

SEVEN WARNING SIGNS YOUR CULTURE IS HURTING YOUR PACKAGE

You have a design concept and the right team in place. How can you tweak your corporate culture to pull all the pieces together? BY LEE SUCHARDA III

Your company's culture could be stifling your ability to develop desired brands. If this situation describes your approach, consider one of the major marketing implications:

You have capped your potential for building desired brands through preemptive, differentiating and motivating packaging at the point-of-sale.

I recently spoke on this topic of desired brands at a seminar. It was clear that those in the audience, who are charged with creating or facilitating breakthrough packaging, are fed up with these "handcuffs" and ready to revolt.

Marketers realize that desired brands—those that consumers remember, want and buy—pack tremendous market value.

A desired brand grabs mind share, which helps deliver sales. Mind share, or being remembered, is important because consumers often think of the first brand that comes to mind as the best brand. They write these brands on their shopping lists, and they often become synonymous with the category (i.e., Coke, Kleenex and Jell-O).

This recall takes brands out of that glutted environment of the snack, beverage or cereal aisle and nudges consumers to make their brand choice before they even reach the store.

How do you change your company's culture and make yours a desired brand that gets on this "short list?" Start by creating a formal process for handling your branding

and packaging assignments. Then make sure your company's culture supports it from top to bottom.

One way to accomplish this objective is to take stock of the process inside your company. If any of the following seven warning signs are present, work to eliminate them.



Working backward from a key date

Package design gets less attention in the planning than a sales meeting or trade show. Companies tend to work backward from key events rather than working forward, as part of a process.

If you have a process that senior management supports, you could start in time to complete the process and introduce or reposition much better brands.

A sure tip-off to this warning sign comes through statements such as, "We need to have new packaging nailed in two months so we can introduce it at the trade show." This timing-driven approach severely limits the strategic design process and winds up shortchanging a brand. It results directly from a function-driven corporate culture.

These companies tend to be

Golden Guernsey, a Wisconsin cooperative dairy, found itself in a reactionary position to competitors and risking market share. It became a more nimble marketer, with a quick buy-in from senior management, resulting in a new packaging design that brought in new customers.



Birds Eye is one marketer that treats its packaging process as a continuous loop. On packages of Voila!, it shifted to a stand-up pouch and leveraged the "Birds Eye blue" for brand-blocking. Birds Eye also updated its brand mark with the statement "Farmer Owned, Proudly Grown" to support its position as a cooperative of farmers who grow vegetables.



sales-, engineering- or R&D-driven. They lack a team-oriented framework. The dominating function alerts marketing or creative services of their need and marketing scrambles to meet it. The short timeframe precludes most research and therefore prevents the packaging from striking the most optimal chords with consumers.

To avoid this pitfall, you need to formalize a process and communicate lead times across the value chain.



The budget starts out in pieces

How can you determine whether this warning sign has crept into your company? Look for statements such as, "We don't have the money for research, foil or a new packaging structure."

Ironically, in my experience, the companies that are making this statement often plan on spending millions of dollars later on advertising the brand rollout.

Here's the reality: The money is available, but the corporate culture makes it hard or impossible to get at it for package design purposes.

A brand owner in this situation may be better off spending \$9.9 million instead of \$10 million on advertising. Then, spend the \$100,000 difference on research that guides the development of packaging that captures attention, differentiates in a meaningful way and motivates consumers to try your brand.

As a brand manager, you have to speak up and ensure that the budget is allocated according to need. Without spending money on research, you will never know for sure what consumers really want.

You need to champion an approach that allows for access to the entire budget, so dollars can be allocated from one area to another. The brand has to take precedence over the tactics.



Branding, packaging and research are viewed as expenses

Although this red flag sometimes reveals itself in the same manner as the warning sign on the budget process, a more catastrophic revelation occurs when companies deliberately choose to use less-expensive, non-expert resources on their brands.

To get the most out of package development, you need to enlist a team of experts. Survey your external creative resources and ask them for the source of 80 percent of their revenue. Hint: It will be where their experience, training and expertise lie.

In other words, your company's culture should treat branding, packaging and R&D as investments.

Don't ask your branding and package design firm to create your broadcast advertising spots. Nor should you have your ad agency prepare your packaging. Align experts with your needs and move dollars appropriately to elevate your brands to the investment side of your business.



Research is rarely done

This pitfall looms as perhaps the most detrimental of all. It boils down to following this sequence: You want to command consumer attention at the point-of-sale. You can take one of several approaches and execute each approach in a variety of ways.

But here's the roadblock that many companies put up: You can't know what approach will work best if your company culture prevents you from asking consumers.

This disconnect could be fatal; research should be a requirement. A brand can be defined as "the perception formed by the total sum of all experiences a consumer has with your product." Brands exist in a consumer's mind, and that is why research is so important.

If used throughout the process, research provides valid, reliable consumer perceptions to guide your packaging decisions. In essence, consumers will identify their most desired option.

Pair the experts you have enlisted to work on your brand with consumer insights, and you'll achieve much better results.

Consider creating an environment that emphasizes learning and

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is consumer-focused. Brand managers must be challenged to use what you know instead of what you think.



Existing brands are rarely challenged

Many companies fail to carry packaging development beyond introduction and maintenance. But forward-thinking companies treat their packaging process as a continuous loop.

They implement package-checking research when marketing factors change. A new competitor, structure or packaging change also stimulates a packaging checkup.

Birds Eye Foods recently improved its Viola! brand in several areas. The brand switched from a bag to a stand-up pouch, capitalized on the Birds Eye blue for brand blocking, updated the branding and enhanced the photography. The result was a more preemptive, differentiating and motivating package.

Brands that continuously challenge themselves result from a company culture that focuses on innovations rather than introductions. They strive to make things better and not just “make things.”

This type of culture rewards leadership. Rather than con-

Heinz's upside-down ketchup bottle reflects an inside-out approach to packaging that designs a package the way consumers want to use it.



tinually playing catch-up, these companies strike to lead in packaging innovation.



Reactionary to the market

This warning sign usually reveals itself in the form of, “Our competition recently changed its packaging and we need to do something or risk losing market share.”

This can be a very scary situation. Sometimes, companies can react quickly enough to save market share and even increase distribution.

Golden Guernsey, a cooperative dairy in Waukesha, Wis., was in reactionary mode after Kemps, a competi-

Create a formal process for branding and packaging assignments.

tor, went through a package redesign. Market share was at risk.

The risk, though, is that marketers often react too slowly. Market share is much more expensive to win back than it is to protect. A company's culture should reflect this fact. In many cases, a scare like this can transform a company into a stronger marketer.

This occurred at Golden Guernsey. The dairy worked with Design North to conduct research, identify a point of difference in its packaging, write a marketing

plan and get approval for it. Finally, senior management at Golden Guernsey bought into the new packaging design quickly.

Challenge your team to suggest ways of improving your brand constantly, and you avoid becoming reactionary to the market. Look at quality, features, price, branding, package structure and graphics. Answer unmet consumer needs in your category.



The 'inside-out' approach

I have to confess that I borrowed this terminology from Howard Hyden at The Center for Customer Focus. An “inside-out” company creates

products first. Then it takes orders for them or tries to sell them.

Rather than forcing consumers to use the product the way your packaging engineers designed it, persuade your engineers to design a package the way consumers want to use it.

The best example of this is the upside-down ketchup bottle that's become “hot” in the past year. Marketers such as Heinz and Hunts realize that packaging can add value to a brand by being more functional and appealing to the hand and the eye.

This warning sign is an easy fix. Involve users and consumers early in the package-design process. Product design, positioning and packaging design will be much easier and more effective. BP



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