



Ben & Jerry's case study

Developing premium food brands through
innovative marketing

Reference Code: BPCS47

Publication Date: 08/04

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ABOUT DATAMONITOR

Datamonitor plc is a premium business information company specializing in industry analysis.

We help our clients, 5000 of the world's leading companies, to address complex strategic issues.

Through our proprietary databases and wealth of expertise, we provide clients with unbiased expert analysis and in-depth forecasts for six industry sectors: Automotive, Consumer Markets, Energy, Financial Services, Healthcare, Technology.

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WHAT IS THIS REPORT ABOUT?

This report forms part of Datamonitor's case studies series, which explores business practices across a variety of disciplines and business sectors. The series covers a range of markets including food and drink, retail, banking and insurance, pharmaceuticals and software.

Each case study provides a concise evaluation of a company that stands out in some area of its strategic operations, highlighting the ways in which the company has become one of the best in its field or how it deals with different problems encountered within that sector.

Who is the target reader?

This case study is designed for industry executives, consultants, analysts and researchers, providing them with a useful benchmarking tool and offering a blueprint for potential improvements.

It provides valuable insight into the methods used by important industry players that give them a competitive edge, allowing the reader to capitalize on the knowledge of experienced companies when, for example, entering a new niche or market.

Report content

The report is divided into three main parts – Introduction, Case Study and Conclusion – followed by Research Methodology and Related Research sections:

- **Introduction:** provides historical background on the company and explains how the company has responded to a particular business challenge.
- **Case study:** provides the main body of text, detailing the company's approach to a particular challenge; for example, superior customer relationship management, use of technology, sales and marketing techniques, etc.
- **Conclusion:** highlights the main findings of the report, summarizing the key strategies the company has employed.
- **Research Methodology:** details when research was carried out and the approach used in writing the report.
- **Related Research:** lists a number of reports on a similar theme to the case study, which may assist the reader in further research.

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INTRODUCTION

Company background

Ben & Jerry's Homemade, Inc., was founded in 1978 in a renovated petrol station in Burlington, Vermont, by childhood friends Ben Cohen and Jerry Greenfield, with a \$12,000 investment (\$4,000 of which was borrowed). They soon became popular for their innovative flavors, made from fresh Vermont milk and cream. In 2001, Unilever acquired the company, yet the brand has managed to maintain much of its artisan spirit.

Ben & Jerry's currently distributes ice cream, low fat ice cream, frozen yogurt and sorbet across the United States, as well as in selected foreign countries, in supermarkets, grocery stores, convenience stores, franchised Ben & Jerry's scoop shops and restaurants.

The company created a friendly brand that gives consumers the impression that the product was made with love and care and not in a methodical, strict or scientific manufacturing-style. The impression is given through the marketing and advertising campaign that each pot is unique as no two batches ever has exactly the same quantity of ingredients.

Ben & Jerry's has been chosen for this case study because of its innovative selling techniques. Despite the fact that it is owned by Unilever, the company successfully markets itself as a traditional, homemade style operation, winning customers over with its unusual ice cream flavors and clever product designs.

Case Study

CASE STUDY

From niche consumers to mass market appeal

At the start of its operations, Ben & Jerry's was able to win a loyal following among a small number of consumers who liked the brand for its different approach to ice cream design. Its products became known for their 'inclusions' such as pieces of biscuit, sweets, chocolate or nuts. Ben and Jerry did not skimp on these and they were largely responsible for creating a new market of ice cream featuring unique inclusions.

Ben & Jerry's customers at first were a small group of non-conformists and unconventional consumers, who lived in select locations around the US. However, over time, its products held a sufficiently mass-market appeal to be exported and sold in countries throughout the world, moving away from niche markets and into the main stream. Despite this, it still managed to retain hold of its innovative image.

The company retains a strong global brand image by maintaining the same names and ingredients for its products from market to market e.g. Karamel Sutra and Cherry Garcia. The company keeps hold of consumer interest by continuing to innovate with new flavors and new concepts, such as its twisted ice cream, which has two different ice creams in a tub.

Figure 1: Ben & Jerry's Cherry Garcia ice cream – the brand retains the same name in every market



Source: Ben & Jerry's website

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Case Study

Creating a positive, identifiable image for your target audience

Consumers may appreciate the charitable nature of the company, which has set up a charitable foundation to help support a variety of projects based in the markets in which it operates. For example, the company set up a charitable foundation in the UK when it moved into that market. The bus pictured below tours the UK festivals and county shows in the summer selling ice cream and the money raised goes to good causes around the UK.



At present all profits from ice cream sales on the bus are used to support Trees for Cities' tree planting and greening initiatives in urban areas of greatest need across the UK. The company has used the bus to promote a variety of causes since the bus began touring the UK in 1998, such as ChildLine.

Staying true to your roots

The company doesn't just support major causes, but also helps the community where the business started. Its ethically minded stance can be seen in various events; it offered a share option deal to the people of Vermont, only allowing the community that had supported the company at the beginning to be the first to benefit from its need to grow and expand. The company has also held drive-in movie evenings at its local factory and projected films onto the factory wall.

Case Study

Referencing popular culture

Ben & Jerry's charitable work runs alongside its image as a consumer trendsetter. The company keeps abreast of the market and makes use of trends and fashions in each of its markets. For example, in 2001, to capitalize on the success of the film *The Full Monty*, it launched a new flavor called 'The Full Vermonty' onto the UK market, packed with maple syrup and pecan nuts from the company's home town.

Figure 3: The Full Vermonty ice cream – references the popular British film, *The Full Monty*



Source: Productscan

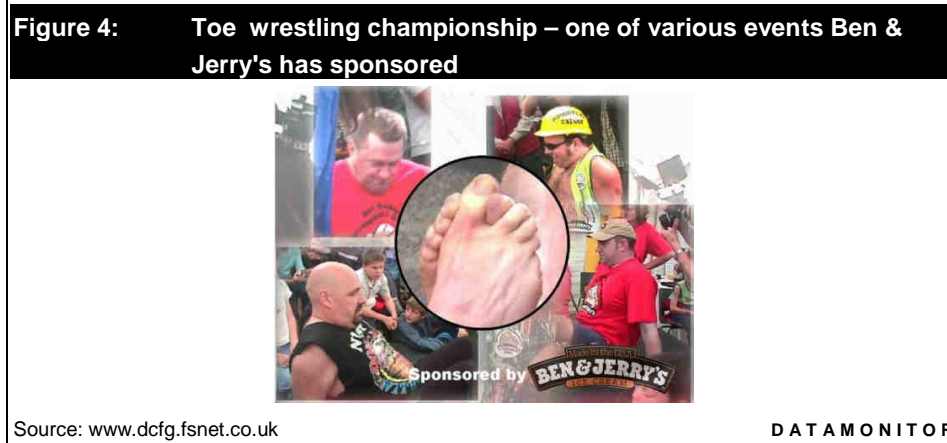
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Case Study

Maintaining a fun-loving image through all aspects of the product

Cultural references are a light hearted way to attract consumers and show that key to the company's brand values is the idea that it does not take itself too seriously. Its websites on both sides of the Atlantic are packed full of fun, tongue-in-cheek features, sound effects and things to do, for example, the site offers locks for tubs of ice cream so that you can protect it from others who may want to share it. The names of the products and the packaging also endorse this fun-loving, young brand value.

The company extends this fun loving image to its sponsorship deals. Throughout the years Ben & Jerry's has sponsored a number of quirky regional events, such as the bog snorkeling championships in March 2003, held in Llanwrtyd Wells - in Powys, Mid Wales. In the past it has sponsored Toe Wrestling in Staffordshire and the Conker World Championships in Northamptonshire.



Conclusions

CONCLUSIONS

Despite being taken over by Unilever, Ben & Jerry's has successfully held onto its key brand values and to the people who were attracted to those values from the beginning. The company's flair and innovation together with its quirky style and sense of humor have remained unchanged. Core, though, to its success is the fact that it also make delicious ice cream in a variety of flavors which commands customer loyalty and encourages experimentation and repeat purchasing. Consumers are willing to pay a premium for its products because of its quality reputation.

RESEARCH METHODOLOGY

This case study was derived from Datamonitor's study of food and drink promotional strategies which was carried out between June and August 2004. The hypotheses presented in this report were supported by a series of interviews with industry executives, in addition to secondary literature and in-house sources of information.

RELATED RESEARCH

Marketing Food and Drinks to Adults Volume 1: 20 – 35 year olds

This report reveals how young adult consumers have different stages in their lifecycles and how their wants and needs reflect this.

Published: August 2004

Marketing Food and Drinks to Adults Volume 2: 36 – 55 year olds

This report reveals how older adult consumers have different stages in their lifecycles when their wants and needs alter.

Published: August 2004

Kids and Health: Obesity issues and ethical food and drinks marketing to children under 16 years old

This report examines the profit opportunities and threats that companies which manufacture and market food and drinks products to children face over the next three years.

Published: July 2004

Winning Brand Strategies in Food and Drink: Increasing dominance, product appeal and market share

This report a new strategic management report analyzing the major trends and developments of brands by product segment and country.

Published: April 2004

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