



Tetley's fun pill

The Dragon's Den is an innovation initiative at the Tetley headquarters, where anyone from the company can pitch an idea to the top brass. What makes the Den an exciting programme is that the winner gets to experience being an entrepreneur and take the idea forward as the 'leader' of the project, with support from the company.

Two years ago, the Den was hosted by chief executive Peter Unsworth, global marketing officer John Nicholas and two regional presidents Nigel Holland (the UK and Africa) and Garry Neild (Europe and the Middle East). Across the table from them were two Tetley employees, Joel Lurcook and Rachel Backhouse, who had come up with a unique concept — flavoured pills or capsules à la tic-tac style that could dissolve in any beverage. The idea was to create a drink flavouring that could be applied to any drink (fizzy, still, hot, cold, etc) and also combined in different ways to produce new unique flavours. For instance, adding banana and vanilla together will produce a banana split flavoured drink.

The Ecap project was targeted at a young audience, to create excitement in a consumer segment that commonly views tea as boring. The pills were to be designed so that they could be added to tea, coffee, milk, cola, etc, any beverage, anywhere. The concentrated nature of the flavour would enable portability — consumers could carry around their pills and create their favourite flavoured drinks with ease; they would only need to buy or make the 'base drink' (milk,

water, tea, coffee, cola, etc) and then add their favourite flavour combination.

Even the concept of the delivery device was unusual — that of a stylish, slim and petite 'tic-tac' pill container full of instant flavour that could be carried conveniently and dissolved in a liquid whenever needed. The packaging was designed for convenience, in small packs of 20 that could be distributed through a 'sell-in', easy-to-use, attractive display stand. Says Andrew Scott, director, science and technology, "The Ecap product gives you the freedom to drink what you want, wherever you want to drink it, whenever you want to drink it, and share with friends without even having to sit down."

Unfortunately, the idea ran into trouble as the flavour supplier selected by the Tetley team could not produce a pill that would dissolve fast enough for consumer acceptability. To get around this problem, a new flavour delivery device had to be conceived — a liquid spray format; unfortunately, the resources allocated to the project were up for review, and for this variation, a re-work of the original idea was necessary, which caused the project to stall.

Innovation

The flavoured pill was innovative in several aspects:

- ▶ It was a new product in the general drinks market.
- ▶ It had the potential to create a new category of 'cross-beverage flavourings', unlike the flavourings available at present which are specific to certain drinks, that is coffee



DARE TO TRY

Two people in Tetley came up with this unique concept — a flavoured pill that can be added to any drink, anytime, anywhere, to create an entirely personalised beverage. Targeted at the youth market, this 'fun' idea won kudos in the 'Dare to try' category of innovations.

flavourings, water flavourings, milk flavourings, etc.

- ▶ It provided consumers the option to mix 'n' match — a level of personalisation that has not been seen within the beverage industry.
- ▶ It had the potential to inject a strong element of fun into the beverage industry.

Just as important to Tetley was the fact that the pill could be marketed to the youth market — a different consumer segment for Tetley and one with a lot of potential for future growth. Says Mr Scott, explaining the implications of this segment for Tetley, “Tea is popularly consumed by a middle-older age group, so as the youth segment gets older, the volume of consumption of tea is likely to diminish unless we can generate more interaction and consumption. This product gave us an opportunity of targeting that group and ensuring the longevity of the future of the company, and getting a new generation of drinkers maybe even to drink more tea!”

The capsules would come in a wide range of basic flavours that could be supplemented by introducing new flavours from time to time. This would help maintain high levels of interest in the product. They even planned the basic range of flavours around a strategy of consumer interaction — for instance, through an interactive website, where the customers could vote for the top 10 voted flavours.

Hurdles

In spite of the power of the idea, the Tetley team had a number of challenges. The first question was branding. The Ecap product brand would need to embody 'fun', 'individualism' and 'personality' characteristics, so the team decided to create their own brand with a key branding message of 'freedom'. They thought this would add to the Tetley brand portfolio.

A more serious challenge was the required expertise. Tetley did not have the in-house capability to manufacture pills, so the Ecap team challenge was to look outside for developing the product. They selected a small third-party flavouring manufacturer called Create Flavour as



The Tetley team being awarded by Mr Tata for their innovation, Ecap, in the 'Dare to try' category at the JRD QV Award function on July 29, 2009

partner, who agreed to make prototypes in a collaborative manner in order to be the granted preferred business partner if the project succeeded.

Creating the pill turned out to be the biggest challenge. Despite a very promising early prototype from Create Flavour, it soon became apparent that the pill format was going to be difficult to develop for large-scale manufacture and consumption. The dispersion or dissolution targets that had been set, could not be achieved. Compatibility with milk was also difficult.

Instead of risking full project failure if the pill proved unfeasible, the Ecap team decided to think of and identify alternate delivery systems that could deliver all the benefits associated with the pill — personalisation, portability, mix 'n' match and fun. Inspiration came from an advertisement for a deodorant that used a combination of two sprays to create a third scent. The team decided to use a miniature spray as a liquid delivery system. This had the additional benefit that dispersion or dissolution would be almost instantaneous.

Within weeks, Create Flavour provided a new set of working prototypes for the spray. However, the difficulty in changing tack at a late stage in the feasibility programme and the need to get a buy-in from the project sponsor proved a step too far. The concern was that the spray mechanism was far less convenient and attractive

from the consumer's point of view, not being as readily portable and with spillage risk. The team also ran into resourcing challenges — they had taken the responsibility of the project in addition to their regular work; the questions needing resolution became increasingly tough.

Finally, as the project was changing tack, the team members decided to hand over responsibilities to dedicated product developers within the organisation who are still working on its development.

Potential impact

The Ecap innovation has strong potential to be a winner. A rough business plan estimated that a box of 20 pills could be reasonably priced while giving Tetley a good percentage margin and giving a healthy annual profit from the UK market alone. More important is the fact that if successful, it will create a long-term competitive advantage for Tetley and also open up a new segment of 15-30-year-olds that buys products based on convenience.

Tetley has decided to take the Ecap project along a different route. “There is another project which is also about portability and youth. We are definitely using the learning from Ecap in this project and bringing it to life in a new way,” says Mr Scot.

What the new project will deliver remains to be seen. Yet, it is clear that fun and freedom is the new brand mix for the beverage industry. ●

Gayatri Kamath