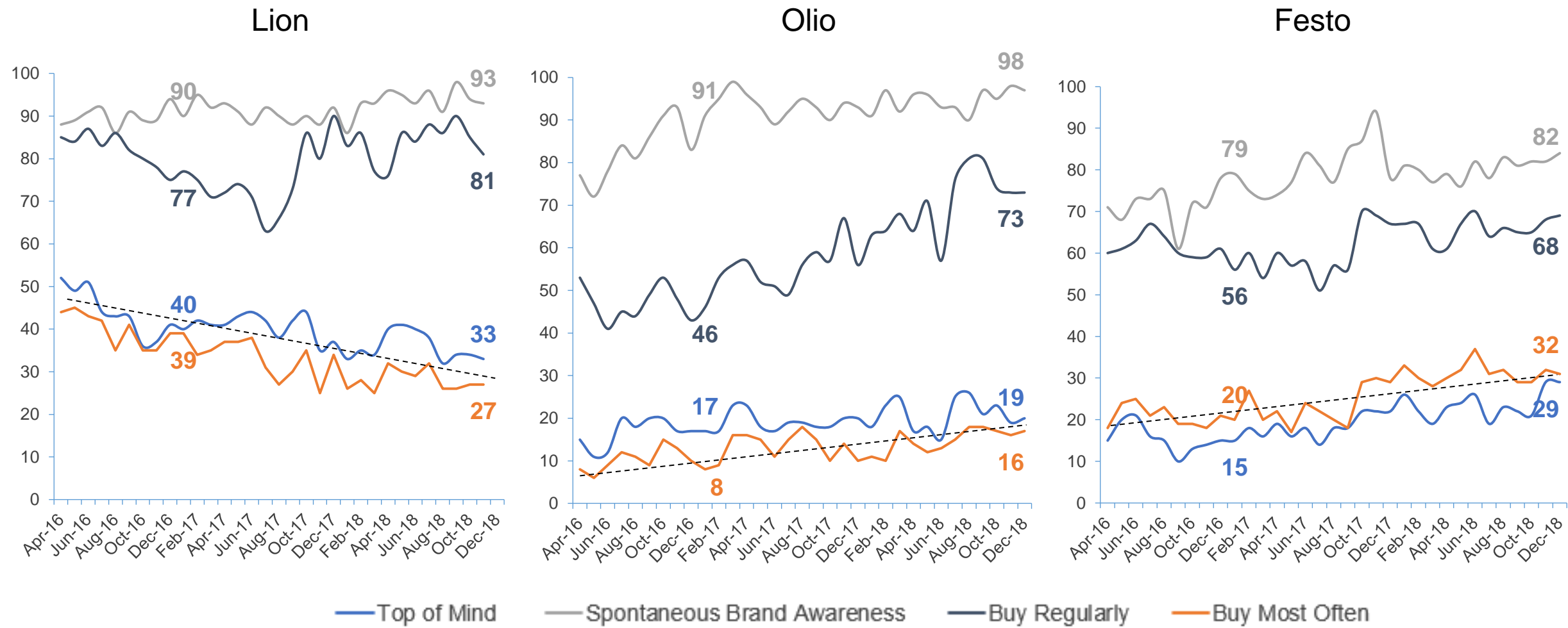


Value % share



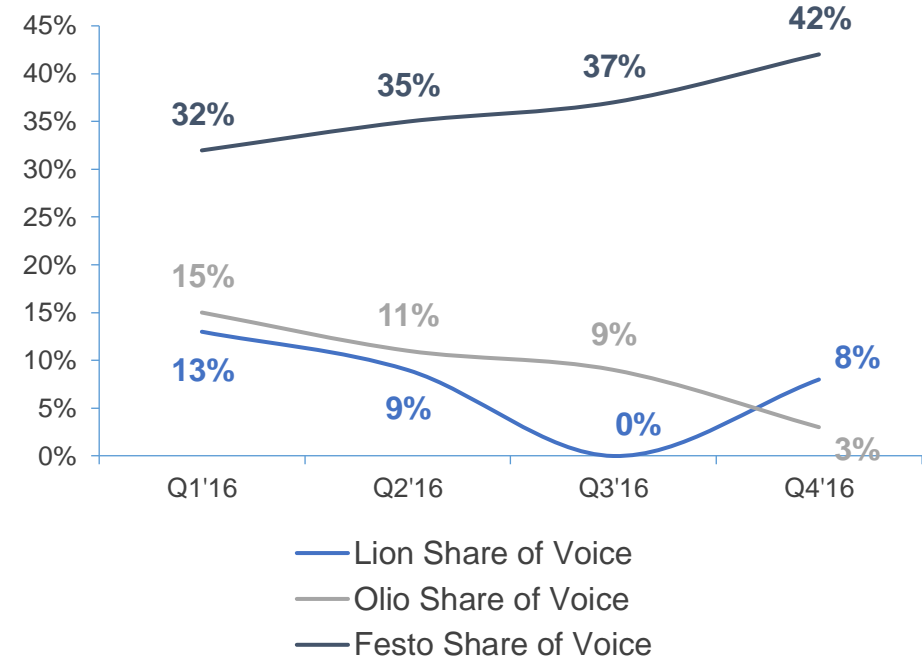
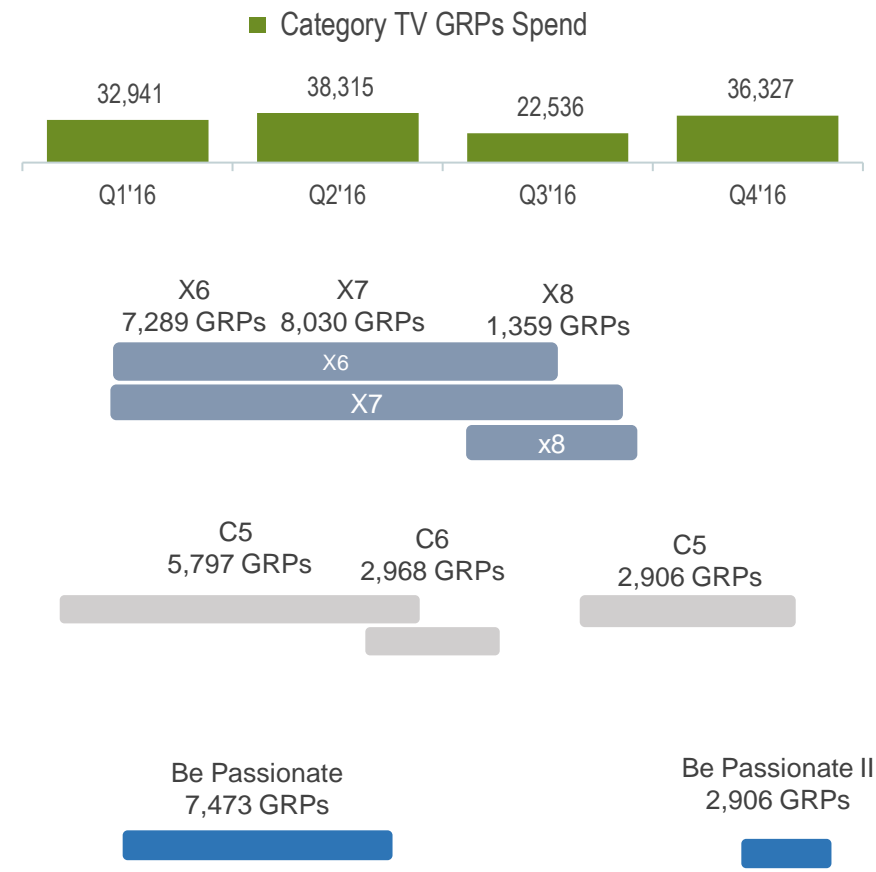
Brand Performance

Consumers also perceived Festo as in line with sales metrics, where better conversion was seen from Festo than Lion & Olio.



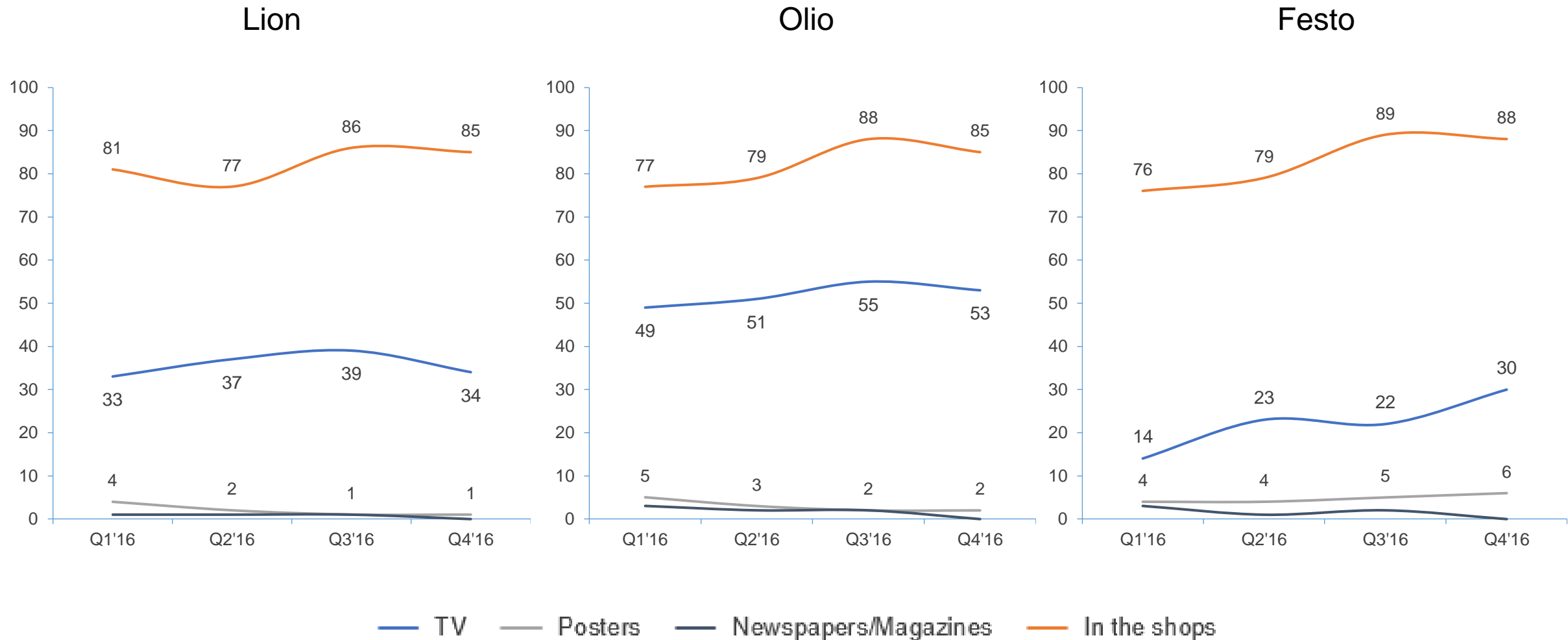
Share of Voice

Before reaching the turning point in early 2017, Festo preceded the strategy by increasing share of voice, but they did not just rely on mass media, e.g., TV as a single channel.



Source of Awareness

Store activation appeared to be one of the driving forces behind the increase in market share that both Lion and Olio lost to Festo. Festo was able to grow the brand through store activation and ATL, which resulted in a significant impact compared to the first quarter.



Impact of Advertisements

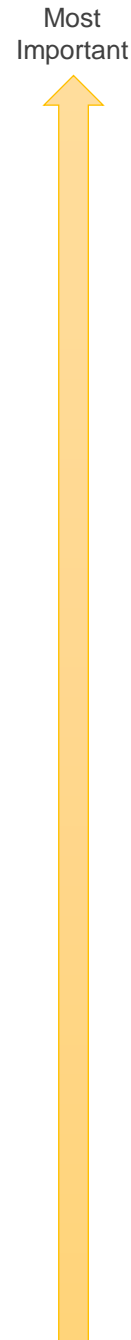
The key message, which gave a sense of togetherness, tendentially increased consideration—a strategy played by Olio and Festo that had not been delivered in any of Lion's ads.

AD (2016)	Lion		Olio		Festo	
	Be Passionate	Be Passionate II	C5	C6	X6	X7
Recognition	●	●	●	●	●	●
Branding	●	●	●	●	●	●
Enjoyment	●	●	●	●	●	●
Brand Appeal	●	●	●	●	●	●
New Information	●	●	●	●	●	●
Different Information	●	●	●	●	●	●
Relevance	●	●	●	●	●	●
Credibility	●	●	●	●	●	●
More likely to buy	●	●	●	●	●	●
Key Message	Gives my kid passion to do what he loves	Supports mothers in actively teaching their children to follow their passion	Inspires creating family moments	Olio is a thoughtful gift for Hari Raya	Everyone loves Festo	Helps my child to do what he / her likes
Take-out	●	●	●	●	●	●

Legend: ● Significantly stronger than market norm ● On par with market norm ● Significantly weaker than market norm

Brand Imagery

Lion was putting the attributes right, as evidenced by Lion being perceived as the strongest in the area of the most important factors. Festo, on the other hand, won trust and played in a low-priority area where Lion was weak.



Category Drivers - 2016		Lion		Olio		Festo	
Favorite brand	High Priorities	63%	-3	59%	1	33%	2
Is a trusted brand		82%	-2	66%	-7	49%	9
It has great taste		66%	3	52%	-3	29%	-1
Can be eaten anytime, anywhere		76%	7	60%	-1	27%	-6
Modern		73%	4	59%	-1	30%	-3
Gives my kids passion to do what they love		71%	8	52%	-3	24%	-6
My kid's favorite brand	Middle Priorities	71%	7	62%	6	17%	-13
A snack for a healthier life		74%	-1	60%	-6	42%	6
Provides the benefit and goodness of milk		91%	3	74%	-3	41%	-1
To enjoy alone while relaxing		60%	2	50%	-1	26%	-1
Makes kids creative		74%	7	62%	3	22%	-10
Is good value for money		73%	-2	68%	2	35%	-1
Provides energy for my children		76%	8	45%	-14	38%	6
Helps make kids strong		80%	12	52%	-8	29%	-3
Keep introducing new products		75%	12	60%	4	14%	-16
Has ingredients of good quality		70%	-9	67%	-2	48%	11
Makes me closer to my child	Low Priorities	76%	3	77%	13	19%	-16
Suitable to be consumed in sharing		52%	-12	61%	5	38%	8
Is suitable for children		78%	-1	91%	22	17%	-21
Fortified with Vitamins and Minerals		83%	8	54%	-12	39%	3
Enlighten the family moment		53%	-9	41%	-13	52%	23
Goes well with milk		63%	-17	79%	9	46%	8
Fun way of eating		52%	-16	80%	21	27%	-5
Is suitable for the whole family		47%	-14	42%	-12	55%	26



Way Forward

Identified Issues

Festo's takeover was preceded by investment in the share of voice captured from in-store activation, television, and possibly social advertising.

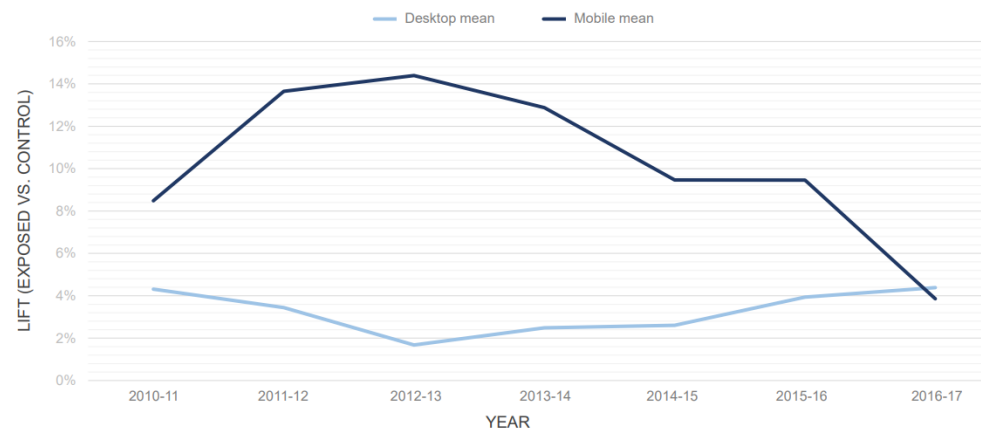
Call to Action

Considering revamping the plan of store activation, both offline and online channels

- Partnership with [ecommerce](#), as the share within the FMCG industry is projected to reach 15% in 2025 from 7.3% in 2017.
- In-store promotions to reduce price as well as increase purchase power may need to be done, as the recent situation (2018) indicates that growth of value > volume.
- [Social advertising](#), specifically Facebook and Instagram, and both mobile and desktop display ads are equally effective for brands in the upper funnel.

Mobile: impact on brand over time

Mean [desktop](#) and [mobile](#)



KANTAR MillwardBrown

Source: Kantar Millward Brown MarketNorms Database Q2 2017

Identified Issues	Call to Action
<p>Creative marketing was about average, even less likely to influence people to buy.</p>	<p>Re-evaluate the creative to be more convincing in showcasing product. Considering to explore new and different information about what biscuits can provide.</p> <ul style="list-style-type: none"> • In the case of Festo, the brand managed to make a breakthrough by showcasing a low priority, “Is suitable for the whole family” to “everyone loves Festo” as a CTA, which this also called out attributes: <ul style="list-style-type: none"> • Enlighten the family moment. • Suitable to be consumed in sharing. • Case from Festo connected the brand story "A snack for a healthier life" by also bringing up a message about "Fortified with Vitamins and Minerals." <p>Improvement for Lion</p> <ul style="list-style-type: none"> • Find out a copywriting that tells more on the emotional benefits. <ul style="list-style-type: none"> • If passion is owned, how does it take effect? Why do we need to provide passion in the first place? Unclear storyline possibly affects relevance. • Enrich the story that provide functional benefits apart from emotional one.

Identified Issues

Purchase repletion of Lion decreased from time to time.

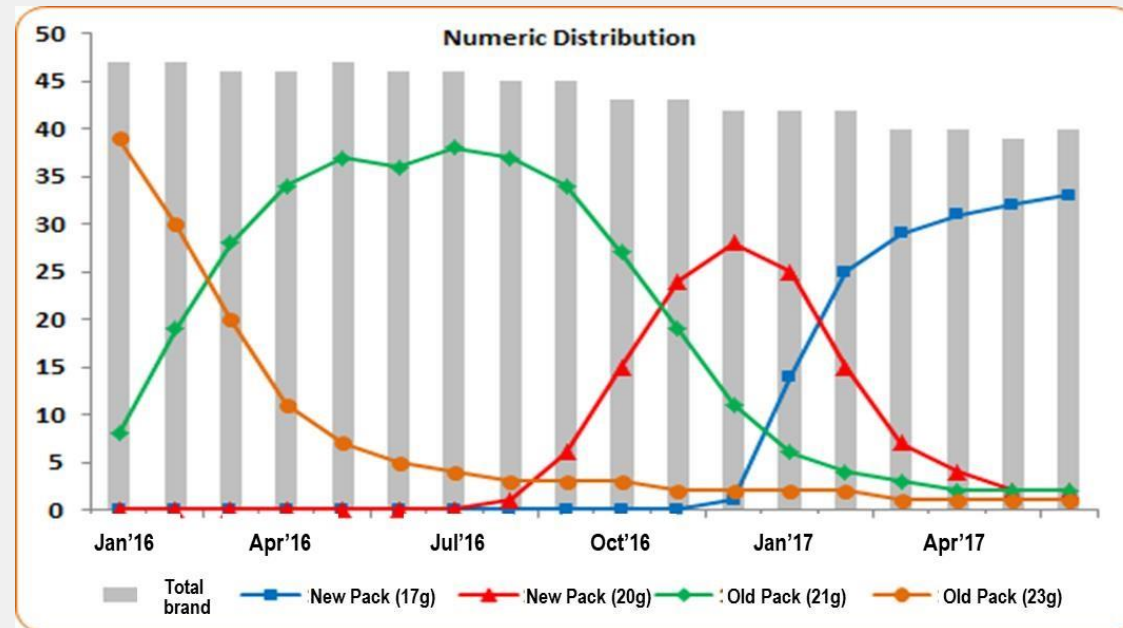
Not strong enough in the attribute "Suitable to be consumed in sharing."

Call to Action

Create relevance for why it needs to be repurchased

- Widening the target market
- When a product is consumed by more people in a household, this gives the cognitive shortcut that it is the safest product to fulfill all household members.

Diversify the pack size and consider having single-serving and multi-serving options; as of now, Lion is still available only in a single-serving pack.





Thank you!