## **Kipster Marketing Case Study**



"Systems developed around animal welfare get criticised for not being sustainable, or not financially viable, and systems built around sustainability get criticised for not being animal welfare friendly, and so on. This is why we wanted to make sure Kipster ticked all the boxes, so that the system is truly sustainable on all fronts."

- Ruud Zanders, co-founder of Kipster

Kipster was founded in 2013 by four entrepreneurs who wanted to rethink the role of egg production in the context of a growing human population. The result was their design for a revolutionary, carbon-neutral system for producing eggs, which aims to be the most animal-friendly and environmentally-friendly poultry farm in the world.

Olivier Wegloop, one of the founding partners, responsible for Kipster's marketing, explains:

"Low food prices are paid for at a high price elsewhere, for example, by the environment, animals, farmers, and our children. We realised that this can be done in a fairer way and we turned words into deeds at Kipster." Kipster's First Farm:

Location: Venray, The Netherlands Laying Hens: 24,000 Dekalb White Assurance: Beter Leven 3\* Customer: Lidl Netherlands

In developing the Kipster concept, the founders considered

three key aspects of egg production essential for achieving sustainability: energy requirements, the bird itself and feed. For energy, they installed 1,078 solar panels on the roof of the building, which more than meet the requirements of the farm. For the breed, they chose a white bird, the Dekalb White, for their greater feed conversion efficiency and for welfare reasons, as the breed does not require beak trimming.



However, it is on feed where Kipster has perhaps been the most radical – the team concluded that laying hens have a valuable role to play in a sustainable food system if they are converters of waste food into nutritious, human-edible food. They worked closely with a feed mill to develop a ration made entirely from waste products, predominately bakery waste such as rusk, rice cakes and waffles, thereby avoiding competition for resources between people and laying hens.

Building on these foundations, the Kipster system was additionally designed to ensure that the birds are provided with high welfare standards, meeting the requirements of the Beter Leven 3 Star assurance scheme. The male chicks and end-of-lay hens are also reared and slaughtered for human consumption, making full use of the entire production cycle.

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Kipster is impressive because it features individual examples of best practice across all aspects of the system. It is the thorough approach the founders have taken that enables Kipster to market itself with integrity and confidence, even bullishness.

We asked Olivier Wegloop to explain more about their approach to marketing:

"Did you ever realise that when you hire an advertising agency to tell the world how authentic you are, you are by definition not authentic anymore?



So we didn't hire an advertising agency. We didn't spend any money on advertising. All our money goes to the birds and the farm. We created our brand ourselves. We created our story ourselves. We created our campaigns ourselves. We only hired graphic designers. Now we are a highly respected, well-known brand in the Netherlands. In no time. If you Google 'Kipster ei' you find millions and millions of Euro's worth of free publicity."

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Of course, there is more to their success than Wegloop suggests. Their positioning of the product, headlining as the 'World's First Carbon-Neutral Egg' from 'the most animalfriendly and environmentally- friendly poultry farm in the world' has clearly hit on issues that resonate with consumers.

To emphasise their point of difference, they have developed a unique egg box, made from potato

starch and coloured blue so that it both stands out on shelf and complements the white eggs. The egg box has a carbon footprint equivalent to 10% of regular egg boxes and eggs are packed on-site to reduce transport.

## Key points for other companies:

- Kipster's confidence in their system enables them to be confident in their communication
- Animal welfare and environmental messages clearly resonate with Kipster's consumers
- Kipster's idea excited their supply chain partners and, crucially, gained Lidl's support

The egg box invites consumers to visit the farm and the farm's visitor centre is open every day, allowing consumers to see where their food is coming from. Many peers from the egg industry have also visited, keen to see the system first-hand.

Kipster's unique partnership with Lidl in the Netherlands has been essential to the project, Wegloop explains:



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"Lidl bought all the eggs from our first farm for a reasonable and honest fixed price. This is revolutionary. We signed the contract with Lidl on stage in a full stadium at a summit with Al Gore (Former Vice President USA), Richard Branson (Virgin), the Dutch Agriculture Secretary and the President of the Dierenbescherming (Dutch Society for the Protection of Animals). We gained massive publicity with this.

Lidl themselves have communicated widely about our partnership, not just in-store but also in their magazines and on radio and television. In fact it has been such a success that special signs had to be made apologising for our eggs being completely sold out.

Lidl did some monitoring for us and, with zero budget, we realised over 4 million euros-worth of publicity in The Netherlands alone. Actually, Lidl is flabbergasted and this is based only on the combination of Lidl plus Kipster. If you look at the coverage Kipster alone has gained then it is much more. We have been invited on national television, on late night talk shows and on every serious radio station, including the BBC. We have been surprised by our own success."

## Available at Lidl

The eggs have been on sale in Lidl in the Netherlands since October 2017

There have also been unexpected offers of help, such as from the Dutch activist group, Wakker Dier:

"A significant milestone was in Easter 2017 when Wakker Dier announced in a press release that they were going to make a radio commercial for us to support our initiative. This was exceptional, because they are normally angry protesters. In October 2017 the animal right activists created and aired a commercial to promote us, at their expense."

**Consumers are willing to pay** Kipster's eggs are priced between free range and organic. Regarding future plans, Ruud Zanders has big ambitions for expanding Kipster, not just to more sites in the Netherlands but internationally. Given the levels of interest in the project thus far, and the success of the product with consumers in The Netherlands, we look forward to following their progress.

See also our video case study on Kipster: https://www.compassioninfoodbusiness.com/ resources/laying-hens/kipster-higher-welfare-barnsystem-for-laying-hens-2018/

https://www.kipster.farm/

