



2023 APAC Effie® Awards Gold Winner

Love Your Gut

Categories:

Asia Pacific Brands (Gold)

Product/Service Classification: Food

Brand: Dutchie

Client: Dutch Mill CO., LTD.

Lead Agency: Ogilvy Bangkok

Original Version

Executive Summary

Back in simpler times, eating gut-friendly yogurt was a straightforward, tasty way to maintain general good health. But now Gen Z consumers prioritize achieving specific physical goals such as a lean body and clear skin – leading to a decline in relevancy and sales of yogurt in the face of specialized functional superfoods.

Thai yogurt category leader Dutchie decided to fight back, by piggy-backing the upstarts with a hard-hitting truth: trendy functional superfoods are worthless without a healthy gut.

By making gut health relevant (and hilariously unmissable!), the 'Love Your Gut' campaign drove a very healthy +7% increase in Gen Z sales.

Market Background

Every category is a beauty category

Thailand is extremely appearance-conscious, making it the largest, most advanced beauty market in SEA – and now infiltrating adjacent categories such as food, nutrition and dairy.

Focus on benefits drives adoption of specialised 'functional' products

With mindsets shaped by the beauty category for decades, Thai consumers seek transformational end-benefits, and favour solutions that offer higher efficacy. This is fostering growth in 'functional' products whose specialised formulas are perceived as more effective, while generic basic health categories and products lose relevance - in just 3 years to 2022, 'Functional Foods' grew 22.5%, while regular 'Yogurt' declined 11%.

E-commerce broadens accessibility to new solutions beyond those established in physical trade

Like all Asia Pacific countries, this shift is accelerated by the boom in e-commerce, making it easier for efficacy-seeking consumers to access specialised products beyond just those offered available from legacy players in traditional physical retail.

State of the Marketplace & Brand's Business/Strategic Communication Challenge

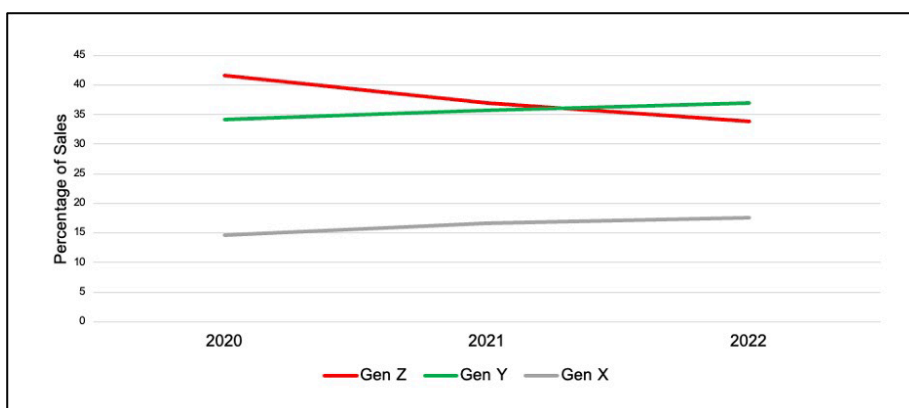
Dutchie has been Thailand's yogurt category leader for decades. Its wide range and ubiquitous distribution have made it synonymous with the category, growing along with it, and capturing a virtual monopoly 80% market share according to client's research.

But since the early 2020s the brand has faced a concerning trend, with fast-eroding relevance and sales amongst Gen-Z consumers, its key target for future growth.

Looking at the data trend between 2020-2022:

Business:

While more 'yogurt-habituated' Gen X and Gen Y are relatively stable, we're seeing a precipitous decline in the largest group, Gen Z sales – 41.6% to 33.8%, losing -7.8 in just 2 years and the trend predicted to continue to fall. That is a critical issue and warning sight for future sales growth. (Chart 1)

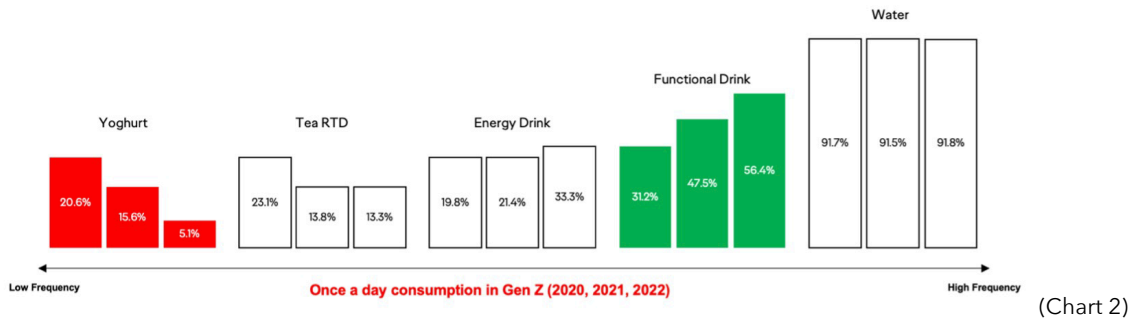


(Chart 1)

Marketing:

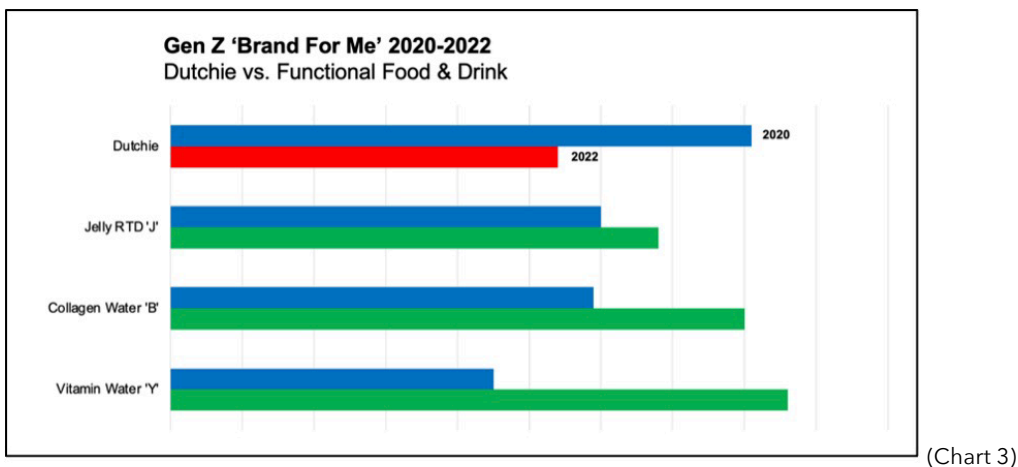
Dutchie’s lost sales with Gen-Z are driven by a dramatic erosion of regular yogurt consumption, with the number of Gen Z users consuming yoghurt ‘every day’ declining by 75% in just three years – while ‘once a month’ consumption increased +21% in the same period.

While yoghurt has been losing out, we see a drastic shift in daily product usage towards functional foods, which have been fast on their way to becoming as common as drinking water. (Chart 2)



Brand:

In the past few years, the category has been releasing new flavors in hope appetite could drive sales. But in return, it has increasingly been perceived as lacking functional relevancy as indulgence snacking messaging was overriding delivery of functional benefits. Dutchie’s ‘brand for me’ score amongst Gen Z has declined from 81% to 54% between 2020 and 2022, and have been overtaken by functional solution such as jelly RTD, collagen, and vitamin water. (Chart 3)



The Strategic Challenge: to future-proof Dutchie by re-building relevancy with Gen Z, fast!

Objectives & KPIs

Business Objective: Turn around Gen-Z sales

It was important to stop the bleeding of Gen Z to FF but to get back to the rate of 20% in 2020 within one campaign takes time, so based and wanted to get close to our best performance yet in 2017 at 5% growth.

Measured by (KPI): year-on-year sales growth.

Target: From a yoy trend of -7.8% to +5% post-campaign

Marketing Objective: To achieve this we would need to turn around Gen-Z regular consumption. If we let this trend continue, worst case would be the proportion of Gen Z daily consumption would hit 0%. At minimum level, we have to stabilize and maintain at 2022 pre-campaign level.
Measured by (KPI): Daily Consumption Frequency
Target: Increase the proportion of daily consumption

Brand Objective: To achieve this we would need to rebuild both product and brand relevancy. The key to becoming important to everyday health, was to increase relevancy of both product and brand.
Measured by (KPI): Brand: Brand for Me + Product: Functional Relevance
Target: Product: Brand: Increase 10% by post-campaign + Increase functional relevance for Dutchie

As a result, the role for communications was set as driving re-appraisal and giving Gen-Z consumers a new reason to consume Dutchie yogurt, every day.

Sourcing: Section 1

Agency Qualitative and Quantitative Research

Audience

Dutchie had its sights set on the Gen-Z, aged 15-25 years old – historically, this group has been the biggest contributors to the yoghurt category, and remains its most important franchise for future growth.

But Gen-Z's new expectations and frames of reference when it comes to health is challenging yogurt's central and regular role in their daily habits.

Spending more than 8 hours a day scrolling through their social feeds, force-fed the image of media's idealized body, they are easily lured into the promises of functional foods - the most powerful ingredients, treating specific issues, delivering specific and immediate benefits.

Meanwhile, they only see yoghurt as a flavor variant snack.

Barrier to overcome: To turn Dutchie from occasional indulgence to must-eat everyday priority.

Insight

Health circles were dominated by functional messaging - collagen for glowing skin, whey proteins for lean body, vitamin water for immunity - the entire category enjoyed a type of health halo without being questioned. Dutchie had to be smarter.

When we listened to consumers, we uncovered three forces that compelled a shared mindset:

- First, Gen Z felt that their relationship with functional food extended beyond a simple desire to try new things, but functional food give them a sense of health superiority.
- Second, they are image obsessed but lacked understanding – Gen Z grew up surrounded by the noise of functional food commercials making them believe, didn't see the need to double-check the facts or search.
- Third, Gen Z is all about the tangible benefits: "Unlike pimples, I can feel its pain and redness – but I just ignore the gut because I can't feel it."

The Unfair competition: unquestioned halo of modernity and superior efficacy vs intangible and invisible promise of holistic health

How could Dutchie rebuild relevance in this context – could we take functional food head-on, claim all their benefits – or could there be another way?

Our strategic pivot was inspired by Judo: the art of fighting where we attack the opponent by using their strength and momentum to our advantage. Likewise, Dutchie will not attack or shame functional food but piggy-back on their growth momentum and strong Gen Z's demand instead.

Truth is, even the most advanced and expensive functional food only works if well-digested– and Dutchie yogurts does wonders for your gut health and digestion.

The strategic opportunity: rebuild relevance not by fighting FF, but piggy-backing to grow with them – yogurt as an everyday delicious accessory to high-value FF and benefits.

The Big Idea

'Love Your Gut': helping misguided Gen-Zs realize the only effective way to get the most out of superfoods

Sourcing: Section 2

Thai Health Watch, We are Social, Agency Qualitative and Quantitative Research

Bringing the Idea to Life

OUR AIM

To guide Gen Z and make them see the importance of loving their gut before anything else.

HOW DID WE EXPRESSED THE IDEA

Against the Gen Z's world of content cluster, it was important we made an academic topic more entertaining by creating a metaphor about the process of Gut Health. That is how the idea 'Love Your Gut' emerged. Riding on the target's familiar usage of e-commerce and social media, Dutchie played on the pain point every Gen Z experienced once - a delivery that never arrives at the front door or gets damaged during its journey. Similarly, the gut's purpose is to absorb and transport the nutrients to the body, but without daily care, it will only work as an unhealthy pathway, not absorbing nutrients. To top up the entertainment, Dutchie sarcastically added the top selling functional products into the ad; including whey protein, collagen, or even vitamin water to trigger a new mindset of health, that everything works once you have loved your gut first.

HOW WE EMPHASIZED THE IDEA

Important to consider that one TVC could not do it justice, so we had to also utilize and endorse the Gen Z's world both online and offline. With a banner series that questioned their consumption with an infusion of power of data to geo-located targeting, ad scheduling at meal hours to personalized ad by behaviour. Followed by mass visibility across Gen Z's offline journey from schools, public transportation, to supermarkets to show off the feeling of having a healthy gut from eating Dutchie daily - a healthy gut, a healthy life you can enjoy.

HOW WE ROLLED OUT FOR GREATER IMPACT

Continuing with our thinking of Judo, we had to speak Gen Z's language, with a helping hand of influencers, page partnership (online pharmacist and health influencers) to share their experience and turn educational content into an easy to digest language specifically for their audiences. Because just seeing or

hearing is not enough for Gen Z, we made them experience 'loving their gut with Dutchie Roadshow' where Dutchie Ladies (direct sales) acted as a spokesperson using local dialects to spread the importance of gut health.

HOW WE CONVINCED THEM AT POINT OF SALES

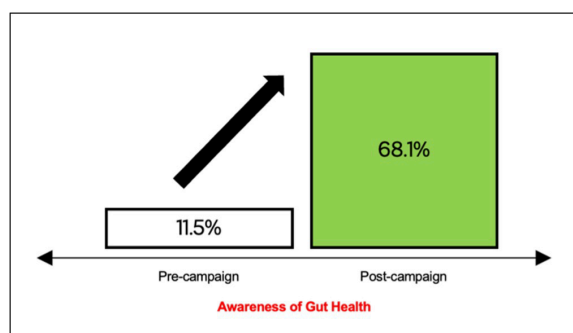
We strategically place OOH and POS materials at the beginning of highways, supermarkets, or chilled aisles to signify that Dutchie is the first step to your gut health – correcting consumers on the fundamentals of health with the accessibility of Dutchie.

Results

Success for this campaign was clearly linked to Gen Z's shifting mindset in their choice of food especially towards base understanding of gut health, but it went beyond that and proved to be the case of purposeful and effective use of insightful strategy.

Role for Communication: Reframe and give Gen Z a new reason to consume Dutchie.

Results: Our communication gave Gen Z a reason to 'see' the importance of regular gut health (Chart 1)



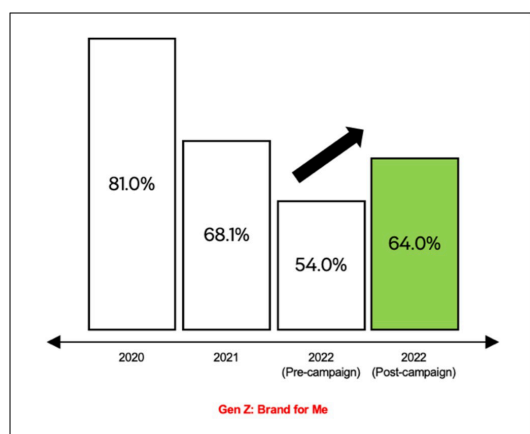
(Chart 1)

Brand Objective: Rebuild both brand and product relevancy.

Measured by (KPI): Brand: Brand for Me + Product: Functional Relevance

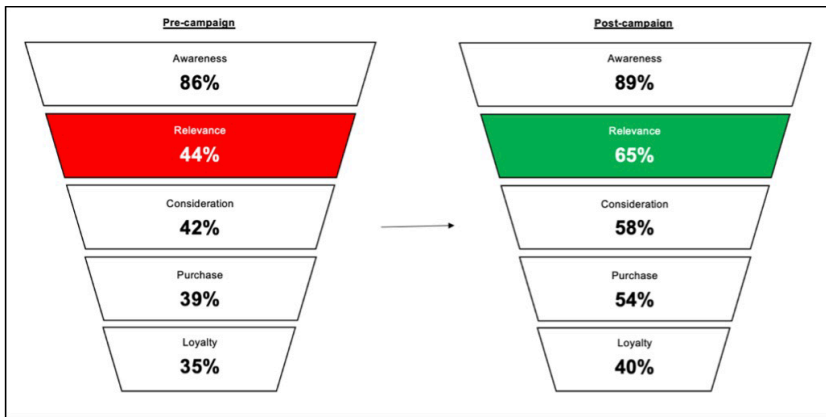
Target: Product: Brand: Increase 10% by post-campaign + Increase functional relevance for Dutchie Brand

Results: Increased in brand for me by 18.5% since pre-campaign amongst Gen Z (Chart 2)



(Chart 2)

Product Results: Increased 47% in relevance of product amongst Gen Z (Chart 3)



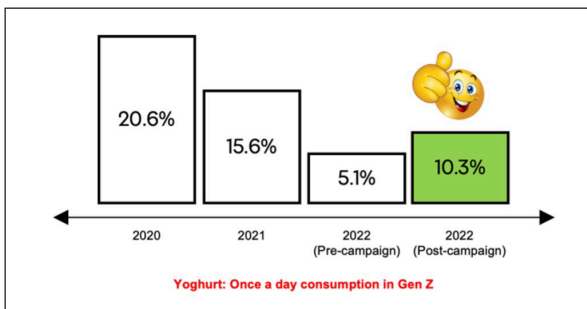
(Chart 3)

Marketing Objective: Turn around Gen Z consumption.

Measured by (KPI): Daily Consumption Frequency

Target: Increase the proportion of daily consumption

Results: 102% increase in Gen Z daily consumption compared to pre-campaign (Chart 4)



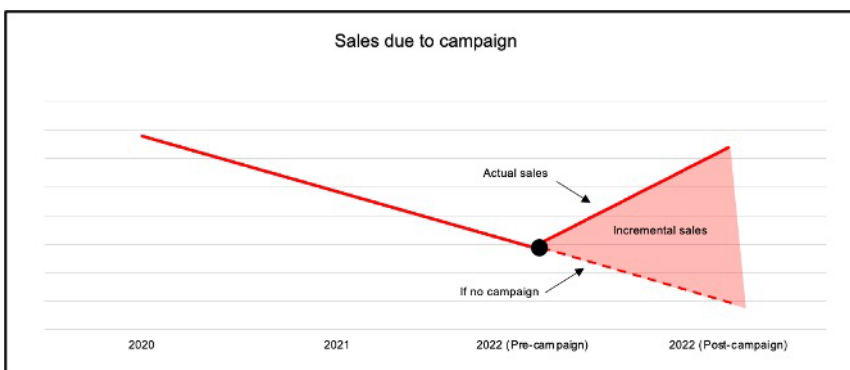
(Chart 4)

Business Objective: Turn around Gen Z sales

Measured by (KPI): year-on-year sales growth.

Target: From a yoy trend of -7.8% to +5% post-campaign Results: +12 upside in growth sales (beyond KPI)

(Chart 5)



(Chart 5)

The sales of yoghurt category in 2022 added up to 54 million USD, while the campaign effectively made up 12% of the total – generating up to 6,480,000 USD.

Additional Marketing Components

	Couponing		Leveraging Distribution
	CRM/Loyalty Programs		Other marketing for the brand, running at the same time as this effort
	Economic Factors	<input checked="" type="checkbox"/>	Other : N/A
	Giveaways/Sampling		

Other Contributing Factors

N/A

Sourcing: Section 4

Client Brand Health Check, Agency Brand Tracking

Media Addendum

Paid Media Expenditures

Current Year: 2022		Year Prior: 2021	
<input type="checkbox"/> Under \$100K	<input checked="" type="checkbox"/> \$1M - under \$5M	<input type="checkbox"/> Under \$100K	<input checked="" type="checkbox"/> \$1M - under \$5M
<input type="checkbox"/> \$100K - under \$250K	<input type="checkbox"/> \$5M - under \$10M	<input type="checkbox"/> \$100K - under \$250K	<input type="checkbox"/> \$5M - under \$10M
<input type="checkbox"/> \$250K - under \$500K	<input type="checkbox"/> \$10M - under \$20M	<input type="checkbox"/> \$250K - under \$500K	<input type="checkbox"/> \$10M - under \$20M
<input type="checkbox"/> \$500K - under \$1M	<input type="checkbox"/> \$20M and over	<input type="checkbox"/> \$500K - under \$1M	<input type="checkbox"/> \$20M and over
		<input type="checkbox"/> Not Applicable	

Compared to other competitors in this category, this budget is:

Less About the same More

Compared to overall spend on the brand in prior year, the budget this year is:

Less About the same More Not Applicable

The yogurt category has been long established in the Thai market; therefore, the competitors focused their budget spending on building excitement whether its PR, innovative and limited-edition flavors, or using of top Thailand celebrities to gain attention from their fan base. However, with the same amount of budget, Dutchie seek opportunity from tackling on the demands of health in the functional market and utilize strategy and creative solution to outperform the category.

Owned Media

YouTube Channel and Facebook

Sponsorships

N/A

Communications Touchpoints

<input type="checkbox"/> Branded Content - Editorial	<input type="checkbox"/> Digital Mktg. - SEM	<input type="checkbox"/> Print - Magazine
<input type="checkbox"/> Branded Content - Product Placement	<input type="checkbox"/> Digital Mktg. - SEO	<input type="checkbox"/> Print - Newspaper
<input type="checkbox"/> Cinema	<input checked="" type="checkbox"/> Digital Mktg. - Short Video (:15-3 min.)	<input type="checkbox"/> Public Relations
<input type="checkbox"/> Contests	<input checked="" type="checkbox"/> Digital Mktg. - Social: Organic	<input checked="" type="checkbox"/> Radio
<input type="checkbox"/> Digital Mktg. - Affiliate	<input checked="" type="checkbox"/> Digital Mktg. - Social: Paid	<input type="checkbox"/> Retail Experience: Digital
<input type="checkbox"/> Digital Mktg. - Audio Ads	<input type="checkbox"/> Digital Mktg. - Video Ads	<input checked="" type="checkbox"/> Retail Experience: In Store
<input type="checkbox"/> Digital Mktg. - Content Promotion	<input type="checkbox"/> Direct Mail	<input type="checkbox"/> Sales Promotion, Couponing & Distribution
<input checked="" type="checkbox"/> Digital Mktg. - Display Ads	<input type="checkbox"/> Events	<input type="checkbox"/> Sampling/Trial
<input type="checkbox"/> Digital Mktg. - Email/Chatbots/Text/Messaging	<input type="checkbox"/> Health Offices / Point of Care	<input type="checkbox"/> Sponsorships - Entertainment
<input type="checkbox"/> Digital Mktg. - Gaming	<input checked="" type="checkbox"/> Influencer / Key Opinion Leader	<input type="checkbox"/> Sponsorships - Sports
<input checked="" type="checkbox"/> Digital Mktg. - Influencers	<input type="checkbox"/> Interactive / Website / Apps	<input type="checkbox"/> Sponsorships - Unique Opportunity
<input type="checkbox"/> Digital Mktg. - Location based	<input type="checkbox"/> Internal/In-Office Marketing	<input type="checkbox"/> Street Mktg.
<input checked="" type="checkbox"/> Digital Mktg. - Long Video (3+ min.)	<input type="checkbox"/> Loyalty Programs	<input type="checkbox"/> Trade Shows, Trade Communications, Professional Engagement
<input type="checkbox"/> Digital Mktg. - Marketplace Ads	<input checked="" type="checkbox"/> OOH - Billboards	<input checked="" type="checkbox"/> TV
<input type="checkbox"/> Digital Mktg. - Mobile	<input type="checkbox"/> OOH - Other Outdoor	<input type="checkbox"/> User Generated Content & Reviews
<input type="checkbox"/> Digital Mktg. - Product Placement	<input type="checkbox"/> OOH - Transportation	<input type="checkbox"/> Other:
<input type="checkbox"/> Digital Mktg. - Programmatic Display Ads	<input type="checkbox"/> Packaging & Product Design	
<input type="checkbox"/> Digital Mktg. - Programmatic Video Ads	<input type="checkbox"/> Print - Custom Publication	