



BRITISH LION EGGS - A MARKETING CASE STUDY

THE HISTORY

Key events

1928: The National Mark Scheme started

1939-1945: World War II

1957: British Egg Marketing Board started

1971: Eggs Authority started

1973: UK enters the European Economic Community

1986: British Egg Industry Council (BEIC) started

Starting point

The business of marketing eggs brings with it certain problems. On the surface, there's not a lot of difference between eggs, and without any form of marking it is impossible to see an egg's quality or origin.

In the early years of the 20th century, egg production was largely a sideline to other farming operations and there were few specialist egg producers. This meant that prices were subject to sharp fluctuations and there was strong competition from overseas. UK egg producers wanted to differentiate their product from that of other countries and encourage the public to buy British.

1928: The National Mark Scheme

In 1928, the Government and the Farmers' Union set up a voluntary scheme to try to provide a quality guarantee for a range of home-produced goods, including eggs. The 'National Mark Scheme' was the first organised attempt to provide the market with reliably-graded, high quality, home-produced eggs.

1939-1945: World War II

During the war, foodstuffs such as eggs were rationed to ensure everyone received their fair share, and consumers were given vouchers which they used to buy eggs. A new organisation, the National Egg Distributors' Association Limited (NEDAL) was set up to supply eggs. As the war progressed, a shortage of animal feed meant that the number of hens declined, forcing egg rationing to remain in place until 1953.



1957-1971: British Egg Marketing Board

The British Egg Marketing Board was set up with the aim of bringing stability to the market so that egg producers could get the best possible returns and consumers could be provided with a regular supply of high quality, home produced eggs at reasonable prices. The BEMB obtained its funds from three sources: egg sales, Government subsidy and income from taxes which egg producers had to pay. Under the BEMB, 'first quality' eggs were required to be stamped to show their grade and with a number that could be used to locate the packing station from which the eggs originated. To this, the BEMB added its own trademark – a Lion.

The 'Little Lion' became a well-known symbol, popular with consumers, and appeared regularly on advertising and promotional material throughout the BEMB's lifetime. The Government removed the requirement to stamp eggs in 1968. British egg producers with more than 50 hens had to be registered, and the BEMB was obliged to accept for sale all eggs offered to it. The Board took the following steps to help promote British eggs:

- operated a national price structure
- disposed of surpluses by processing them into egg products (such as dried egg, used in food manufacture)
- helped distribution by movement of regional surpluses
- ensured national quality standards for packing stations
- promoted the sale of British eggs through national advertising, sales promotion and public relations.



The advertising slogan "Go to work on an egg" was introduced and featured on TV ads with comedian Tony Hancock. The slogan developed into one of the most popular and memorable advertising campaigns of all time. Advertising and other BEMB activities saw egg consumption increase by about 14 per cent between 1957 and 1970.



In later years a problem arose as improved methods of production meant that yields (the number of eggs per bird) began to increase. Although the BEMB was obliged to buy all eggs offered to it, producers were allowed to sell their eggs elsewhere – and the Board became a ‘dumping ground’ for the eggs which producers could not sell elsewhere.

1971-1986: Eggs Authority

The BEMB was replaced by the Eggs Authority in 1971 and under this new direction, producers had to find their own markets. The Lion symbol was also dropped at this time. The Authority’s main objective was to support British egg producers by positioning eggs as an acceptable food in contemporary society. The Authority’s activities included advertising with slogans such as "Crack a Meal Today", "Thank Goodness for Eggs", "Go Smash an Egg" and "The Egg Lover".



Examples of the Eggs Authority ads

At the same time, research was conducted and the issues of diet and health were raised, particularly that of cholesterol intake, and new processed egg products were developed for the catering and consumer markets. Despite these promotional campaigns, however, egg consumption declined during the 1970s and 80s due to changing consumer lifestyles, including a decline in cooked breakfasts and home baking.



1973: Entry into the EEC

In 1973, the UK entered the European Economic Community and British eggs became subject to the EEC Egg Marketing Regulations governing quality, grade-sizing, labelling and packaging. In 1985 the Eggs Authority was reviewed by the government. The review uncovered a lack of support from the egg industry itself, and the Authority was abolished in 1986, replaced by the British Egg Industry Council, a voluntary organisation.

1986–Present Day: British Egg Industry Council (BEIC)

The BEIC is funded by voluntary contributions from egg producers and packers and is made up of the major trade associations from the different subdivisions and geographical regions of the UK industry. It funds the BEIS (British Egg Information Service) to handle the promotion and marketing of Lion eggs. In 1986, its budget was around £200,000 a year, substantially less than that of the previous bodies.

Activities

1. Discuss why you think the symbol of the Lion was chosen to promote British eggs.
2. Look at the advertisements within this section for Lion eggs. For each of them discuss:
 - what message the slogan is giving us
 - how this is reinforced by the visual images used
 - who forms the target audience
 - what changes to consumer lifestyles took place in the 1970s and 80s that might have influenced egg consumption in the home
3. Collect examples of current advertising or media coverage that features eggs in some way. Discuss:
 - what message you are getting about eggs
 - how this is reinforced by the visual images used
 - who forms the target audience
 - what changes to consumer lifestyles took place in the 1990s and 00s (2000 onwards) that might have influenced egg consumption in the home
4. Discuss what differences you see in the attitudes to food generally and specifically to eggs in the media coverage of the 70s/ 80s as compared to now?



THE PROBLEM

In 1988, with the market already in long-term decline, the British egg industry was forced to face the most challenging issue in its history. On 3 December, during an impromptu interview for ITN, Edwina Currie, then Junior Health Minister, stated that: "Most of the egg production in this country, sadly, is now infected with salmonella." Salmonella is a bacterium that causes sickness and diarrhoea in humans and, in extreme cases involving infants or the elderly, can even be fatal.

Although a new type of salmonella had emerged and caught the industry unprepared, Ms Currie's remark was blown out of all proportion in the media, leading the BEIC to call for the statement to be withdrawn. The biggest food scare British agriculture had ever seen threatened to ruin the industry for good. A media frenzy produced story after story blaming eggs for a spate of food poisoning outbreaks across the country.

Panic took hold amongst British consumers and sales of eggs dropped by 60 per cent virtually overnight, leaving the industry devastated. Despite the drop in sales, hens continued

to produce eggs creating a logistical problem as the surplus had to be disposed of somewhere. The damage of the food scare was lasting as the eggs industry could not afford to promote eggs effectively. Over the next ten years, egg sales continued to fall by approximately 8 per cent year-on-year, leaving the industry in dire straits. With negative media coverage continuing until the mid 1990s, drastic action was required.





THE CHALLENGE

You are the newly appointed Marketing Manager for the British Egg Information Service and it is now your job to plan and implement an effective marketing strategy which will restore the public's confidence in eggs and increase sales of British eggs.

Before you start

You need to establish what you're trying to achieve, how you are going to go about the job, and who you can use to achieve it. LIST A provides you with stages that should be involved in your marketing plan – these are not in the right order. Use these stages to create a flow chart showing roughly in what order events will take place (some may happen simultaneously). Then use LIST B to decide who will need to be involved at each stage. For the time being, do not worry about details of particular strategies or tactics – this will come later.

LIST A: STAGES TO CONSIDER

- Before anything else, you must ensure that you have enough data and background information to form the basis for your promotional activity.
- What needs to be done during and after your promotional activity?
- What do you need to find out? How will this research be conducted and who will you speak to?
- What promotional tools are likely to be most effective in getting across your core messages? Who will be involved in creating specific activities that use these promotional tools?
- Is it necessary to conduct any research?
- Are there any other organisations, groups, or opinion formers that you will need to approach?
- Once sufficient background data has been gathered, attention must be turned to consumers. You must work out what a consumer needs and expects from a product such as eggs. Draw up a list of consumer 'wants and needs' and develop some 'core messages' that satisfy these.

LIST B: PEOPLE INVOLVED

BEIS Marketing Manager

This is your role. You are responsible for overseeing marketing and promotion activity for eggs. You report back to the BEIC.



Advertising Agency

- *Account Handler* – Liaises with the client and other departments in the agency (eg media, creative etc) as well as designers, printers etc.
- *Account Planner* – Brings together the campaign details to plan how it will work.
- *Media Planner/Buyer* – Decides which media to advertise in and negotiates to buy advertising space.
- *Art Director and Copywriter* – Comes up with ideas and designs for how the ads will look and prepares text and/or scripts for TV/radio.

PR Agency

- *Account Handler* – Liaises with the client to ensure that the right messages and image are projected to various 'publics'. The first port-of-call for journalists and consumers.

Market Research & Analysis Company

Develops research programmes, manages surveys and focus groups to produce qualitative and quantitative analysis.

Step one: Research – your ideas

The first stage, before you even start to think about how to solve the problem, is to get more information. Research is vital to any marketing campaign and this is no exception. Gather your team around you and consider the following. (Remember you are in a theoretical situation here and will not be asked to carry out the research unless your teacher states otherwise.) What different types of research will you need to conduct and what format will these take? What are the major issues you will need to find out more information on?

Here are some areas for consideration to get you started:

- What is the public perception of eggs?
- Who are the major buyers of eggs?
- What is the best way to reach this target audience?
- Who or what influences the way the public think?
- What will make the public buy/eat more eggs?

Using what you have learned from your discussion, design:

- a questionnaire for a street survey
- a set of questions to prompt responses within a small 'focus group' discussion.



Step 2: Planning the campaign – your ideas

Collating and categorising your research

Now it is time to use the information you have gleaned from your research to plan an effective campaign strategy. Begin by dividing the findings from your research into positive and negative columns. Then divide these further into categories such as health, finance, convenience of cooking, appeal to children and so forth. This will help you to see what areas you need to concentrate on when putting your campaign together.

Considering the next steps

Now consider the following:

- What are the major conclusions you can draw from your research?
- What are the implications of this for your strategy?
- What are the three key ways in which to change the public's perception of eggs?
- What should be addressed as a) long term and b) short term objectives?

Generating Ideas

At this point you may be trying to come up with say, a focus for an advertising campaign or innovative and exciting ways of reaching the public. Sometimes ideas come thick and fast but if this is not the case you may like to try some of the following brainstorming techniques to help get the creative juices flowing:

- Close your eyes and imagine eating an egg. Concentrate hard for one minute. Write down the first ten words that come into your mind.
- Visual stimulation is very important in the creative process. Make an egg pinboard – think shape, colour, texture and design, using a variety of materials as well as paper and fabric to stimulate ideas.
- Play a word association game using 'egg' as a starting point. After a chain of eight words have been recorded, the process must start again with egg (or an egg-related word as the game progresses)
- I like an egg when... This is like a party game in which each player in the circle takes a turn at starting a sentence with 'I like an egg when...' The results may help you to think laterally about egg consumption.



Step three: Campaign implementation – your ideas

Using your flow chart, market analysis and brainstorm ideas, develop an implementation plan that will make best use of the £4 million available for the promotion of eggs to the British public. Where possible you should research costs for your proposed activities.

Factors you might consider:

- Product development (can the product or its packaging be improved or made more appropriate for your target market?)
- Advertising (is advertising the most appropriate medium for reaching your target market? What will your advertising consist of? When and where will it be placed?)
- PR campaign (what will you do to get the press and consumers interested and on your side?)
- Government/EU lobbying (do you need a lobbyist to talk to government?)
- Sponsorship (do you want to use sponsorship to raise awareness of the Lion e.g. The Lion Premier League!)
- Sales promotion (do you need to promote sales in store?)
- Education (should you target school children – and how?)
- New media (what use will you make of the latest developments in media technology?)

Stage four: Campaign evaluation – your ideas

Evaluating a campaign is an important part of the process. You need to know how successful your ideas and efforts have been; whether the message has reached the target audience and if it has had the desired effect. Only by standing back to assess what has been achieved will you know whether to continue in the same vein or whether a completely different approach is needed in future. Your client, the BEIC, will also need to be assured of the campaign's success - it is on the basis of this that they will decide whether you are the best company to continue promoting their product in the year ahead. The more evidence you can provide of the campaign's success, the more confident your client will feel and the more likely they will be to give you further business. Prepare a list of criteria you would use to evaluate the effectiveness of your campaign. What evidence can you supply and what form will this take?



WHAT THE BEIS DID

In summary

In the mid-1990s, the British Egg Industry Council (BEIC) began planning the activities which it hoped would save the UK egg industry. In 1997, the BEIS undertook a major consumer research programme utilising three different types of research, both qualitative and quantitative. Broadly, they:

1. Developed a three-stage consumer research programme, comprising:
 - Family Food Panel (a large survey of 'in-home' trends)
 - Qualitative Research – conducting consumer focus groups to gain deeper insight into the thoughts, opinions and responses to different promotional approaches.
 - Quantitative Research – to obtain numerical data on the size, propensity to buy etc of different consumer groups
2. Used research to identify problems and opportunities and develop concise 'consumer needs' and target groups.
3. Decided on short-term objectives for the re-launch and longer-term objectives for the industry.
4. Identified the marketing strategy which would be most likely to fulfil the objectives.
5. Developed tactics to reach the consumer market (including promotional activity, lobbying, retailer liaison etc).

In detail

Stage 1: Family Food Panel

Family Food Panel is 'in-home' research, which looks at eating patterns and allows you to analyse what is happening in the market in terms of what people are eating, when and where. This research is purely quantitative.

The BEIS research found that between 1990 and 1995 egg usage declined fastest within the following segments:

- Larger households (4+ people)
- C1/C2 socio grade households
- Households with children (particularly those with 0-5 year olds)
- Non/part-time working housewives
- 17-24 year old consumers



- At main meal occasions, particularly at breakfast.
- From this research, the top priority segments of the market, those in the most urgent need of addressing, were identified as:
- Housewives with children
- Pre-family households/17-24 year olds

Stage II: Focus Group Research

Focus groups are small groups of people, selected against certain criteria, whose views and attitudes are seen as important to assess. The BEIS research took place among groups from all over the country.

One of the key findings was that people are still concerned about health issues. The following are a selection of the opinions of consumers who attended the focus groups:

- Health concerns about eggs have become 'folklore'. There is much misunderstanding and many misconceptions about eggs and, in particular, how many is it 'safe/OK' to eat per week.
- While some older people see eggs as very versatile and quick to cook, convenience does not necessarily mean just time. Eggs are not 'failsafe', i.e. you can't just leave them to cook - they need constant supervision.
- With more autonomous eating (eating on your own), different meals at the same meal occasion, and growth in lighter meals and snacking, eggs would seem an obvious choice, however, they are not always the first food that comes to mind. Also, people are not being encouraged to eat eggs, but are being encouraged to eat lots of other foods.
- With the changing role of the housewife, eggs are not seen as a 'must have' in the cupboard by many households.
- Light/occasional users use eggs in fairly restricted ways, lacking ideas and inspirations. Some people, particularly the young, found them bland.
- Although eggs do fulfil many consumers' desired list of criteria for modern foods (quick, convenient, easy, tasty, value for money, versatile, nutritious and filling) they have to compete with 90s alternatives (microwave foods, ready meals etc)

Some of the benefits these consumers highlighted:

- "You can always make a meal if you've got eggs."
- "Eggs are an all-natural food."



- "With scrambled egg on toast and a grilled tomato, you've got a meal."
- "Boiled egg and soldiers – they've got all the goodness there."
- "Two or three eggs make a good meal and that's only about 30-40 pence."
- "I just classify eggs with things like butter and milk – dairy – so I just assume they've got high fat."
- "You're not supposed to let them (children) have too many."
- "If you've got high blood pressure, you're meant to cut down your cholesterol and that includes eggs."
- "I was warned off them when I was pregnant and when my little girl was born. I just haven't thought about them much since then."

Following consumer focus groups, consumer omnibus research was undertaken.

Stage III: Consumer Omnibus Survey

Consumer omnibus research is a quantitative survey which gives specific responses to specific questions and can be used to reinforce information generated by focus groups.

1. The key target segments – mothers of young children and 16-24 year olds – were still among the heaviest egg users, which explains why they have had such a great impact in the decline of egg usage/sales.
2. Among the light eaters – those eating up to 1 egg per week – the target segments showed a significantly higher than average view (41%) that they should eat more eggs per week.
3. Among the heavy eaters – those eating 4 or more eggs per week – mothers with young children and the 16-24 year olds showed a significantly lower than average view that they should eat fewer eggs per week.
4. The ways in which consumers use eggs were very similar across all groups and segments, with the top 5 ways being: scrambled, fried, hard-boiled for salads, omelettes and soft-boiled eggs.
5. When suggested advertising/promotional messages were presented to them, the target segments displayed overall a greater disposition to use eggs more often than the other segments.
6. The top-rated message most likely to encourage people to use eggs more often was "Eggs are low in fat, high in protein, and good for all the family".



Planning the campaign – what the BEIS did

The research suggested three key areas to focus on with regard to changing the public's perception of eggs. These were as follows:

TO EDUCATE Eggs are healthy, low fat and indeed are good for you!

TO REASSURE More than 3 eggs a week is fine/safe!

TO INSPIRE Look what quick, fun things you can make with eggs!

Ways forward: putting the research findings into practice to help sell more Lion eggs

Moving forward was seen as a two-phase process:

STAGE 1

EDUCATE/REASSURE – in-depth messages on eggs and the Lion direct to target markets and through editorial/advertorial media

INSPIRE/EXCITE – PR/promotional messages on Lion eggs plus on-pack/in-store promotions, new product/packaging developments

STAGE 2

DEVELOP THE LION BRAND – develop genuine USPs* for retailers and consumers

SUSTAIN HIGH BRAND PROFILE – through consistent upweighted Lion advertising/promotional activity

USP = Unique Selling Proposition, the factor which makes this product different from all the rest.

Deliver good news for eggs!

The outcome of the research was therefore:

- Investment in research-achieved objectives
- Opportunities for egg promotion identified
- Plans for first TV advertising for 10 years

The new salmonella vaccine

At the same time as the consumer research programme, a new salmonella vaccine which protected laying hens against salmonella (and therefore stopped the bacteria passing into eggs) had been developed and was being trialled. Although British standards were actually



among the highest in the world, the damage caused by the media storm of the late 1980s had been done and many producers felt that investment should be made to further improve safety. Others felt that the priority was promoting eggs more heavily to consumers; there had been no advertising since the mid-1980s meaning that most of the connotations held by consumers were bad.

At this stage, the producers and packers agreed to support the BEIC and were asked to invest £8 million to relaunch British eggs: £4 million on a stringent new Code of Practice including compulsory salmonella vaccination, and £4 million on a new promotional campaign to restore confidence and increase consumption.

Implementing the campaign – what the BEIS did

The BEIC launched a new version of the Lion Quality mark, popular with consumers in the fifties and sixties, onto egg boxes. The Lion indicated to consumers that the eggs inside the box had been produced to a new 'Code of Practice', which set higher standards of hygiene and animal welfare than required by UK or EU Law. The new, modern Lion was registered as a trademark of the BEIC and could only be used by egg producers and packers who signed up to the new Lion Quality Code of Practice and the Lion marketing programme. The stringent new Lion Quality Code of Practice was launched in Autumn 1998 and was welcomed by food safety experts, who had previously been critical of the industry.

New, contemporary style TV advertisements were launched in February 1999, with the theme "Fast food. And Good For You". The ads reminded consumers how quick and versatile eggs could be, whilst reinforcing their image as a nutritious food.

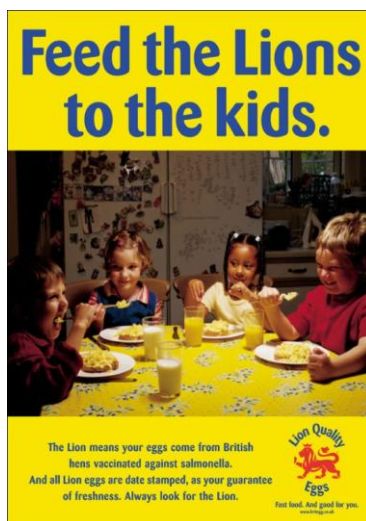


The BEIC met with all the major UK egg retailers and informed them of the benefits of the Lion scheme. All of the retailers agreed to specify Lion Quality eggs and all used the new



Lion logo on their packs. In January 2000, a 16 month programme to vaccinate all Lion Quality hens against salmonella was completed. The Lion Quality symbol was returned to the shells of eggs for the first time since the 1960s to reassure consumers that any egg bearing the Lion symbol had come from a hen vaccinated against salmonella. Agriculture Minister Nick Brown publicly endorsed the industry's efforts.

The "Fast food. And good for you" campaign continued during 2000 & 2001, supplemented by more specific messages to 'Look for the Lion' on eggs and egg boxes.



During 2001, consumer research (via focus groups) showed that the BEIS campaign had met its objective of restoring consumer confidence in British Lion eggs.

Most consumers were aware of the Lion mark and were no longer concerned about the food safety status of eggs.

Since then the BEIS has continued to contemporise the image of eggs. A new marketing campaign was developed in 2002, continuing with the umbrella theme 'Fast food. And good for you' but with new advertising using the storyline 'Eggs make a meal out of anything'; a new website – www.eggrecipes.co.uk; and a campaign to promote the health benefits of eggs.

The BEIS continues to provide information about the Lion Quality mark to consumers, retailers, caterers and other opinion-formers. Further details on current BEIS activity can be seen on its main website www.britegg.co.uk.



Evaluating the campaign – what the BEIS did

The BEIS was able to use the following as means of evaluating their campaign:

Measuring egg consumption and sales of Lion eggs

The National Food Survey, a Government survey showing consumption of various products including eggs, showed an increase of 5% in egg consumption in 2000 on the previous year. The overall market has continued to rise and sales of Lion eggs have risen to 90% of the retail eggs market.

Official Government reports

In May 2001, the Government's Advisory Committee on the Microbiological Safety of Food reported 'a real success story' with human cases of salmonella halved, reflecting the dramatic fall in the levels of salmonella in eggs. In 2004 the Food Standards Agency tested more than 28,000 British eggs and no salmonella was found in any of them.

Media coverage of eggs

Between 1999 and 2002 media coverage of eggs moved from largely negative to overwhelmingly positive, with headlines such as: 'Give eggs a break' and 'The good news about eggs'. This has continued.

Recognition of the Lion and what it stands for

Consumer research conducted in 2001 showed that 83% of all consumers and 94% of those seeing the BEIC advertising recognise the Lion. In focus groups, spontaneous mentions and understanding of the Lion 'guarantee' replaced previous concerns over egg safety.