

FERRERO ROCHER

Ferrero Rocher is among the UK's biggest names in premium confectionery and is the world's best selling boxed chocolate (according to Euromonitor 2007). Since it launched in 1982, the brand's recipe for success has centred on offering a distinctive product experience, underlined by a commitment to connect with consumers.

Market

The UK confectionery market is worth £4.5 billion, making it the largest confectionery market in Europe (Source: Nielsen Scantrack December 2008).

Within the gifting segment, UK consumers have been 'saying it' with chocolates to the tune of £700 million. Indeed, over the past two years, value sales have grown by almost seven per cent (Source: Nielsen). During 2008, more than 80 per cent of households bought boxed chocolates (Source: Nielsen Homescan 52 w/e December 2008).

The market for boxed chocolates is seasonal, with around two-thirds of sales occurring during the Christmas period. Other key trading periods such as Easter and Mother's Day are becoming more important, growing their value contribution every year.

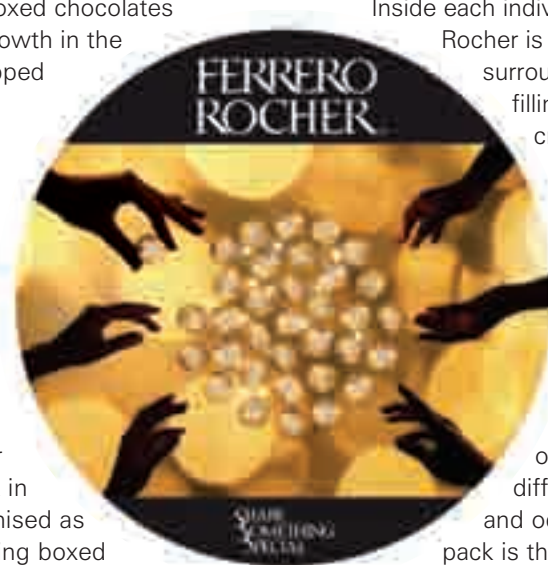
Ferrero Rocher operates within the increasingly competitive premium boxed chocolates market. During 2008, growth in the premium sector outstripped overall market growth by 15 per cent (Source: Nielsen).

Product

Introduced by Michele Ferrero – creator of well known and popular brands such as Kinder Surprise, Bueno, tic tac and nutella – Ferrero Rocher was launched in the UK in 1982. Today, it is recognised as the world's biggest selling boxed



chocolate (Source: Euromonitor 2007) and is now sold in more than 40 countries across five continents.



Inside each individually-wrapped Ferrero Rocher is a whole roasted hazelnut surrounded by an 'indulgent' filling, encased in light, crispy wafer, all wrapped in milk chocolate and chopped hazelnuts. It is this distinctive 'layered' experience that has come to define Ferrero Rocher.

Today, Ferrero Rocher is available in a number of formats to meet different consumer needs and occasions. The best-selling pack is the 16-piece sharing box,

closely followed by the 24-piece gift version with its diamond-effect finish. The range is completed by a four-piece token gift box, a flow pack for personal indulgence and seasonal offerings such as the Ferrero Rocher Easter Egg and a Valentine's Day heart-shaped box.

Achievements

Instantly recognisable, Ferrero Rocher has become an iconic brand in the boxed chocolate market. Synonymous with gifting and entertaining, consumers recognise Ferrero Rocher as 'standing out from the crowd' (Source: Ferrero Qualitative Research).

In a mature and competitive market, the brand continues to inspire enthusiasm. In 2008 sales reached a 24-year high (Source: Nielsen) and loyalty levels exceeded those for any other brand in the boxed chocolate category (Source: Millward Brown).

Ferrero Rocher accounts for one in every six pounds spent on boxed chocolates, a figure that rises to one-third of spending in the category by Ferrero loyalists during the Christmas sales period (Source: Nielsen Homescan MAT December 2008).

Recent Developments

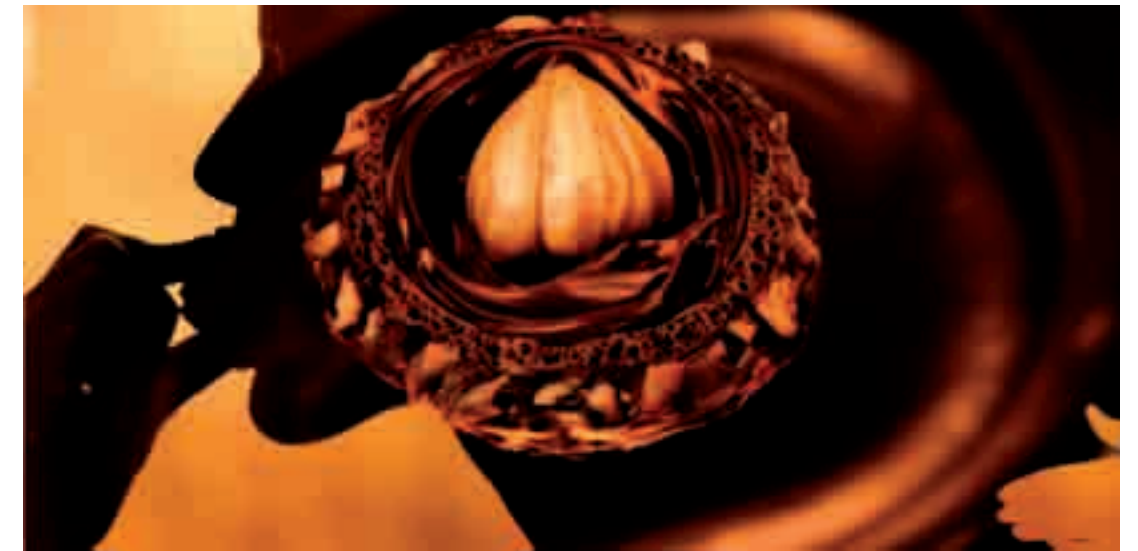
As part of the brand's continuous revitalisation, in 2006 a need-states segmentation and portfolio development programme was put into motion to future-proof Ferrero Rocher's success. The strategy reflects the shift in UK socialising habits from more formal occasions – embodied by the brand's famous 'Ambassador' advertising – towards altogether more relaxed gatherings with family and friends.

Opportunities to develop the Ferrero product offering were also identified to meet different consumer needs. In 2007 a gifting assortment, Ferrero Collection, was added to the range followed closely by Ferrero Raffaello, a creamy and light confection. Ferrero Rondnoir was introduced in time for Christmas 2008 to tap into more self-indulgent occasions.

Promotion

To update Ferrero Rocher's image and move away from the powerful adstock created by the 20-year 'Ambassador' campaign, a radical new creative that looked and felt very different was required; in 2006 the 'share something special' proposition was born.

The intention was for consumers to have a positive feeling about the brand and to instinctively understand how Ferrero Rocher fits into their socialising. Indeed, at pre-testing the new campaign scored nine in the Millward Brown Link Awareness Index (compared to a UK average of just six) and a persuasion index score that placed it in the 'ideal' percentile. A relevant updating of the brand was underway.



Heavyweight TV investment in the run-up to Christmas has always been central to Ferrero Rocher's success, and a category-beating share of voice (SOV) was secured for the new creative's launch. SOV dominance has now continued for seven consecutive years, with Ferrero Rocher most recently achieving 34 per cent (Source: MEC September-December 2008).

To complement the television advertising, a print campaign was developed across premium women's magazines and specialist food publications while a micro site, sharesomethingspecial.com, featured expert tips and advice for organising special get-togethers. National and regional PR was also used to further amplify the campaign.

In-store, standalone point of sale displays were developed to communicate the 'share something special' message and an extensive national sampling campaign was implemented to draw consumer attention to the taste of Ferrero Rocher.

The campaign has achieved a marked increase in consumer engagement with the brand. Indeed, three years on, Ferrero Rocher's brand equity has seen a sustained increase across all key measures including modernity (up 23 per cent) and likelihood to use (up 26 per cent) (Source: Millward Brown).

With Ferrero Rocher successfully revitalised, the full family of Ferrero specialities was highlighted in 2008. The enlarged Ferrero range (including Ferrero Rocher, Ferrero Collection, Ferrero Raffaello and Ferrero Rondnoir) was introduced to its target consumers through sponsorship deals for Channel 4's *Desperate Housewives* series. An extensive print campaign accompanied the TV work, along with experiential sampling. Consumers engaged positively with the range creative and sales have built incrementally.

Brand Values

By reflecting the contemporary values of light-heartedness and relaxed friendship that are close to consumers' hearts when socialising, Ferrero Rocher and the new Ferrero range – with its sense of mystery – aim to become their first choice for special sharing and gifting. Only top quality ingredients are used across the range.

ferrero.co.uk

Things you didn't know about Ferrero Rocher

Ferrero Rocher is sold in more than 40 countries across five continents.

More than 3.6 billion individual Ferrero Rocher are produced each year. When lined up, this equates to circumnavigating the world twice.

Ferrero Rocher's advertising still features in top 20 ad-recall lists some 20 years after it was first aired.

1946	1950s	1982	2006	2007	2009
Originally a master patissier, Pietro Ferrero founds the Ferrero Company in Alba, Italy.	Michele Ferrero takes over the reins and masterminds well known brands such as Kinder Surprise, Bueno, tic tac and nutella.	Ferrero Rocher is launched in the UK, France and Germany.	Ferrero Rocher launches its 'share something special' campaign.	Ferrero Collection and Ferrero Raffaello are launched in the UK. The following year, Ferrero Rondnoir is launched.	The company is still owned and run by the Ferrero family, now in its third generation.

