

Case Study: Keogh's



Ownership type	Privately owned by Keogh family.
Business size	Medium.
Core activities	Farming, processing, and wholesaling of potatoes. Crisping business.
Businesses	Peter Keogh & Sons Ltd., Keoghs Crisps Ltd.
Address	Westpalstown, Oldtown.
Age	41 years old (Peter Keogh & Sons Ltd.) 5 years old (Keogh's Crisps Ltd.)
Generation	Third.
Employee no	62 (27 working in the crisp side and 35 in the potato side, five family members involved).
Turnover range	€5-15m (group turnover).
Export Markets	14 (e.g., UK, Germany, France, Saudi Arabia).
Main Brand	"Keogh's-Grown with love in Ireland".
Key Finding	Award-winning marketing initiatives.

Company Background

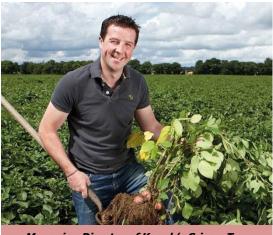
Dating back to before 1832, generations of the Keogh's family have farmed the land in North County Dublin, producing crops, and selling them at the Dublin City markets. In the 1960's, the current generation's grandfather built glasshouses on the land and became known for tomato growing and producing. Second generation brothers, Peter and Tony Keogh, began growing cauliflower, sprouts, broccoli and potatoes and established Peter Keogh & Sons in 1975. The following year they built one of the first Irish cold stores for potatoes, allowing them to provide all-year supply to the market. The third generation, led by Tom Keogh, diversified the core business, and established the largely successful Keogh's Crisps in 2011. The business grew from 12 employees and an entirely wholesale consumer base to suppliers of retail groups, Musgraves and BWG and exporter to 14 countries. Keogh's maintain the family business' tradition while adapting and innovating in line with market demand.

Interview with Tom Keogh

Managing Director of Keogh's Crisps and General Manager of Peter Keogh & Sons.

Family Involvement

Keogh's is 100% family owned and run. Brothers, Peter and Anthony, are still involved in the core business, Peter Keogh & Sons, but the main managerial responsibilities have been passed to the second generation. In the potato business, Tom is general manager, his brother, Ross oversees the factory, and his cousin, Derek is based mainly in farming operations. In the crisp business, Tom is the Managing Director and Derek and Ross are also directors. Keogh's grew through forward integration; instead of supplying their product to other crisd they established their own crisping manufacturers, business. Potato is an essential ingredient of Keogh's crisp, so potato farming knowledge is vital to success: "That business would not be what it is today if we didn't have access to the best raw material in the country from our own farms. That relied heavily on expertise of my dad and uncle." Tom would appear to be 'a jack of all trades' as he says: "I'm



Managing Director of Keogh's Crisps, Tom Keogh

lucky in that I have a small foundation in almost everything". Tom's interest in all business aspects, including finance, marketing and, of course, production, is accredited to his farming upbringing and propensity for learning. "*When you were young, if you broke something you fixed it. That led me to building a factory and there's a lot of machinery in there that we built ourselves."* While Tom possesses a strong knowledge base, there were certain aspects that proved difficult when running the crisp business: "*I had to learn so much from dealing with the retailers."* Tom is building a management team of experts and appointed a full-time accountant in 2015.

"It took about five years to get the business off the ground and it had to do with knowledge. I needed the knowledge to make a really good product."

— Tom Keogh

Diversification

Diversification has been key to Keogh's survival and growth. Introducing new brands such as the Selena potato (selenium enriched variety), Keogh's crisps (variations including gluten-free) and Keogh's Easy Cook potatoes (a world first innovation for Keogh's) has allowed the company to adapt in a market where potato consumption was steadily decreasing. However, while domestic sales for crisps haven't slowed down, Tom is conscious that this will likely change in the future. In preparation for this "*there will be a lot of new product additions into the business"*.

Keogh's — Marketing in Family Business

While Keoghs have always taken pride in their farming family lineage, it is only within recent years they've leveraged this important affiliation through their marketing strategy. In 2008, the business was newly re-branded with a simple yet effective tagline "Grown with love in Ireland". Through focus groups, the team determined that customers preferred the family branded product over its retail branded equal. According to Tom: "*The reason they went for it is because they thought these people know about potatoes and if someone's going to develop a new and innovative product these guys are going to know how do it*". Together with a branding agency, Keogh's developed a brand that was in keeping with the evolution of their farming family: "*The family story is a great story to tell. Consumers can relate to it straight away*".

Keogh's now export to 14 countries, but Tom has yet to see if the family business image is culturally transferrable. Initially, Tom was nervous about international consumers' reaction to the name 'Keogh' but after some market research it was revealed that consumers found the name exotic. In fact, in China, the phonetic translation of Keogh is "a long journey to a distant farm"—both a fitting descriptor and effective marketing tool.

Tom Keogh has been at the forefront of marketing efforts in Keogh's and in November 2015, he was named Marketer of the Year. "*I have no qualification in marketing. When I began the marketing stuff I loved it and I had a bit of a flare for it.*" Seasonal crisp varieties, such as Roast Turkey and Stuffing for Christmas and Shamrock and Sour Cream for St. Patrick's Day, have allowed Keogh's to differentiate from other luxury crisp competitors.



Lessons in Resilience and Success: A Snapshot of Multigenerational Family Businesses in Fingal, Dublin