

PROVENANCE SALADS

SPOTTING AN OPPORTUNITY AND FILLING THE GAP – A STORY OF SUSTAINED BUSINESS GROWTH



Overview

In 2009 shopper insight revealed potential within the Northern Ireland supermarket sector for a luxury, locally produced, wet salad product. Provenance Salads embarked on the challenge of meeting the untapped demand and launched a new product range that has helped them to grow their business substantially, with regular use of shopper insight supporting key marketing decisions at critical times.



The Company

Provenance Salads was established in October 2009 in County Down, Northern Ireland. Roy Lyttle, a vegetable farmer and long-time supplier of assorted fresh produce to Tesco, saw the potential for producing a wet salad that brought together his expertise as a fresh produce grower with those of a local sauce/salad dressing producer.

“The original insight was invaluable as it revealed what was actually happening. You can project all you want, but the data confirms what is actually selling, that’s fact, not fiction”.

Roy Lyttle.



Insight

Unsure whether or not there was a demand in Northern Ireland for a locally produced wet salad product and as a new business start-up entering the market, Provenance Salads requested a shopper insight report to gain a better understanding of the category and to explore the market potential for a new local product. Provenance Salads believed that the market leading products within the Coleslaw and Potato Salad categories nationally had a different taste profile to the regional taste preferences within the Northern Ireland market. The insight confirmed that within both categories there was no locally produced Northern Irish product which gave Provenance Salads the confidence to pursue the development of a line of wet salads designed specifically for NI consumers.

“The data acted as a catalyst to the project. It provided tangible evidence to support our claim that the existing range lacked diversity and had no premium ‘local’ offering” **Julie Aicken, Brand Manager.**

The new range enjoyed modest success for a while but Provenance found themselves relying increasingly on price promotions to maintain sales growth. Sales were boosted by the increased penetration that the price promotions created but the repeat purchase rate remained low, with worrying implications for the sustainability of the range.



Unsure of the reasons for the low repeat rates and faltering growth, Provenance Salads again sought evidence from the data. The insight showed that the new 300g range was under-performing, relative to the competition, with respect to two critical segments – families and young adults. The conclusion was that the 300g pack was too small for families and too large for individuals. The insight also suggested that the new range was particularly appealing to ‘finer food’ shoppers, for whom affordability would be far less important than taste. This gave Provenance the confidence to re-position the range by focusing on smaller households - reducing the pack size but maintaining the price and adding new, innovative flavours.

Action

With their newly defined target market in mind, Provenance introduced three new flavours - potato bacon & spinach salad, sweet chilli & cranberry coleslaw and French pasta – and reduced the pack size from 300g to 200g, targeting Finer Food shoppers from smaller households (singles and couples) within the Northern Ireland market

“The information from these reports gave us the confidence to move forward. For the commitment involved and expense to implement change, ‘gut feeling’ would not have been sufficient” **Julie Aicken, Brand Manager.**

Outcome

The Provenance Salads premium range is now a best seller in Tesco stores in Northern Ireland. The re-launch of the range with new flavours and a reduced pack size, resulted in a fourfold increase in sales. Repeat rates have also improved significantly and are now well above the category average, indicating a much stronger fit between the new range and more clearly defined target market.



Next Steps

New Product Development (NPD) has become central to Provenance Salads’ marketing strategy and business planning, supported by behavioural insight that will reduce the risk of failure and increases the likelihood of success. Three new lines are planned for 2017 and we will be monitoring their progress with interest.

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