

Shortlisted: Long Term Campaign

The Charleville Challenge?

To break through a mature category

EFFECTIVE ADVERTISING WAS INSTRUMENTAL IN HELPING CHARLEVILLE CHEESE BECOME THE MARKET LEADER WITHIN TWO YEARS OF ITS ORIGINAL FIVE YEAR PLAN. OGIILVY WAS BEHIND ITS CAMPAIGN.

When the No. 4 player came to Ogilvy with an ambition to be either No. 1 or No. 2 in the cheese category within 5 years, it seemed like quite an incredible task. However, this Charleville story is not only a phenomenal example of the power of branding; it's also proof that advertising can work in breaking into a relatively commoditised category - even one like natural cheese that boasts dominant players with a huge history in the marketplace.

In this story, we describe how Charleville penetrated the cheese market, which was dominated by well-established household brands such as Avonmore and Mitchelstown, and not only achieved the No. 1 position, but achieved it within two years of their original 5 year plan.

THE BACKGROUND

In 2001, Golden Vale Cheese, as it was called at the time, was a relatively static player in the market. The brand had achieved some regional success, but essentially languished in fourth position. With greater rationalisation being driven by retailers, shelf space was increasingly at a premium, and there was every likelihood that the brand would be de-listed. With their backs to the wall, the marketing team at Kerry Foods set about devising a new strategy as one final attempt to break into the market. But they knew that this couldn't be just an incremental attempt - a radical approach would have to be taken, with a serious commitment to invest in the brand. The brand was renamed Charleville, and by 2004 had become the clear market leader.

THE MARKETING STRATEGY

The ambition to be the No. 1/No. 2 brand in five years was set out in 2002 after conducting a detailed review of the consumer expectations. The Irish consumer was arriving at the stage where "time is the new money", but



product quality remained paramount. Attitudes to the existing market offerings, from Kerry and other branded and own label competitors, were gleaned through market research.

The research threw up some interesting insights into the area of convenience cheese. Of particular interest was the finding that the existing grated and sliced cheese offerings were somewhat mistrusted by consumers. We essentially discovered that not all brands had the same permission to modernise with these formats.

Through in-depth qualitative work, we discovered some interesting perceptions about our competitors. For example: As Kilmeaden was the "Fillet of Cheddar", it should be available in blocks only. The brand had no permission to modernise. On the other hand, Avonmore had some permission to modernise but, as a brand, was perceived as a bit industrial. Mitchelstown had a traditional positioning and was therefore seen as slightly old and rural. There was clearly an opportunity to create a more modern brand, with permission to sell modern formats.

As part of that investigation, Kerry

Foods renamed their brand Charleville, after the town in the Golden Vale dairy region where the cheese is made. Careful packaging design led to the consumer takeout that Charleville was not as "posh as Kilmeaden", but had the quality they desired. The new brand also would allow ease of launch of new formats.

INNOVATION AT THE CORE OF THE MARKETING STRATEGY

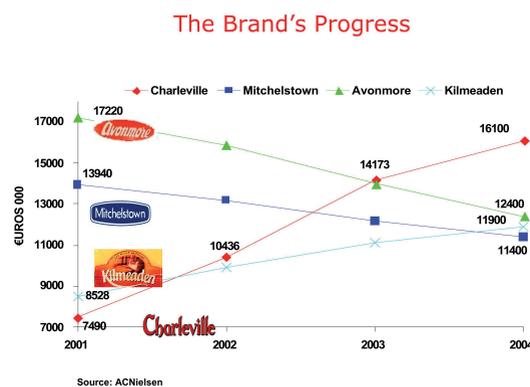
As we've mentioned, at that time there was an emergence of new formats such as sliced and grated cheese, which most competitors had the technology to deliver. However, 90% of the category was still made up of the traditional cheese block format. We knew from our consumer studies, and from comparisons with markets such as the US, that there was a genuine emerging demand for more convenience formats. Coupled with insights from our initial competitor study, we knew that there had to be significantly more potential for Charleville if properly positioned.

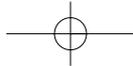
THE BRAND POSITIONING

Key to achieving competitive cut-through was the work done as a brand team (Kerry and Ogilvy) in developing a unique and sustainable competitive positioning. At the heart of the work was a key consumer observation that all cheese made in Ireland was the same and that Irish cheese (no matter where it came from) was of excellent quality. It certainly was excellent evidence of

the work that had been put in over the years by the Irish Dairy Board to promote the usability and quality of Irish cheese. But it also emphasised the generic approach of the brands that competed in the category.

When we examined the competitive advertising, we could clearly see that the portrayal of these brands was equally generic. We also believed that all the





Charleville

communications clearly spoke to an older generation, whereas the market opportunity was very much in the future generations of young families and single households.

Given this generic reality of cheese products, it clearly wasn't an option for us to provide a rational reason to buy Charleville. Instead, the fact that the competitive positionings were so clearly clustered around a fixed territory gave us both the belief and the confidence to take a brave and creative leap with the brand positioning for Charleville. Through advertising, we set out to give the brand extrinsic values that would set it apart from the competition.

THE MAKING OF AN IDEA

Looking deeply into the relationship consumers have with cheese, we could see that every household in Ireland had cheese in the fridge. In fact, one interesting statistic which emerged was that cheese had a higher household penetration than toilet paper! Perhaps it was something as absurd as this which led us to think about the indispensability of cheese, but we certainly believed that there was a far richer emotional ground to be discovered around this relationship. This provided Ogilvy with the insight: "Cheese is indispensable to the way we live our lives"

Our brand idea of indispensability became a reality when we looked to turn it into advertising. We could clearly see that if Charleville positioned

itself to a younger audience, got less caught up in the traditions of cheese and spent more time on the brand relationship, that there could and would be a potential franchise. The idea came to life with the advertising themeline of "Charleville. Can't live without it." Yes, it's certainly a little over the top, but quite in keeping with the point we wanted to capture and communicate in an engaging and captivating manner. "Charleville. Can't live without it." 40" TVC

THE BUILDING OF AN ADVERTISING PLATFORM

From 2002 to date, the Charleville brand has built on this idea and theme of "Can't live without it." The launch campaign in 2002 was a set of three 'mockumentaries', focussed around somewhat quirky individuals who were, shall we say, slightly over-obsessed with their Charleville Cheese and its format innovations! This launch advertising firmly established the brand and gave it permission to modernise in a highly amusing manner. It also lifted cheese communications out of the predictable by displaying huge personality and by capturing the consumers' relationship with cheese rather than focussing simply on the product. And the characters weren't predictable either - we captured young singletons as well as family characters - anyone who is a fridge keeper can't live without this brand.

THE SECOND PHASE OF CHARLEVILLE

communication was launched in late 2004 with a series of TV executions called "Dreams". Here we extended the idea of indispensability by exploring the thought that people love Charleville so much that they actually dream about it! In fact, the mere thought of running out of Charleville is literally a nightmare!

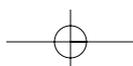
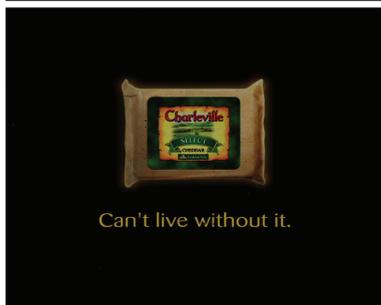
Humour and personality were once again of utmost importance, and we continued to support the different formats which had been so successful for the brand, including a new variant called Wafer Thin.



THESE COMMERCIALS WERE AIRED DURING 2004 AND 2005.

Two edits of a new commercial were most recently introduced in May 2006. Beautifully observed, they explore the absurdity of being so fond of Charleville that it's the subject of your most precious photos! The camera naturally discovers people 'having a moment' with their cheese photos, as if this was perfectly normal. The executions are accompanied by a track so appropriate it could have actually been written for the brand itself - Harry Nilsson's '(Can't live if living is) Without You'. Once again we succeeded in simply and humorously capturing the indispensability, practical uses and product varieties of Charleville cheese.

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THE SUCCESS

The overall campaign has been a remarkable success story to date. The Omnibus 2005 tracking results show that Charleville is now the most widely recalled brand in terms of spontaneous advertising awareness, which has more than trebled to 26% in April 05 since October 2002.

Prompted advertising awareness has also seen exponential growth from 24% to 41% over the same period. With the exception of Dubliner, awareness levels for all other competitor cheese brands have declined.

But even with a declining share of voice (2002-2005) the brand's value share continued to push ahead. Although the brands spontaneous and prompted awareness levels dropped off between April 05 and April 06 so too did the brands SOV. The latter only picking up with the introduction of the new TVC in May 06.

Charleville has been a huge success. Value sales between 2002 and June 2006 have risen from €10.4m to €19.0m - an incredible increase of 83%. Over the same period, the brand's value share has grown from 14% to 20% - an increase of almost 50%.

Advertising has played a major role in the brand's success. The advertising attributed extrinsic values to the brand that the consumer found both entertaining and engaging. This provided the brand with a proposition and image that the consumer found both compelling and differentiating.

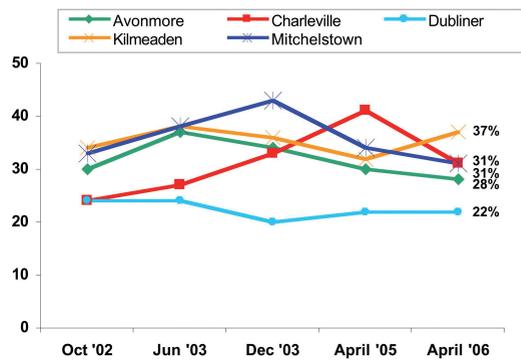
Between 2002 and 2006, Golden Vale invested €4.3m in advertising support for the brand. Over the same period, incremental sales amounted to €8.6m. Therefore every €1m in advertising support generated €2m in incremental sales.

The Brand's Progress 2001-2004 (€m)

	2001	2002	2003	2004
Avonmore	17.2	-	-	12.4
Mitchelstown	13.9	-	-	11.4
Kilmeaden	8.5	-	-	11.9
Charleville	7.5	10.4	14.2	16.1

Source: AC Nielsen

Prompted Advertising Awareness



SUMMARY

As we've demonstrated, the Charleville story is a phenomenal example of the power of branding, and proof that advertising can help a brand break into a relatively commoditised category, despite hugely dominant players like Avonmore and Mitchelstown. Within this story, we've described how Charleville rose from a lowly fourth to the No. 1 branded cheese in Ireland.

We realised that if we wanted to re-position the Charleville brand, we would have to imbue the brand with extrinsic values that consumers would not only find compelling, but that would also differentiate the brand from the somewhat functional approach of the competition.

Advertising, through the use of humour and personality, created the requisite extrinsic values and was so successful in doing so that the brand's value rose from €10.4m to €19.0m between 2002 and 2006. Over the same period, the brand's market share rose by almost 50%, standing at 20.7% (June 2006) and making Charleville the No. 1 branded cheese in Ireland.

Between 2002 and 2006, Charleville invested €4.3m in advertising but incremental sales over the same period amounted to €8.6m – not a bad payback by any means.

So how would we sum up the Charleville Challenge? We're glad we accepted it.

BIOGRAPHIES

JP Donnelly - Group Chief Executive

JP Donnelly began his career at Peter Owens in 1985. He then moved to the United States where he worked in Eldeman Public Relations, and Young & Rubicam. In 1990 he returned to work with McConnells Advertising. In 1992 he took leave of absence and completed an MBA at the Michael Smurfit Graduate School of Business, UCD. He returned to Dimension, a sister company of McConnells Advertising and was shortly appointed Managing Director. After 5 years he was appointed Managing Director of Ogilvy & Mather, where he has been responsible for the merger of Wilson Hartnell and Bell Advertising under the Ogilvy banner. In 2002 he was appointed Chief Executive of the Ogilvy Ireland Group, which now includes OOW, WHPR and O&M, as well as responsibilities with EIG and Mindshare.

Hugh Mair - Head of Planning

Hugh Mair is a graduate of the University of Strathclyde with a degree in Business Studies. Hugh has extensive experience in brand marketing and brand communications having worked with such companies as Unilever Ltd (Van de Berg & Jurgens) Cadbury Ltd, Cadbury Ireland (Marketing Director), Peter Owens Advertising (Head of Strategic Planning), Clydesdale Bank (Head of Marketing) and Dimension (Head of Strategic Planning). Hugh joined Ogilvy in 2004 and heads up our planning function.

Margaret Brennan - Ogilvy & Mather Account Director

Margaret started her career at Gill & Macmillan Publishers and has worked in advertising for the last 20 years. She worked in Wilson Hartnell as Account Manager on many key accounts including American Express Card, Travel and Travellers Cheques, KraftFoods Coffees and Confectionery and Hibernian Insurance. Since 1999 she has worked in Ogilvy on Kraft Foods Maxwell House Coffee, Superquinn and Lever Faberge Dove. She currently works on Kerry Foods and Atlantic Homecare.