



THISTLY CROSS CIDER

Overview

In the past twelve months Thistly Cross Cider has seen impressive sales growth, exemplified by a 40% increase in its sales in a major UK supermarket. This case study highlights the role that shopper insight has played in supporting the success of a business established just nine years ago, which has grown from an artisanal cider producer selling at farmers' markets to a commercial business with listings in the UK's largest grocery retailers as well as pubs and bars throughout the UK.

The Company

In the East Lothian countryside lies the Cider Shed on South Belton Farm where back in 2008, farmer, Ian Rennie and artist-turned-cidermaker, Peter Stuart, collaborated to form Thistly Cross Cider. With their core values at heart; sourcing only local Scottish apples and strawberries and never compromising on quality, Ian and Peter are involved in every aspect of making Thistly Cross' award-winning Scottish farmhouse cider. Their passion is infectious and work often feels like a hobby for the twenty members of full time staff who regularly go the extra mile to educate their customers about the cider making process and promote the Thistly Cross brand.



Ian and Peter rely on their loyal customers and word of mouth to promote and grow their brand. This is reflected in Thistly Cross' above average repeat purchase rates across all their cider lines sold in Tesco and their judicious use of price promotions less than three times per year.

With a limited budget for marketing, Thistly Cross only uses social media to spread the word about their tasty cider. They rely on its on-trade business, in pubs and bars throughout the UK, to create awareness of the brand and to stimulate in-store purchasing by loyal consumers and cider-lovers who have heard about Thistly Cross or are looking to try something new.

Insight

Thistly Cross received their first Shopper Insight Report in February 2016. The shopper insight report revealed two key shopper segments - young adults and premium shoppers. This provided Ian and Peter with fact-based evidence of their impressive performance which they used to inform their discussions with supermarket buyers.

The report also highlighted the performance of the brand in the 129 stores in which it is listed in a major UK supermarket. Not surprisingly, the brand was performing best in central Scotland, within which the top performing store, was contributing an impressive 5.42% of total sales. However, the most valuable insight revealed that some of the more affluent stores in which Thistly Cross would have been expected to do well, given their appeal to premium shoppers, were under-performing. This prompted Thistly Cross' Stevie Sedgewick, Buying Manager, to look for explanations.

“I went into under-performing stores to find out why our ciders weren’t selling as well as we thought they should. I noticed that our shelf positioning was poor and we weren’t block branded - our products were either split up or placed on the bottom shelf. As a small local brand, we were getting lost amongst the larger, highly advertised companies, so customers who were looking for us might have struggled to find us”.

This prompted Stevie to organise a series of sampling events across stores and to discuss the brands merchandising and shelf positioning with store managers— both crucial to ensure the continuing growth of the brand.

Action

Thistly Cross wanted to target sampling in these affluent stores that had been identified as low performing and where customers weren’t purchasing their product. It was crucial for their growth to identify and target these potential key customers. Before receiving the report, they used their instinct to focus sampling in large stores but they soon realised that they needed to run sampling where their target market was shopping, even if they were smaller stores.

Experienced in sampling having ran many sampling events at farmers’ markets around Scotland, sampling activity was focused within these stores. Thistly Cross do not use agencies or sampling companies, only highly passionate Thistly Cross employees who are passionate about the brand and are highly educated in the cider making process. In 2016, an impressive 231 sampling events were held in supermarkets to raise awareness of the Thistly Cross brand. Activity was mainly focused on Fridays and Saturdays in summer when alcohol purchases were highest and at times when stores had a large footfall. Sampling was free so this was a low-cost awareness raising activity for Thistly Cross.



Outcome

Targeted sampling was a huge success and contributed greatly to the impressive 40% YoY sales growth, something that may not have been achieved without the use of the shopper insight report to identify poor performing stores. Since the sampling took place, Thistly Cross has seen growth within the brands customer penetration and repeat rates – something key for growing success in large supermarkets.

Next Steps

Today, Thistly Cross Cider continues to grow at an impressive rate and has recently achieved national listings within the on-trade market in high end pubs across the UK and in over 1000 venues in London alone. This has been a huge achievement for Thistly Cross who have taken their regional product selling only in Scotland initially to a national product in such a short space of time. Thistly Cross has also recently gained a listing within large M&S stores in England and they are now set on becoming a UK wide brand with an ambition to be stocked in multiple retail brands.

“Thanks to shopper insight reports, we can now monitor our performance and see who our customers are and where and when they are purchasing our products. This helps us to tailor our promotions, positioning and sampling events to the needs of our customer – something we would struggle to do otherwise. We now look forward to presenting this insight to the buyer to support our case for a national listing”. Stevie Sedgewick, Buying Manager.



Written by Lucy Coupe, November 2017.

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