



Inspiring Excellence
in Communications
Worldwide



AXE

IAA InterAd XII
Global Student Competition
Sponsored by Global Advertising Strategies
2007-2008 Case Brief



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The IAA InterAd XII Global Student Competition *Sponsored by Global Advertising Strategies*

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Preface

The International Advertising Association (IAA) is pleased to invite your participation in InterAd XII, its annual global student advertising competition. This year's competition is sponsored by Global Advertising Strategies, and Unilever is the client.

The enclosed case presents an actual marketing communications situation; whereby Unilever has achieved a unique position for its Axe brand of male grooming products.

Notwithstanding, markets are dynamic! Consumers are fickle. Global marketers and regional producers are continually introducing new brands or repositioning existing lines; as fierce competitors they vie with one another for sales, and market share.

As a consequence, successful marketers such as Unilever need to be alert to new market opportunities, where innovative marketing communication strategies and accompanying promotional tactics can generate incremental growth.

InterAd XII provides a unique opportunity to address this matter--first by identifying one or more untapped ethnic multi-cultural markets within your country or region, and then by proposing a comprehensive integrated marketing communications plan that will resonate among the intended buyers/consumers.

Participation in InterAd XII will also challenge you and your student colleagues to examine cultural values, ensuring that the resulting campaign proposal will be in accord with acceptable moral and legal standards prevalent within your country and throughout the region.

In conclusion, IAA believes that InterAd participation will expand your marketing communications proficiencies—producing a professional quality Plans Book and accompanying presentation, while honing your capabilities in administering a demanding task. Beyond this, we think that it will additionally provide deeper insights into the profession.



September 2007

Dear Students

Welcome to the IAA InterAD XII!

We at Unilever thrive on the thinking, insights & inspiration of our talented people in developing and nurturing our strong portfolio of brands. So it's not surprising that we are exceptionally excited to partner with the International Advertising Association as the InterAd XII client. We're thrilled to know that bright young talent from IAA's Accredited Institutes as well as students from other universities and colleges worldwide will be involved in this comprehensive global marketing communications competition.

We recognize that this is a challenging project and is one that will require rigorous analysis, strategic thinking and creative inspiration. We also hope that you'll find this learning experience offers you the ability to hone your leadership skills and deepen your appreciation for teamwork. Axe is a huge global brand for Unilever with strong presence in over 40 countries. It resonates everywhere largely due to the deep consumer insight upon which it's founded, its groundbreaking communication along with its unique product offering. We hope you're inspired by the work done to date and find building this brand to be as stimulating, challenging and rewarding as we do.

Thank you in advance for your energy and enthusiasm in proposing new, innovative ways of continuing to grow Axe.

We look forward to reviewing your team's proposal and we wish you all the best as you continue your studies.

Kind regards,

Laura Klauberg
VP Media, Americas

August 20, 2007

Dear Students,

Cultural diversity touches nearly every region and country across the globe. Often, it is marketers who have led the way in celebrating the differences amongst neighbors, and, it is marketers who lead the way in understanding and uniting the consumer to their brands. This is what we believe at Global Advertising Strategies, an agency dedicated to helping companies build profitable relationships with diverse audiences. And, we hope it is what you, the future of marketing, believe.

Global is very pleased to be sponsoring this year's InterAd XII competition, and is proud to be aligned with such a notable brand as Unilever.

We believe that your participation will enhance your understanding of the growing multicultural market worldwide, and offer you an opportunity to build brand awareness and brand loyalty through your creation of a strategic integrated marketing communications plan. This competition will give you the opportunity to provide meaningful and valuable direction in terms of Unilever's Axe brand's ability to reach new consumers in untapped markets, as well as giving you greater insight into your own marketplace. It will assist you in looking beyond the mainstream target market, and help you to better understand the variety of multicultural consumers.

Global Advertising Strategies continuously looks to identify and motivate the world's future leading marketers. In this time of rapid globalization, multicultural and niche marketing is an effective way to increase brand awareness, and offers all companies an opportunity for global expansion.

We wish you the best of luck in this challenging endeavor, and look forward to seeing the results of all of your hard work!

Sincerely,



Givi Topchishvili
President & CEO

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Part I InterAd XII: Contextual Background

Unilever is one of the world's leading manufacturers and marketers of consumer goods, which comprises approximately 400 food, home, and personal care brands. The company has operations in around 100 countries with its products distributed in 50 more. The company employs 46,000; and in 2006 realized an operating profit of 2,178,000 euros, resulting from nearly 14 billion euros turnover.

From Ego to Axe

Unilever introduced "Ego" as a new deodorant targeted to South African males in 1974. The brand's success prompted the company to roll out the brand into other international markets, where it would be promoted as "Axe", or renamed "Lynx" for distribution in the UK, Australia and Ireland.

Deodorants, Gels, and Bodysprays

Today, Axe is the world's most popular grooming brand. The line currently includes deodorants, bodysprays, and shower gels--each available in a wide assortment of seductive fragrances.

Figure 1 highlights nine Axe bodysprays, viz. Orion, Clix, Essence, Phoenix, Touch, Vice, Tsunami, Kilo, and Unlimited. Axe stick deodorants and shower gels feature matching scents, or their own distinctive fragrance—Apollo, Groove, Marine, Musk, Recovery Re-load, Boost.

Figure 1: Axe Bodysprays



Axe packages are attractively designed--labels ordinarily include a uniform bar code, list ingredients, and a toll free number for addressing comments/questions; bodyspray and shower gel packages additionally note information re recommended usage/consumption.

International Presence

Axe brand products are consistently targeted to 18-24 year old males. As illustrated in Figure 2, they are currently distributed in more than 40 countries.

Figure 2: Axe's Global Presence



Figure 3, shown on the following page, presents Axe deodorant sales and market share data for 2005 and 2006 across 39 international markets.

Not all Axe brand items/fragrances are marketed in all countries, or found in all retail outlets stocking the line.

Promotion

Unilever attributes Axe's success to its tightly focused promotional efforts—dramatizing “Boy gets Girl” benefits resulting from product usage. Axe received Clio's 2006 Advertiser of the Year Award for its creative leadership; with its edgy individual commercials receiving numerous creative prizes—including 10 Cannes Lions.

Axe marketing emphasizes “on-line” promotions—web sites, instant messaging, blogs, and games. Additionally, Axe campaigns frequently involve collaborative promotions and orchestrated events carefully targeting adolescents and young adults.

Taken together, Unilever's highly innovative and imaginative promotional efforts have generated a distinct high profile Axe image, while furthering brand equity. Moreover, Axe's promotions have contributed to extensive—positive and negative—press coverage and word-of-mouth communication both within and beyond its target market.

Sustaining Growth

Axe has increased sales worldwide by successfully expanding distribution into one country after another; while the strategically timed introduction of new fragrances has increased overall market share.

Notwithstanding, competition from global marketers, i.e., Procter & Gamble, as well as from regional producers either promoting their own brand and/or supplying "private label retailer brands" remains intense.

As the market matures, Unilever must now address new market opportunities--specifically ethnic multi-cultural markets located throughout the world--where it can realize incremental sales.

Figure 3: *Axe Deodorant Global Sales & Market Share*

Figure 3
Axe Deodorant Global Sales & Market Share

Category	2005		Market Share	2006		Market Share
	\$ Sales (000)	Axe		\$ Sales (000)	Axe	
Argentina	142,081	28,709	20.2%	173,652	35,080	20.2%
Australia	154,244	24,805	16.1%	161,621	28,447	17.6%
Austria	35,881	4,980	13.9%	37,924	5,258	13.9%
Belgium	46,344	7,448	16.1%	49,072	8,395	17.1%
Bolivia	11,747	1,002	8.5%	12,034	893	7.4%
Brazil	526,874	69,340	13.2%	571,291	66,374	11.6%
Canada	187,051	21,562	11.5%	191,845	22,193	11.6%
Chile	82,737	20,196	24.4%	91,152	21,505	23.6%
Colombia	93,020	8,921	9.6%	100,768	10,053	10.0%
Czech Republic	41,086	822	2.0%	48,334	1,023	2.1%
Ecuador	9,579	1,844	19.3%	11,439	2,055	18.0%
Finland	24,201	3,396	14.0%	25,432	3,161	12.4%
France	418,984	38,075	9.1%	427,019	40,534	9.5%
Germany	525,956	44,564	8.5%	563,766	50,507	9.0%
Greece	33,558	3,961	11.8%	34,358	4,125	12.0%
Hungary	44,611	2,956	6.6%	48,027	3,199	6.7%
India	23,647	6,783	28.7%	30,267	8,667	28.6%
Indonesia	44,701	2,810	6.3%	50,787	2,637	5.2%
Italy	203,405	9,186	4.5%	211,010	8,028	3.8%
Japan	225,919	0	0.0%	227,972	0	0.0%
Mexico	272,740	39,737	14.6%	292,907	46,233	15.8%
Netherlands	132,604	14,431	10.9%	140,649	15,274	10.9%
Norway	25,400	0	0.0%	24,740	0	0.0%
Peru	18,826	1,501	8.0%	21,660	1,322	6.1%
Philippines	33,579	3,706	11.0%	32,883	3,435	10.4%
Poland	128,954	1,780	1.4%	147,213	1,202	0.8%
Portugal	43,558	3,620	8.3%	45,579	3,705	8.1%
Romania	40,492	889	2.2%	49,103	1,129	2.3%
Russia	150,208	4,552	3.0%	170,304	6,313	3.7%
Saudi Arabia	19,280	1,135	5.9%	23,019	1,637	7.1%
South Africa	192,170	16,035	8.3%	210,857	17,561	8.3%
Spain	224,553	32,081	14.3%	244,548	35,028	14.3%
Sweden	31,050	5,682	18.3%	32,096	5,754	17.9%
Thailand	44,551	5,023	11.3%	49,643	5,426	10.9%
Turkey	48,701	1,900	3.9%	51,498	2,009	3.9%
United Kingdom	673,934	132,675	19.7%	706,940	138,008	19.5%
USA	1,876,335	240,721	12.8%	1,915,640	257,773	13.5%
Venezuela	67,760	6,083	9.0%	84,631	9,570	11.3%
Vietnam	1,791	0	0.0%	2,361	0	0.0%
World	6,902,113	812,911	11.8%	7,314,044	873,514	11.9%

Part II InterAd XII - Challenge

The InterAd XII challenge is two fold:

Identify ethnic market segments existing within your country or within the region, and

Develop a comprehensive campaign proposal for furthering Axe's market share by preparing specific promotional recommendations for generating incremental awareness, trial and sales within this segment.

Proposed recommendations should cover a one year time period; viz., July 1, 2008 -- June 30, 2009; and include budget estimates as well as guidelines for measuring the success of the proposed efforts.

(Note: The campaign should promote the Axe line; individual messages may feature one or more Axe items, and/or highlight one or more of Axe's existing fragrances.)

Addressing the Assignment

Unilever's challenge requires careful attention to both: (1) ethnic market identification, and (2) a proven process for developing an effective marketing communications campaign proposal.

(Note: Students attending schools located in countries where Axe is not currently sold, may elect to: identify an ethnic market located in their school's country, or identify an ethnic market located in any other country in the geographic region where Axe is distributed.)

Ethnic Markets in Perspective

Essentially, ethnic markets are a specific culturally and/or linguistically defined market segment existing within a broader market. For example, the Turkish population residing in Germany, the Indian market living in the United Kingdom, Afrikaners in South Africa, the Cuban market prevalent in south Florida, or the overseas Japanese populations inhabiting Brazil and/or eastern Australia's "Gold Coast". Ethnic segments can be found in all geographic regions, but not necessarily in all countries.

Consumers from such segments subscribe to traditional ethnic values, and exhibit strong brand loyalties. They seek, purchase, and consume those brands whose perceived image is compatible with their own self image—which frequently reflects their cultural heritage.

Successful marketers targeting these segments often incorporate narrowly focused media platforms, "below the line" promotions, and events perceived as compatible with the consumers' accustomed lifestyle and behavioral characteristics. The creative strategy generally prescribes culturally unique executions—while often requiring an efficient adaptation/translation of mainstream messages.



Do such markets exist in your country? If so, how best can they be described in terms of; their size and corresponding market potential; demographics; values and attitudes; media involvement—viewing, listening, or interactive; and consumption characteristics. Select the one you believe most promising; this segment becomes your target audience.

If not, focus on those within your region, or in other parts of the world. Select the one you think most promising for accomplishing the client's goal.

Regardless of the team's decision, clearly state the principal geographical area where the selected ethnic target market is located.

Developing an Effective Campaign

An effective campaign—one that really works-- does not begin with writing "creative" messages. Ads, commercials, and "below the line promotions" are tactics. Resist the temptation to focus on tactics, until you thoroughly understand what the assignment requires.

Remember too, that creative marketing communications only work in one place: The "mind" of the consumer.

Accordingly, advertising and marketing communications creativity must be disciplined to attract the intended message recipient, spark the appropriate response, and produce the desired results.

The development of an effective integrated marketing communications plan—complete with detailed promotional recommendations; and the subsequent transformation of these into a well written Plans Book, and accompanying presentation involve process. Adherence to the sequential 5 step process presented below assures that the tasks necessary for successfully completing this assignment will be addressed.

1. Conducting a Situation Analysis

A situation analysis is about "getting on top of the situation; rather than having the situation on top of you."

First, research the nature and structure of the market segment as described above; and also note its social, economic, and legal constraints; competitive conditions; and prevailing trends.

Next conduct a thorough "SWOT Analysis", identifying the brand's strengths, weaknesses, opportunities, and threats operant within the chosen market.

The budget for the proposed ethnic market campaign within your country or the one you choose should reflect the size of the selected market, its potential, and estimated brand sales.



It's also useful to consider: advertising expenditure as a percent of sales, and what is appropriate for the category. During calendar year 2006 Axe Deodorant media expenditures across its top 15 markets varied considerably, the average expenditure approximated 10% of sales. Variations are the result of multiple factors - including market saturation, share, rank, and competitive activity; as well as media availability, coverage rates, and circulation within a given country.

Advertising and marketing communications expenditures are investments; accordingly agencies frequently advocate above average promotional expenditures when developing new segments. And if you concur, do so; but remember to justify all proposed expenditures.

(Note: The estimated costs for proposed individual media buys and other recommended promotions may be expressed in the local currency. Beyond this, please (1) highlight the conversion factor: 1 U.S. \$ = for the currency being used; for example, if proposed rates are expressed in Euros, the conversion factor would be approximately: \$1 US Dollar = .74 Euros; and (2) show the total proposed campaign expenditure in both the local currency and in US dollars.)

2. Setting Basic Priorities

Resources are limited, and the proposed campaign extends from **July 1, 2008** through **June 30, 2009**. Concentrate on what is important and possible.

Priorities must be set! Properly sequenced recommendations lead to optimal outcomes. Generating "awareness" is paramount; and precipitates "trial".

And remember: Successful marketing communications agencies apply effort to opportunity.

3. Goals

What specifically will your proposed one year campaign proposal seek to accomplish?

Campaign goals should be realistic and attainable; they should also be quantifiable as well as capable of being measured.

How would progress toward their achievement be measured?

4. Developing Strategy

What must you propose to achieve the desired incremental results? Develop a powerful idea, and incorporate strong appeals relevant for the intended audience, the brand, and the current situation.

At the start, it would be useful to "profile" the intended message recipient—buyer and/or consumer. Specifically, who is this person whom you really intend to attract, buy, and re-purchase the brand? Once profiled, develop an empathic relationship with this "person"—project yourself into his/her information processing style.



Pay close attention to proper brand positioning. What is the brand's current image; and is it appropriate for the ethnic market? How is it positioned among competitive brands—more specifically how does its current image or desired image compare with that of competitors? Simple "brand mapping" may help you visualize a more appropriate image, and indicate what your specific promotional recommendations will need to convey.

What is the most probable purchasing scenario? Planned or impulse; and what are the salient customer brand contact points for accelerating the desired outcomes.

5. Deriving Tactics

Effective tactics flow from strategy. Proposed executions should be imaginative, resonate with the audience, and trigger the desired response. For maximum impact, tactics must be on target. They must also be on strategy, and timely delivered. Recommendations should reflect the client's need for continuity over time, and across all proposed media, P. R., and "below the line" marketing communications efforts, as well as remain within budget.

Are the proposed ads/commercials, on-line promotions, events, and collateral programs in accord with "The Consolidated International Chamber of Commerce Code of Advertising and Marketing Communication Practice?"

Will the proposed recommendations prompt buzz, publicity, and facilitate positive word-of-mouth?

Will the proposed creative executions further awareness and stimulate trial within the target audience? To do so: They must attract attention, hold interest, elicit desire, and encourage action.

Has the proposal been integrated, coordinated, and synchronized? Will it produce synergy? Effective creative tactics complement and reinforce one another.



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End Note

Prior to undertaking Unilever's challenge, please read carefully the **InterAd XII Instructions and Guidelines**.

This companion document addresses student team eligibility and registration procedures, specifies deadlines for registration and submission of the completed entry, notes judging procedures, and describes prizes and awards. It further includes recommendations for building an effective student team, meeting deadlines and preparing a professional grade Plans Book and Power Point Presentation, as well as for submitting the requisite materials by the **February 4, 2008** deadline.

The IAA's World Service Center and its 4,000 plus members worldwide wish you and your teammates great success in carrying out this demanding assignment.