

KEITHSTON AND PARTNERS



# OLD SPICE



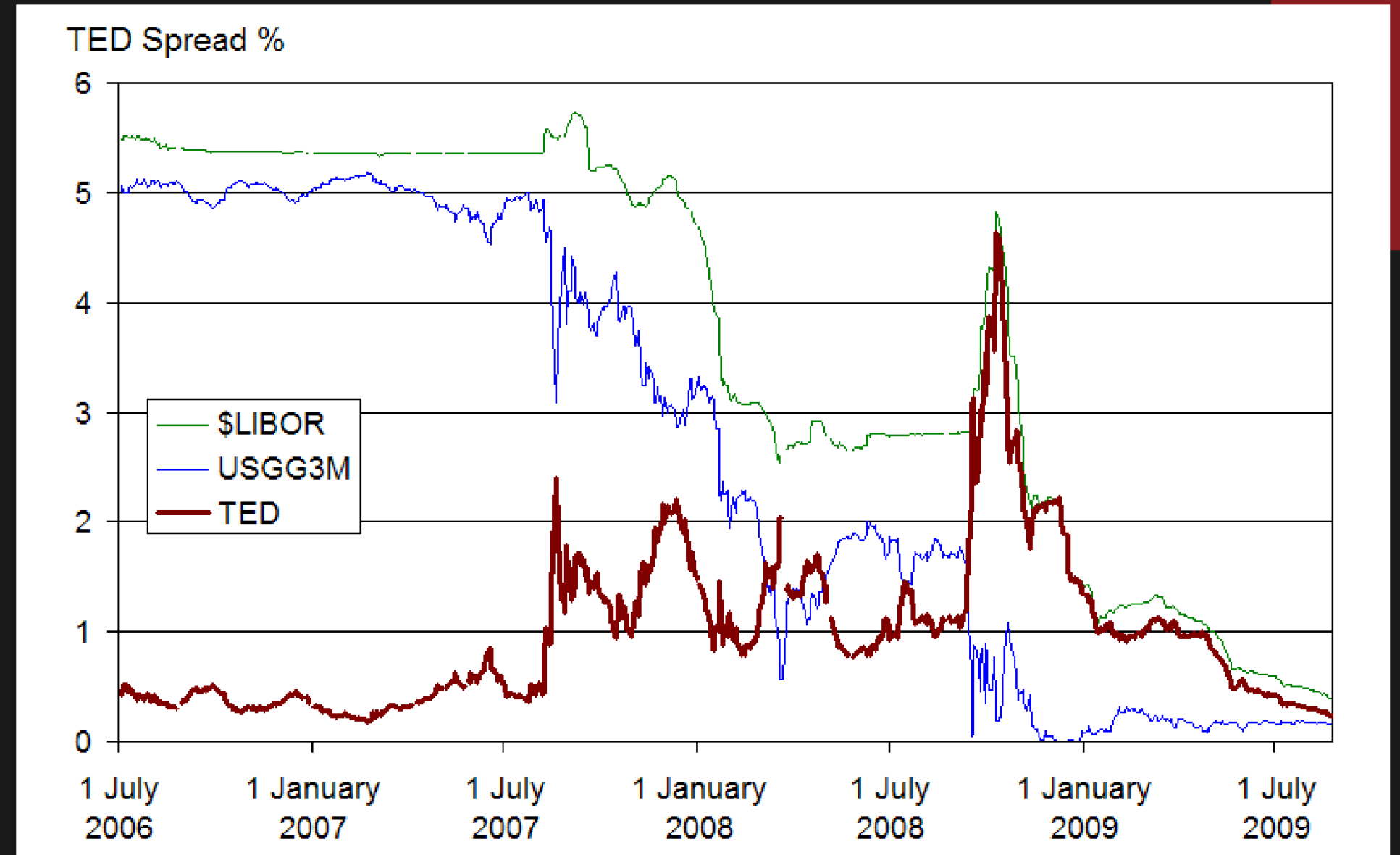
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# WHAT IN THE WORLD?

2007 ushered in the great recession. Housing markets crumbled, inflation increased, and discretionary spending decreased.

This left personal care brands scrambling to compete for their market share & forced them to create loyal customer segments.

Old Spice needed to rebrand themselves and attract a younger consumer to keep up with strong competitors like Degree, Axe, and Gillette



The TED spread (in red), an indicator of perceived risk in the general economy, increased significantly during the financial crisis, reflecting an increase in perceived credit risk. The TED spread spiked up in July 2007, remained volatile for a year, then spiked even higher in September 2008, reaching a record 4.65% on October 10, 2008.

# OLD SPICE HISTORY & MARKETING IN 2007

01

- Original logo based on revolutionary war clipper ships: clipper ships Grand Turk and Friendship
- In the 1990s Old Spice was purchased by P&G – logo changed to yacht: more familiar and updated for younger audiences but expressing a luxury feel

02

Old Spice rebranding for a 3rd time to combat the 2007 Market Crash. Still associated with “old,” OS needed to update to grab the younger market

03

Brand architecture of Old Spice has three main lines of grooming products.

- “High Endurance” was Old Spice’s basic grooming line and featured an antiperspirant, deodorant, body wash, and shower gel, as well as a hair and body wash combination.
- The “Classic” line featured products with the original scent of Old Spice; these featured a similar portfolio of deodorant sticks, body wash, and shaving products.
- “Red Zone” is positioned as the brand’s higher-end product offerings of antiperspirant, deodorant, body wash, and body sprays. Red Zone was the line that featured the Glacial Falls scent

04

In 2007 the men’s deodorant category was in a state of flux. As represented in the brand’s fiscal year data for 2007–2008, Old Spice had a 22.8 percent share of the category dollars and a 24.9 percent share of category volume

- 5 percent in volume and 3 percent in dollars

# PROTAGONIST & MARKET RESEARCH

## PROTAGONIST

Main Protagonist: Axe

Others:  
Gillette & Degree

## ASSIGNMENT

Rebrand to compete with more youthful brands and increase market-share with consumers aged 24 - 35

## TACTICS

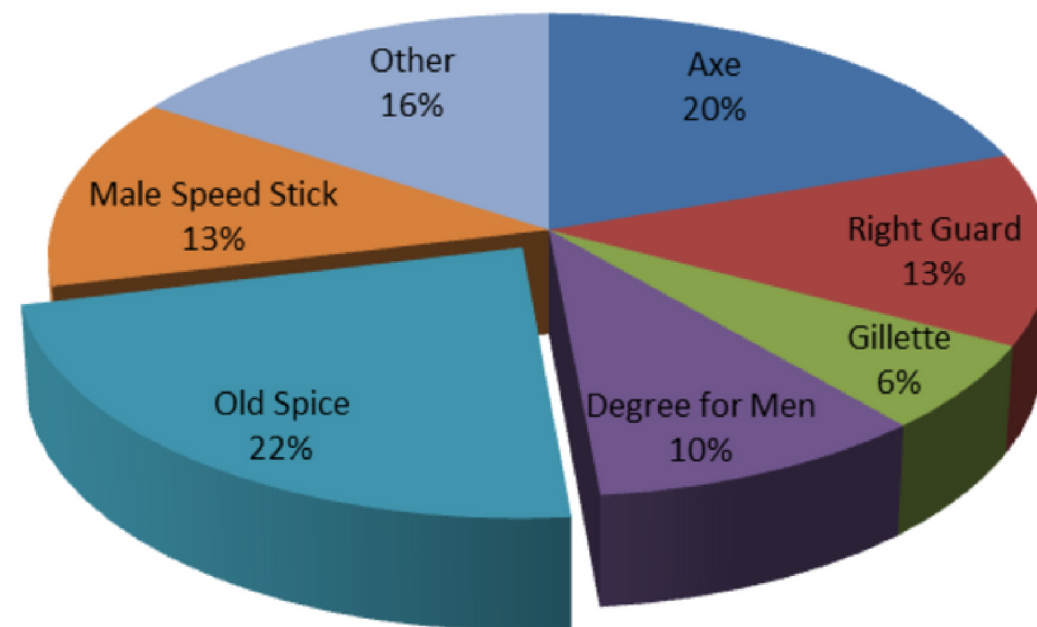
- Focus groups
- Surveys
- Quantitative research





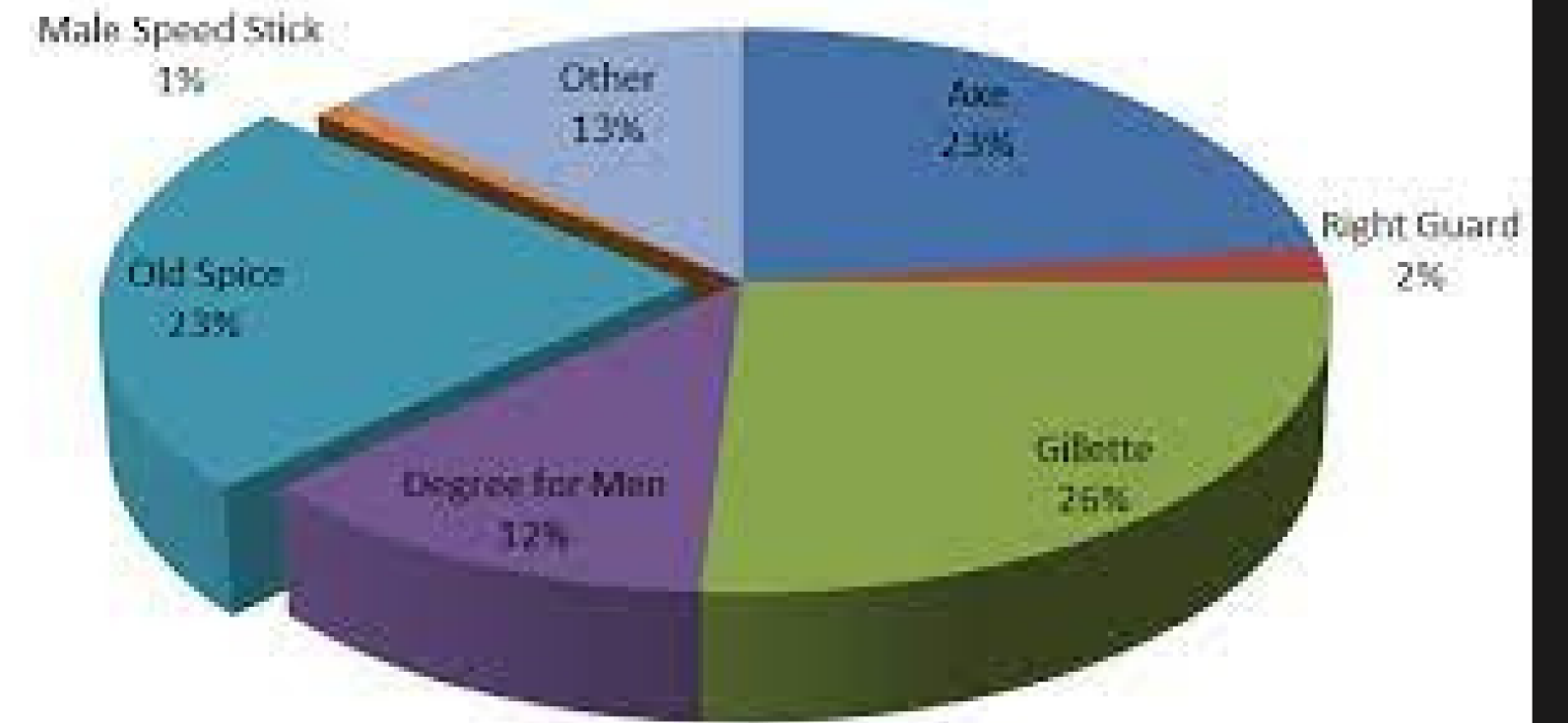
# MARKET SHARE & AD SPEND

Exhibit 3: Share of Category Dollars, 2007–2008



## DOLLAR SHARE

- Old Spice had a 22.8 percent share of the category dollars and a 24.9 percent share of the category volume  
5 percent in volume and 3 percent in dollars



## ADVERTISING

Old Spice takes up about 23% of the 147.6M spent by competing brands – They are matching the ad spend of Axe and competing head-to-head with them

# RISKS OF CHANGING OR ELIMINATING PRODUCT

1

Dropping the Glacial Falls scent could prove very costly in terms of opening the brand up to the competition

2

No guarantee of success for a new scent

3

More than 50% of people who tried Glacier Falls were likely to remain users. Losing these customers could spell disaster for Old Spice.

# GENERAL ATTRIBUTES

## FUNCTIONAL

- Eliminates odor
- Easy-to-use packaging
- Long-lasting
- Unique scent
- Matching body wash & spray
- Updated packaging

## EMOTIONAL

- The complete package when combined with body wash and spray
- Not just your grandpa's deodorant
- Expresses maturity
- Luxury brand – logo: yacht
- Boldness – in scent and attitude of users

# KEY ATTRIBUTES OF EACH BRAND

## DEGREE

- Chemical based
- Short-lived
- Mature men
- Mild scent

## GILLETTE

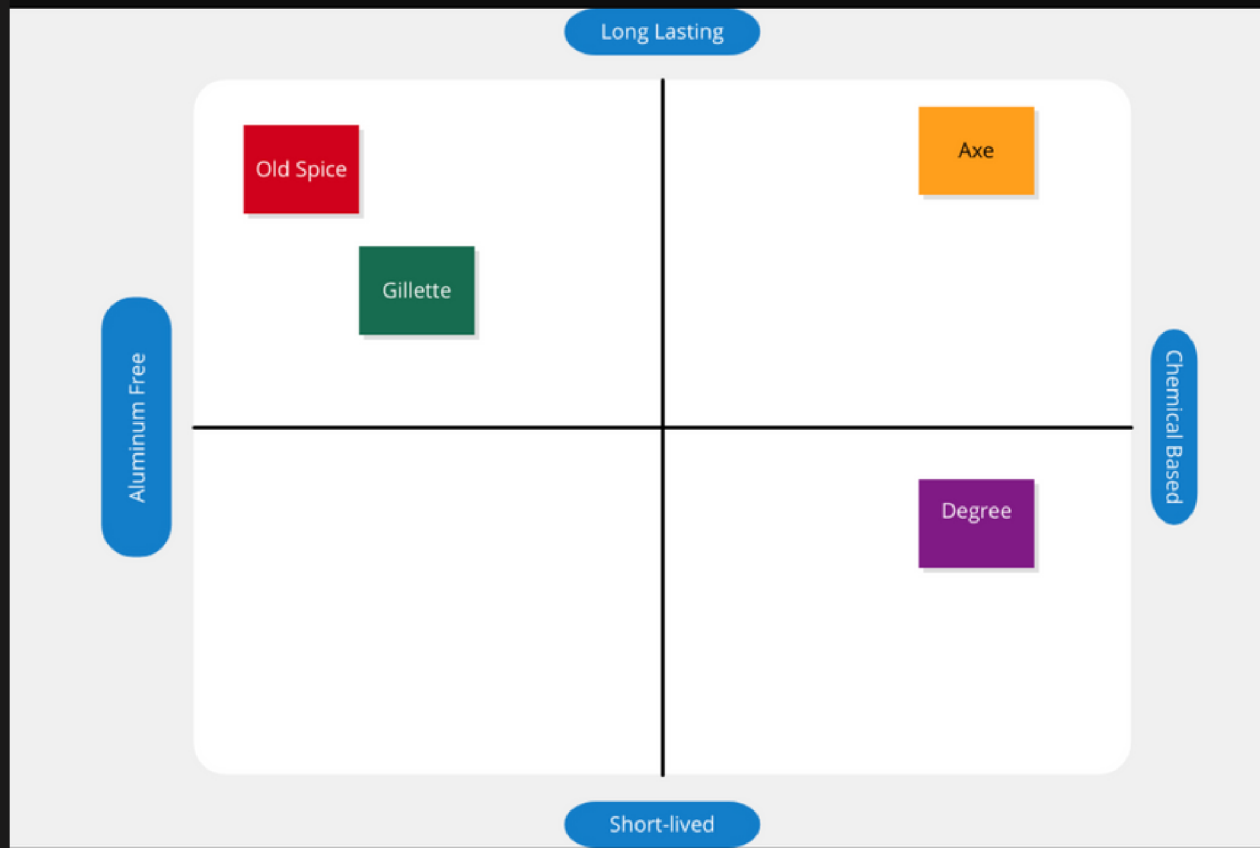
- Long-lived
- Mild Scent
- Mature men
- Conservative

## AXE

- Strong Scent
- Young men
- Chemical based
- Loyal Following

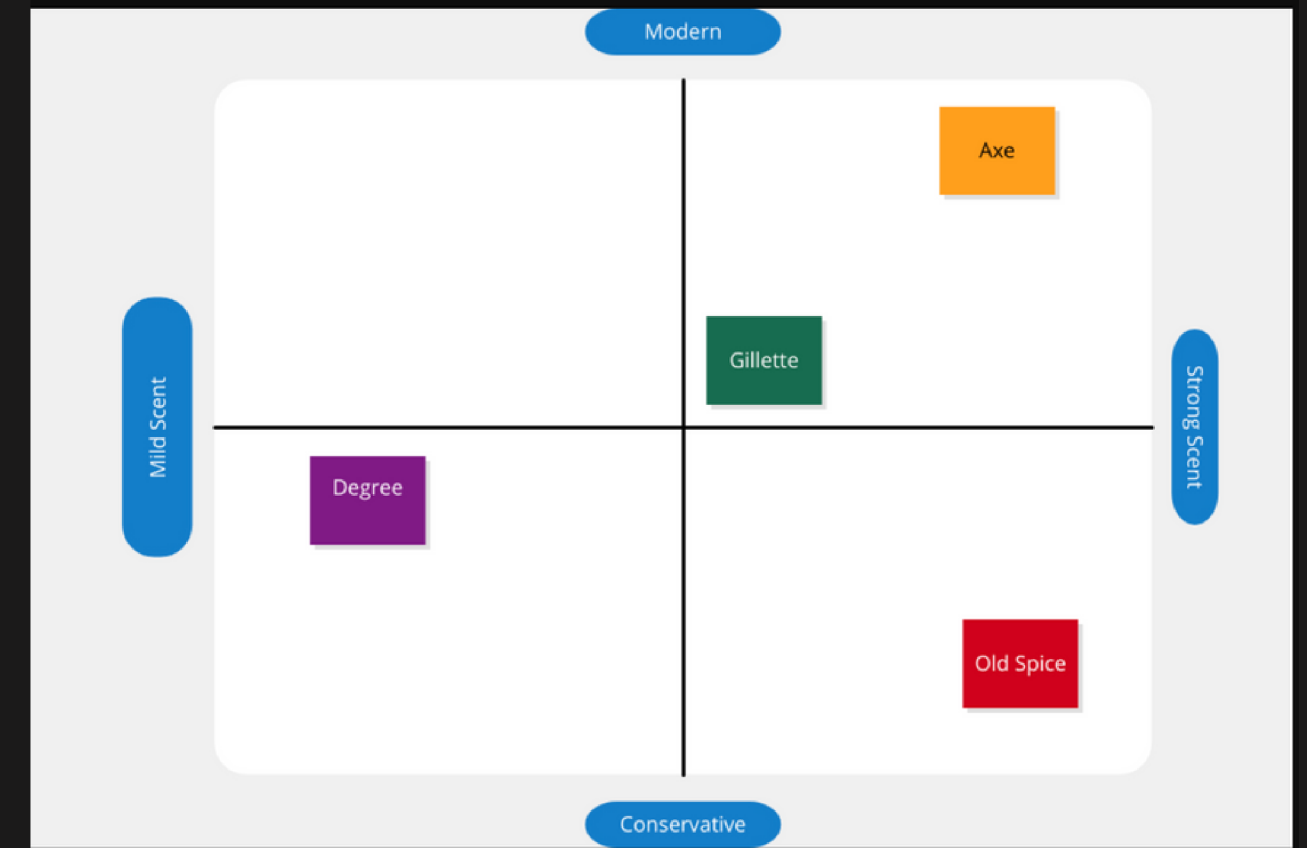
## OLD SPICE

- Strong Scent
- Long-lasting
- Mature men
- Aluminum-free
- Conservative

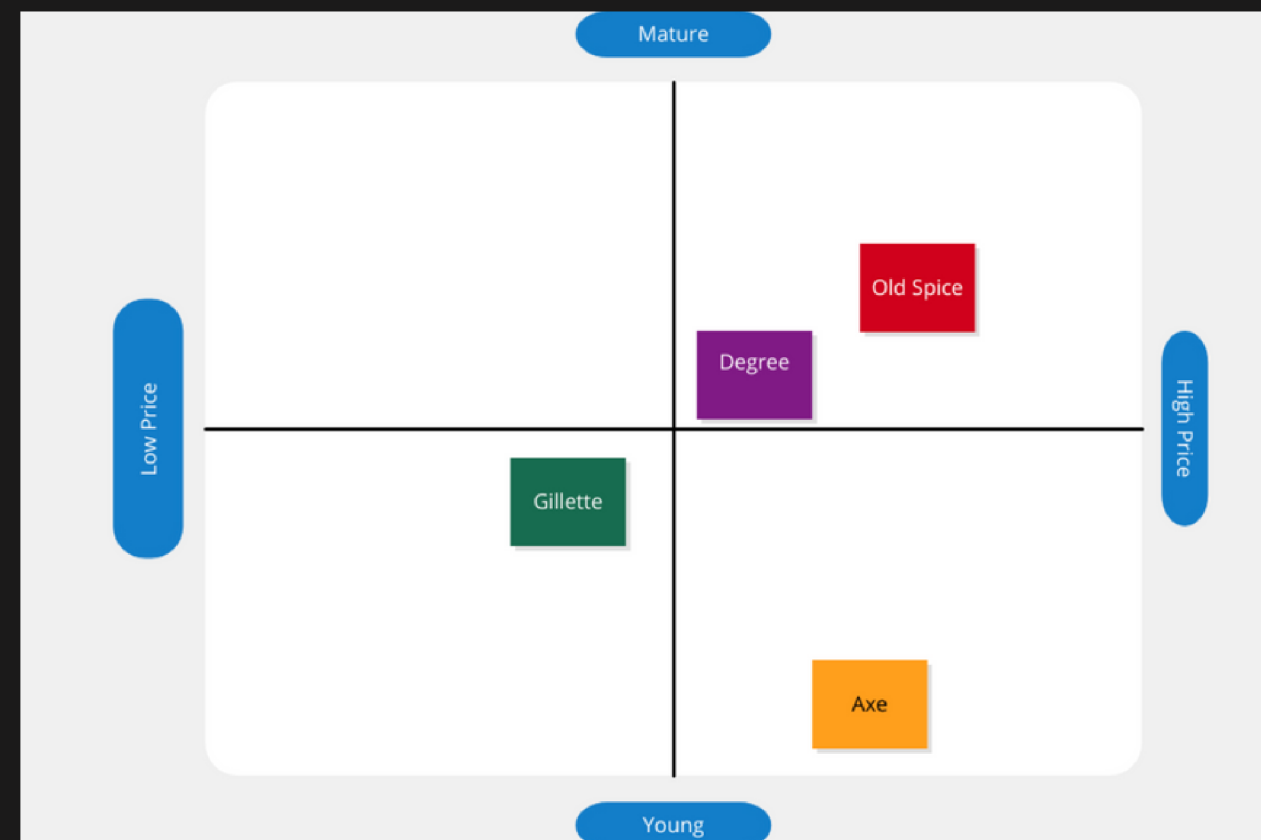


Lasting time & Product Make up

My favorite chart is the age and price information. Even though Axe purchasers are very young, they're still willing to pay for an expensive product. (or bug their parents to)



Demographic & Scent profile



Age & Price



# WHERE IS OLD SPICE HEADED?

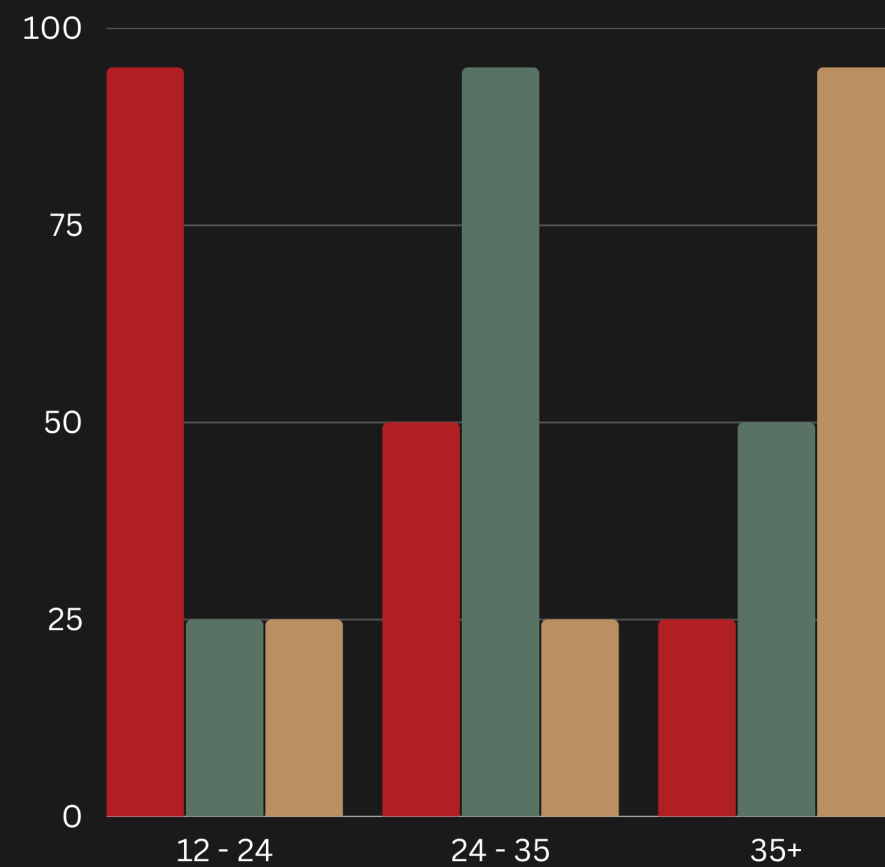


Old Spice is a challenger brand trying to expand its market and keep loyal customers simultaneously. Through careful consideration, focus groups, and competitive analysis, Old Spice is able to differentiate its Glacial Falls scent from competitors while staying true to its original purpose and position.

# SEGMENTATION

## GROUPS OF PEOPLE

This case shows us that each customer group has its own values and ideas about the brands they interact with. Once they find something they like, they will spend more and make more frequent purchases.



## ATTRIBUTES BY AGE

### 12 - 24

Emotionally driven. Looking to belong to a specific group. Exploring connections with people, they're physically attracted to.

### 25 - 34

Established in their personal and professional life. Takes a more logical approach to purchases and brands. Sticks with brands they have a good relationship with that meets their needs.

### 35+

Seems "stuck in their ways" and generally are. They've established the personal care items that work best for themselves. Feels no need to change or move away from the status quo.

# CONCLUSION

## The best qualities of a deodorant are:

- Value = Price - Customers will spend the amount for the product they feel suits them best.
- Easy-to-use
- Provides long-lasting protection

## Best way to market Glacier Falls

1. **Market Analysis:** Determine the accurate age demographic who will become loyal purchasers.
2. **Develop a strategy to reach the target audience:** Using demographic data, create a marketing strategy that combines emotional and functional product benefits.
3. **Implementation:** Launch TV, Social Media, and Print ads on simultaneous platforms and channels where the target audience frequents most.
4. **Evaluation:** Regularly check KPIs to determine the best-performing advertisements and which channel. Evaluate the campaign's effectiveness and ensure the target audience matches the customer segment interacting with the campaign.



*Old Spice*®