



SKI

History

Ski Swiss-Style yoghurt was introduced into the UK 50 years ago in 1965, by Express Dairies, with production based in Haywards Heath in Sussex. Although the beginnings were small, its arrival marked a revolution in the yoghurt market, moving the product from a quirky health food to a mainstream dessert.

Its impact was based on the inclusion of real fruit pieces and the addition of sugar, some four teaspoons per pot! The combination of fructose and sucrose created a sweet product, which with yoghurt's creamy texture and the presence of visible fruit pieces, delivered an organoleptic treat not so far experienced by British consumers.

In its iconic 'churn' pot, the brand made rapid inroads into the market with early adoption by Harrods, Fortnum & Mason and Selfridges. Distributed direct to supermarkets by the Eden Vale van sales operation, it rapidly gained major retailer listings and by 1972 was hitting sales of 150 million pots a year.

Express was bought by Grand Metropolitan plc in 1969, which led to an increased level of brand investment built around the Ski proposition 'The Full of Fitness Food'.

1973

I was appointed Senior Product Manager for Ski in 1973, following a stint on the sister brand, Eden Vale, where I was responsible for new product development. Ski was the company's flagship brand with a sizeable marketing budget and a 42% market share, so I looked forward to a period of rapid learning and to the development of the skills needed to maintain the brand's prominence.

I had observed my predecessor's tenure, which seemed to be a pretty easy one, including the creation of a new TV ad a year, two on-pack promotions and a large quantity of wining and dining with suppliers. I felt that this was a job ideally suited to me – a natural hedonistic fit.

However, if life within the business was fairly untroubled, the wider economic scene presented significant challenges.

Put into an historical context, 1973 was pretty tumultuous. It marked the start of a 2-year recession where the UK's GDP fell by 4% and did not recover to pre-recession

levels for three and a half years. Inflation peaked at more than 20% and interest rates shot up to 15%.

Industrial unrest, a reflection of trade union power at the time, was widespread and the most significant strike, that of the miners, resulted in the imposition of the Three-Day-Week. This state of emergency meant that commercial users of electricity were limited to three consecutive uses of electricity consumption and forbidden to work longer hours on those days. Electricity blackouts across the country were widespread and I can recall Advertising Agency briefings held by candlelight.

In an effort to dampen inflation, the government created The Prices Commission whose remit was to scrutinise planned price increases and veto those which were seen to lack sufficient justification. This sounds draconian but in practice it was simply red-tape and our price increase applications were always passed, albeit we had to plan for the extra time the bureaucracy required.

As raw material prices were spiralling we were able to justify three price increases in two years, from 6p per pot to 9p, an increase of 50%! This may appear to be a suicidal hike but it reflected the national inflation level with prices rising on pretty much all grocery products and it attracted little or no adverse reaction.

I believe the principle 'If you want to hide a tree, put it in a forest' applied here...

As I said, aside from the macro-economic issues, life at Ski was fairly tranquil until the simultaneous arrival of two major new entrants to the fruit yoghurt market – St Ivel's 'Prize' and Unilever's 'Cool Country'.

Both brands appeared during my second month in the job and this impact was so great that I realised that my wine-and-dine days were over as we organised ourselves to face these new threats, firstly by talking to our customers.

Market Research

The first initial step was a 'Usage and Attitude' study, a very popular methodology at the time. Sample size was large, 2000 respondents, mainly BC1C2 social classes, females, 18 – 44 years split 80 / 20 in favour of mothers with children up to age 12.

The study covered buying and consumption behaviour of the major brands and own-label, analysed by light, medium and heavy users. It illuminated the role of Ski and competitors in snack and dessert use to establish our brand's 'share of throat'.

It analysed respondents attitudes to the brands along a series of attributes; taste, texture, quality, value etc. and went beneath the surface to tease out adjectives which best described the 'character' or ethos of each brand.

The study was extended to include blind tastings of the three main brands to secure an objective view of their taste performance.

Cool Country packaging was seen as absolutely first class as was the product range. It included a number of products new to the UK market. However, on taste tests, it fell down because respondents could detect a "burnt" flavour, the result of ultra heat treatment.

The upside of this was that the brand had a long shelf life, which made it popular at the bottom end of the trade, the little shops that had difficulty coping with the 10 day shelflife of fresh yogurts.

More worryingly, in blind taste tests, "Prize" yogurts were seen as thick and creamy. This was reflected in their advertising jingle which concluded "They're thicker, They're fruitier, They're the Prize Guys'.

At first, our research and development team dismissed this, saying "they've just bulked it up with pectin", a classic example of manufacturing myopia.

Let me explain.

When Ski was launched in 1965, it was produced in a small factory in Haywards Heath.

The process involved incubating several gallons of natural yogurt in milk churns to which was added fresh fruit. The fruit was mixed into the yogurt using a device rather like a very large potato masher and the mixing action was very gentle.

This produced thick, creamy yogurt with a very attractive fruit colour.

As demand increased over the years a new factory was commissioned in Cuddington in the north of England. It was designed as a piece of very sophisticated engineering but the process meant that yogurt was pumped through approximately 2 km of piping from the incubation area to the packing hall.

Also, because the demand for fruit was so high, we had to use frozen fruit. One of the natural consequences of freezing fruit is that, particularly with red fruits, they lose colour, tending towards grey. The consequence of the lengthy pumping journey

and the discoloured fruit meant that the product was thin and not aesthetically attractive.

In other words, the process of increasing the scale of production had reduced product quality and no compensating measures had been taken to redress this.

In my first job after graduating, I worked for Crown Paints and the methods used for quality control in viscosity and colour seem to me to be ones that were appropriate for Ski.

For viscosity, lab technicians used the "spinning ball" technique. This involved spinning a ball at the end of a wire, describing a circle, dipping it into the paint and observing the number of degrees the ball travelled. The higher the viscosity, the smaller the number of degrees travelled.

We established "optimum viscosity" by using the spinning ball technique on the yogurt produced in Haywards Heath.

This became the standard for Cuddington.

Similarly, we used the colour references from production there to create colour charts, (à la Crown), which the Cuddington staff would use to control their colour standards. We used only natural ingredients to increase viscosity and enhance colour so we were able to continue the claim that the product was totally natural.

This was a watershed moment as it was the first time that Marketing had intervened in the specification of an Express Dairies product. The transition from production-led to marketing-led organisations was only just underway and the use of convincing market research was the key to unlocking the door of conventional thinking about Ski.

Also, whilst considering changes to the formulation, I investigated the extent to which our consumers felt that the "full of fitness" claim was credible, using a battery of focus groups.

Our research moderator probed respondents' perception that Ski was healthy. She pointed out that each pot contained 5 teaspoons of sugar, much the same as Walls ice cream. Mums were unanimous "It feels healthier..." As perception trumps reality, we left that aspect of the formulation alone.

Up till that time, the Ski pack had a generic design with the flavour shown only on the foil lid. This was inconvenient for shoppers, who had to lift pots from the chilled cabinet shelving to check the flavour by reading the foil top.

As the research concluded the reformulation provided a superior product it was relatively easy to persuade my superiors that it was the moment to introduce fruit coded packs with realistic images of strawberries, raspberries and so on, albeit an inconvenience, now, for the factory.

We also spend a lot of time on the pot colour.

The main background colour of the Ski pack was and is, blue. The designers' instinct was that out blue was not the optimum shade. I always trust designers' instincts but not completely. To check it out, we created a spectrum of twelve blue shades and used an advertising testing technique to find the winner, which was the blue colour that most said 'fresh'.

The test involved using a theatre-style layout and giving the 'audience' an electronic button to push when they see a colour that means 'fresh' to them. The lowest-scoring 'blues' are removed one or two at a time until respondents have a choice of two and thence a winner.

Side Note

At the time, this technique was seen as an extreme measure to help develop the optimum pack presentation but it became the norm at Express Dairies and then at UB, for new pack designs where key aspects such as 'flavour; had distinct colour associations. Crisps and savoury snacks certainly do. Red equated to ready salted, green to cheese & onion. Perversely, Walkers Crisps salt'n'vinegar is in a green pack, a decision which gets them noticed but can be a shock if your colour association is more powerful than your reading skills.

Value engineering.

The agreement to introduce a new pack created another opportunity. Going back to the adage "if you want to hide a tree put it in a forest", if there's a lot going on, one more change is likely to go unnoticed.

I felt we could take the opportunity of the new pack and the new market dynamics to take a significant step by reducing the pack size. As I said earlier, we were in the grip of high inflation, with governance by The Prices Commission.

Up to that point, Ski was sold in 6oz. pots, while its competitors were in 5oz. pots. In our 'value for money' research work we were surprised to learn that very few respondents were aware that Ski pots contained 6oz (170g) of product whilst competitors' packs held 150g. This was probably due to Ski's churn shaped pots making weight comparisons with conventional 'nesting' pots difficult.

By reducing the weight to 5oz. we were able to improve margin with no visible impact on sales. Changes to pack sizes were not governed by The Prices Commission so we were free to act.

When I started working on Ski, 6p bought 6 ounces. 1p per ounce. When I stopped working on Ski, 9p bought 5oz., 1.8p per ounce, an increase of 80% in two years!

With the 'fresh blue' livery and improved ingredient graphics we introduced the 150g pack in its (then) familiar churn-shaped pot without fanfare. There was absolutely nil reaction from consumers or the distribution trade. This was such an unbelievable result, a 16% weight reduction, constant price and nil sales / PR impact, that I repeated it when I took charge of KP Nuts some years later.

Advertising

We had altered the product formulation and the packaging and believed that the time was right for a new advertisement to tackle our competitors head-on.

Our Advertising Agency, Masius Wynne Williams, had been briefed to come up with the advertisement.

They recommended and pretty much forced through an ad. using new technology which set actors against a backdrop created by videotaped images. I was very unhappy about the concept but the agency pulled rank on me and persuaded the managing director that it was the right thing to do.

The advertisement was made and duly broadcast. The immediate post launch research was so bad that we pulled it immediately. The agency refused to back down, insisting they were right.

Looking at this now, it probably sounds absurd but at that point in the 1970s there was only a beginning of a change in the centre of gravity between the Client and the Agency. Historically, Advertising Agencies had called the shots and effectively acted as the marketing department for the manufacturer.

I was one of the first trained practitioners of marketing, with a degree in Business Economics, so I was a very strange animal. Not unusual nowadays but then it was a struggle to have my voice heard.

In the face of Masius's refusal to budge, we invited two new Agencies to pitch for the account in competition with Masius and to our surprise and delight, the incumbent Agency produced a terrific ad, which reinforced Ski's core values – family, health and flavour.

The ad also addressed the 'Full of Fitness Food' claim, which had been outlawed by the Advertising Standards Authority on the grounds that 'it wasn't'!

That coincided with Mars being obliged to drop their 'A Mars A Day Helps You Work, Rest & Play' on the grounds that a Mars a day... makes you fat!

The original jingle had been written and performed by Manfred Mann and the new ad used the same tune but altered the lyrics to drop the offending claim.

In our focus group research, respondents loved the ad and, on prompting, pretty much all of them believed the words 'Full of Fitness Food' were still there!



Click to watch ad

Launch

We now had a complete package.

I then went on the roadshow to all the depots around the country where our van salesman were located and told them the launch story.

Working with a van sales force is a tricky business. The only qualification van sales folk have in common is an HGV licence. The nature of their job, which is as much delivery as sales, makes them appear more like tradesmen than sales ambassadors.

However, how to get them on side and fill them with the Holy Ghost? Their working day started and finished early and was a physically and emotionally challenging day. Have you ever driven an HGV on London's South Circular for six hours?

A team briefing after work is a difficult mission as attendance had been usually very patchy and if they were present in body they sure weren't there in mind. The idea of a cheery, spotty 25-year-old with a 20-strong slide presentation is enough to turn anyone off, far less a jaundiced van driver.

But, if you hit the right note and got these men behind you, your career prospects could be stellar. My solution? A stripper. Or better still, two strippers. Simple. Convene the meeting right after the shift, provide soft drinks and Stripper No.1. Present the story you've come to tell, in 10 minutes max. Keep it short, keep it funny. Focus on what you need them to do and why. Offer beer and nibbles. Stripper No. 2. Job done, less than one hour.

Unfortunately, or maybe not, times have moved on and such a blatantly sexist initiative would lead to tabloid headlines and an early exit for the marketing man behind it. The point remains that in order to engage our audience we needed to give them a compelling context, within which the message was delivered.

Key accounts

I also visited all the key accounts to ensure that we had optimum in-store presence.

My most memorable trip was to Tesco where they had installed a new marketing manager, who was a natural enthusiast. This was prior to barcoding and long before Clubcard so he was completely unaware of the sales of yogurt in his stores.

We used Audits of Great Britain to track market size and share. They operated a 'dustbin audit', in which a large sample of UK households were paid to retain the packaging for a range of household brands by putting them in a dedicated kitchen bin.

He specified the audit should include Ski and the two new competitors. When the sample was grossed up, it provided the market size and shares during the audit period. Respondents diarised their purchases of the nominated brands to provide data on the source of purchase.

I was therefore able to inform him of Tesco's share of the yogurt market and the breakdown of brands within that. He told me that they had a concept called "Checkout" where they were selecting the brand leader in each major sector and focusing their energies on them. This gave me us fantastic opportunity to hold the progress of Prize and Cool Country in a key account, which I took with both hands. This was probably another watershed moment. Until then there was very little integrated brand / retail activity and the power of the supermarkets as major volume movers was in its infancy. By accompanying our key accounts team to promulgate reasons for favouring Ski, we were able to very effectively defend our space on the shelves and hence market share.

Conclusion

I was headhunted to join United Biscuits and in the week when I handed in my notice to leave, Unilever announced its intention to withdraw. Ski's market share remained at 42%, our profitability had improved, our product had been improved to face the challenge of the future using market research to enable production to deliver that improvement consistently.