

Olive Oil & Pesto

Filippo Berio targets Ireland with heavyweight campaign

Filippo Berio, the leading olive oil brand in the UK, is investing €500k in an integrated marketing campaign in Ireland, which is set to shake up the olive category here, explain Walter Zanre, MD of Filippo Berio UK, and Gerard McAdoey, from distributors GM Marketing.

FILIPPO Berio, the leading olive oil brand in the UK, is investing in a heavyweight €500k advertising and marketing campaign to increase the brand's presence in Ireland. This fully integrated campaign includes TV, print advertising and PR and Walter Zanre, MD of Filippo Berio UK, describes it as "our first ever serious advertising campaign in Ireland".

"We have the credentials to become a serious number two brand in the market," Walter explains. "Together with our distributor, GM Marketing, we are ready and willing to grow the Filippo Berio brand and indeed the entire olive oil category in Ireland

It's not just about olive oil, but also includes Filippo Berio's "truly excellent" pesto range, as well as its vinegar range (Balsamic Vinegar, Wine Vinegar etc). "There isn't a dominant brand currently in those markets, so we believe we can take a leadership position in those categories," Walter notes.

Substantial sales growth

Filippo Berio has been present in the Irish market for over two decades, but it wasn't until distribution moved to Belfast-based GM Marketing in April 2018 that the brand really started to make an impact here, with sales numbers growing significantly in the intervening two and a half years.

"We found the team at GM Marketing had the same passion and desire to do business that we had, and we have seen the business show significant growth," Walter enthuses. "We have gained distribution and added listings, which has given us the confidence to put a significant investment behind the brand in Ireland, which is the first step in constructing something much bigger in the Irish market."

Gerard McAdoey, MD, GM Marketing, is delighted with the performance of the brand: "From when we took over distributing the Filippo Berio brand, volumes are now two and a half times what they were in early



Pictured are (l-r): Gerard McAdoey, MD of GM Marketing, and Walter Zanre, MD, Filippo Berio UK.

2018. We can't ask any of our partners to spend money until we have our distribution in place; once you've got distribution, it's then easy to have a conversation with Walter and his team to explain the potential in the market. They have very kindly supported us and the market, which then allows us to have the conversations with the likes of Dunnes and Musgrave, to point to the size and scale of the campaign."

Investing in an underdeveloped category

Walter believes that the olive oil category in Ireland is underdeveloped: "It is dominated by own label, with one major branded player. There has been very little investment from a marketing point of view. It has become a traded commodity." Filippo Berio is about to change all that.

The €500k marketing plan will see Filippo Berio advertised on Irish

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Filippo Berio has been present in the Irish market for over two decades, but has really shown its potential since GM Marketing took over distribution of the brand in April 2018.

television channels for the first time, across RTE 1, RTE 2 and Virgin Media Ireland. In advertising terms, the Irish campaign will have 880 TVRs (television ratings), according to Walter, which is approximately twice as many as an average Filippo Berio campaign in the UK. The television ads will be seen by more than 75% of adults (2.7m), who will view the advertisement an average of 12 times between October and December. There are two versions of the ad, one for the olive oil brand, which traces Filippo Berio Olive Oil from the bottle back to the tree using an engaging “rewind” style, while the second ad focuses on their pesto range, demonstrating the versatility of pesto ‘beyond pasta’.

The TV campaign features some of

the most iconic music you are likely to hear in an ad this or any other year, a real ear-worm that is as smile-inducing as it is memorable. “Music, when used effectively really stays with you,” Walter insists. “Think of the ‘Just One Cornetto’ ad; more than 20 years later, it is still associated with the brand. I think our music really stands out and this year, we’ve used it in radio advertising in the UK for the first time.”

Their print campaign includes advertisements in consumer interest and food titles, communicating the brand credentials and the versatility of the pesto range, and will reach 1.7m adults (44.5% of all adults in Ireland). The highlight of the press campaign is the insertion of a One-Pot Recipe Booklet into the Irish edition of The Sunday Times on November 1.

Versatile product range

Alongside the advertising, there will be a national PR campaign, showcasing the versatility of the products, both olive oil and pesto, targeting mainstream media with a diary of consumer brand stories and competitions, including recipe ideas and a health study from Glasgow University which focuses on the health benefits of olive oil. Crucially for retailers, the brand will also be available at a special promotional price point during the overall campaign.

The campaign will benefit not just Filippo Berio, but the overall olive oil and

pesto categories, according to Walter: “Per capita, Irish consumers use more olive oil than they do in the UK, but we believe that is because you have a small group of very heavy olive oil users, while there are still a lot of people who are not currently using olive oil, so we want to increase household penetration for the category as a whole.”

Gerard agrees: “Meal-time is very important to the Irish consumer, and if we can educate that consumer about the benefits and versatility of olive oil and Filippo Berio, that will benefit everybody.”

Olive oil has suffered a little because of its reputation, Walter insists. “There has been a belief amongst some consumers that olive oil is fancy, it’s premium, it’s only for continental cooking, and that’s not true at all. I try to explain that if you pour extra virgin olive oil onto a jacket potato, there is nothing better. We need to bring olive oil into everyday cooking.”

“We are trying to demystify olive oil,” Walter insists. “If you go into any Italian house, when they start to fry, the first thing they put in the pan is olive oil. One of the biggest urban myths around olive oil is that you can’t fry with it; it is completely the opposite, as it is an oil that remains very stable at high temperatures. In fact, olive oil can be used in baking, as it works really well in cakes, pastries etc. We want to bring more understanding to the market, which will then allow us to expand.”



Filippo Berio’s €500k marketing plan will see Filippo Berio advertised on Irish television channels for the first time.

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The Irish market represents a significant growth opportunity for Filippo Berio, which has been around for 150 years.

A rich history

While admitting that other oils, and rapeseed oil in particular, have grown in popularity in recent years, Walter believes that olive oil has a number of advantages over its competitors: “Firstly, it has a superior flavour profile; and secondly, cold pressed rapeseed oil costs more than extra virgin olive oil. Thirdly, in order to become a serious competitor to extra virgin olive oil, the land mass you need is colossal. I don’t think that rapeseed oil will go away but we have seen a number of oils come and go, like the fad for avocado oil and coconut oil. Fads come and go but heritage, expertise and quality remain with Filippo Berio and they will give us longevity.”

The Filippo Berio brand certainly has a rich history, as the MD and indeed the forthcoming campaign, reminds us: “This campaign is about reassurance in the brand, the heritage and the care that goes into the oil. Filippo Berio was a real person, which is quite unusual; he created the brand and in many ways, we are still carrying on the standards he instilled in the business 150 years ago, and that is communicated through the TV and press advertising campaign.

“In the UK, we have been the brand leader for such a long time and everybody knows us,” he continues, “but in Ireland, some people don’t know who we are; so we are trying to communicate our brand values in this campaign, which will provide us with a foundation to build upon.”

Brexit and Filippo Berio

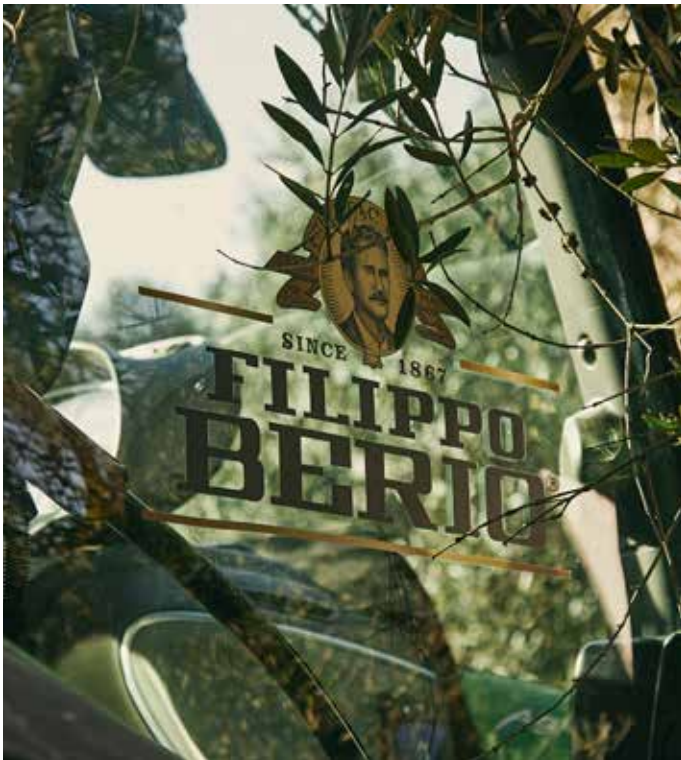
The spectre of Brexit still hangs over us like the sword of Damocles. Walter has been a keen and outspoken critic of the entire process of Brexit, as even a quick glance through his Twitter feed confirms.

“The most frustrating thing is the lack of clarity,” he sighs. “We know



Based in Lucca, Tuscany, Filippo Berio has created fine olive oils since 1867.

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Filippo Berio plays a leading role championing sustainable and environmentally sensitive production, supporting and inspiring the wider olive oil industry.

for certain we are going to have problems at the borders because there isn't the physical infrastructure to manage all the extra paperwork. A month ago, I would have said there is no possibility that we would have duty tariffs but as every day goes by, it is looking more and more likely; on olive oil, the tariff would be over €1.24 per litre, which is crazy. That would add about €15m of annual cost to our business. But there is no olive oil production in the UK, so the product still has to come in."

The Irish market is luckier, in that GM Marketing can ship product directly to Ireland from the home of Filippo Berio in Lucca, Italy, thus avoiding the duty.

"The challenge for us is to manage lead times and be a bit more rigid and accurate with forecasting," Gerard McAdurey reveals, admitting that the company will be looking at lead times of 4-5 weeks as opposed to one week, which is generally the case with goods coming from Britain.

"We are trading businesses so we will find solutions," Gerard says, "whether that means holding an extra three months' stock on the island to get us over the hump of January or other logistical and supply chain options that are practical ways to mitigate disruption."

Covid brings convenience growth

In 2020, nothing has disrupted the market as much as Covid-19. A lot has been written about changing consumer patterns and new trends emerging during the pandemic, and one which GM Marketing has noted is the switch by many consumers shopping more in convenience stores, which has had a big impact on sales of Filippo Berio.

"Convenience stores, whether it's a Spar in the west of Ireland or a Centra in the west of Dublin, are seeing a serious uplift in what would have been core multiple grocery products," Gerard reveals. "So we are seeing a lot of olive oils and pestos selling through the local convenience store, as people don't go to the multiple outlets as much. So my advice to convenience store owners is to not just pay lip service to a couple of bottles

of olive oil, but to really support these products. Bearing in mind that a bottle of olive oil can sell for up to €5 or €6, it is really helping to grow the basket spend in the Irish convenience sector."

The Irish market represents a significant growth opportunity for Filippo Berio, and with the support of the parent company and the hard work and dedication of GM Marketing, the future looks bright for this historic brand.

This isn't just a three-month campaign, concludes Walter, but the beginning of something big. "The brand has been around for 150 years and hopefully it will be around for another 150," he explains. "We are brand leader in the UK, with substantial growth ambitions for Ireland. We now hope to dramatically increase our awareness in this dynamic category and introduce these fantastic products to a completely new Irish audience. We know things don't happen overnight, so this is a 3-5-year plan to invest and build up the business in Ireland."



Filippo Berio's Irish print campaign will reach 1.7m adults (44.5% of all adults in Ireland).

A little history

BASED in Lucca, Tuscany, Filippo Berio has created fine olive oils since 1867. Filippo Berio Pesto Sauces are made in the traditional home of Pesto, the Italian region of Liguria.

"The company's success over so many years is testament to the passion and dedication of our founder, Filippo Berio, a man with the vision and expertise to create delicious olive oils, not only for his Italian family and friends, but for food lovers around the world," explains Walter Zanre.

Filippo Berio and Sagra are part of the Salov SpA family. Salov is Italy's leading olive oil company and plays a leading role championing sustainable and environmentally sensitive production, supporting and inspiring the wider olive oil industry.