

Report on the development of the hovis crusty white loaf

[Business](#), [Company](#)



Q1. What were the main performance objectives for the Hovis crusty loaf concept, and how did these differ from those for existing RHM white breads.

The history of Hovis in bread production has been illustrious since it began back in 1884 as Richard Stoney Smith wheat germ flour. As a competitive firm, the company has always sought ways to ensure it stays at the peak of bread production in the bread industry. This has been evidenced when it was sold to crafts bakers back in its starting days. After realizing that the market was changing every day, the management of Hovis felt the need to give the company a competitive edge in bread production. This led to a move that brought a successful brand manager in the company to plan the way forward in achieving the milestone step forward.

Ranks Hovis Mcdougall (RHM) had specialized in brown bread production. As time progressed, the white bread production overtook the brown bread production. This was because of the young new generation embracing the white bread more than the brown bread. Seventy percent (70%) of the market-consumed white bread whiles the minimal 30%, mostly comprised of the old generation in the market. Even though Hovis was very dominant in bread production, its success was only limited to brown bread. The high costs of production and advertising made it difficult for Hovis to be able to support production of more than one major brand of bread. RHM had never invested in production of white bread and venturing in the market was not very possible at the time since the competition from the Mother's pride. Mother's pride was up to date in white bread production and the consumers had embraced the bread because of its image and fashion it portrayed. The

bread produced by the RHM was in block form while the market was moving and preferred white sliced bread. Eventually in 1990, Hovis launched white bread that became an immediate hit in the bread production industry. Allied Bakers Kingsmill appeared and brought competition in the white bakery industry. They were at fore front in launching more adaptable breads than the Hovis Farm house.

The Hovis crusty loaf objectives were to ensure that Hovis gained a competitive edge in bread production industry. They were out to ensure that they brought into the market a brand that would be irresistible to any consumers. The Hovis crusty loaf objectives were to bring into the market a white loaf, pre sliced, crusty and had the ability to stay in shelves for up to four days.

Q2. To what extent did the development follow any of the conventional screening funnel approaches to arrive at the final concept and package design?

After successful completion of making bread that was crusty and moist, the packaging moment came. They realized that using the normal polythene bag would result to the bread loosing the moisture in it. The bread would also lose its crusty nature. This would to consumers to run away from a well-researched product. They concluded that they needed a bag that had the capability to keep the bread moist for the days that the bread was on the shelves. This was a maximum of four days. Innovation was the only way out on this.

The technical team came up with the idea that the paper had to be a paper on the lower half and plastic for the top side of the bread. The paper they choose also had to have perforations allowing correct ventilation for the bread. Correct ventilation ensured that the bread would lose moisture but the loss would be well controlled ensuring that the bread did not get soggy and maintain the breads crustiness. This also ensured that the whole bread would not dry out. The paper also had to be tight and strong. This was to ensure that the loaf had to be entirely compact to prevent it from falling off and drying out.

This was met by a couple of challenges that were to ensure continuous production of these papers to cope with the production of Hovis crusty bread. The dual bag production was challenging and through research they discovered that a stiffer paper. Sticking the two materials together was another challenge. They had to come up with the right glue to ensure that it could be able to meet the expectation of challenging the perforation of the paper. Eventually they were able to establish better type of glue to join the papers.

Through team work and commitment of all the teams that Cathy had brought together they were able to come up with packaging designs that were conventional. Through the team coordination, the group was able to tackle all the problems that cam their way simultaneously rather than sequentially. This improved the team's efficiency and ensured that any decision made was not on personal basis but rather the greater good of the BB industry.

Q3. Summarize the main elements of the design approach taken by Cathy

and her team for the development of Hovis Crusty. What were the advantages and the risks of this approach?

The design approach adopted was to ensure that they brought something new in a market that had flooded with the same product. The new product had to fulfill the desire of the consumers. They decided that instead of modifying the already existing product in the market they were to come up with new and better product. The new product development was well funded.

After carrying out the market research they realized that 70 % of the total population consumed white bread while only 30% consumed brown bread. This was because of the taste of the white bread. They realized that 30% of the consumer has preferred crusty bread. Hovis realized that this was a field they had not ventured into. They realized that the consumer's bread quality preference was " real bread from fresh bakers". The bread had to be moist crumb, yeasty, soft and have a crisp crust. The bread to be produced had also to have a long shelf life.

After considering all those factors, they decided that the product they were to bring in the market had to be of extended shelf life, crusty and with a good flavor. Thus, Cathy had a reason to exploit the crusty premium white loaf sector. She would come up with a plan to help develop a loaf that was " premium pre sliced crusty white loaf that lasted for up to four days, and therefore would last for most of the working week".

Packaging presented the solution for the bread to remain crusty and moist. Although the decision to decide on the best packaging took some time, they

were eventually able to come up with methodology and ensure that the right packaging was available.

Q4. How would you describe the organization structure used for this development project?

Hovis being a big company had to have a very organized team to ensure the delivery of a successful project. The management went ahead and choose the team leader who was a successful brand developer Cathy. Cathy first carried out a market research that ensured the establishment of the problem the company was facing. After carrying out the market analysis and deciding on what step to take, she formulated a strategy, which she would not be able to deliver on her own without assistance. This led to the formation of a team that would ensure the achievements of the projects. She did not leave out any element of the project from the design to the launch of the project. Involving everybody in the project from the start ensured the coordination of all the teams present bearing in mind that the starting the project at good terms with everybody would harmonize the people involved. The New product developers (NPD) team constituted British Bakeries (BB) skilled craft bakers, engineering and technical staff, food scientists. The engineering staff and technical staff were from BB and RHM Technical. Other core teams were also involved when their skills were required in the project implementation. The rest of the team included, marketing research agencies, Hovis advertising agency, brain stormers, food flavor analysts and development departments. From what Cathy was developing she ensured that the team was not purely market led but also had technical involvement. The team from RHMT had a wide range of experts who included professionals in

packaging, production and food science. Cathy was overwhelmed with working with such a valuable group since they had the experience of working with other RHM group companies. The expertise and experience they had was not possibly present in any of the professionals working just with Hovis.

Q5. What impact, if any, would the introduction of Hovis Crusty have had on the volume and variety characteristics of a BB bakery operation?

Introduction of Hovis crusty as seen had an immediate effect on the BB operations. This is because with the improved bread quality both white and brown customer satisfaction was guaranteed. British Bakeries was a strong spear header in ensuring that the Hovis crusty was a success. Although it encompasses other companies, the success of the Hovis crusty has ensured the subsequent success of the company. After Cathy's team succeeded in achieving the set goals British Bakeries was also a key beneficiary in the success. The sales volume tremendously increased to a point whereby the demand was more than the supply. The supermarkets were pushing for decrease in prices of the products but the Hovis crusty company would not give in to the demands. This is because however much the retailers pushed for the prices to be subsidized there was not a single other company that offered the same product like the one offered by Hovis. Quality was the key bargainer in the situation. The sales volume of other players under the British Bakeries portfolio eventually decreased because of the stiff competition brought by the Hovis crusty. Although the prices of other breads were significantly lower, the quality of the Hovis crusty always had an edge over the rest of the company's breads.

The other companies were forced to go to the drawing board and ensure they were able to compete with the long shelf life bread by Hovis. They had to make sure they effectively competed to avoid the monopoly that Hovis was bringing. The British Bakeries thus had the companies under its portfolio improve the quality of bread they produced ensuring that they were the leading bread producers in the country.

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