

Oreo Marketing Case Study

Did you know that the number of Oreo cookies made every year could circle the earth over 5 times?

The Oreo cookie was first made by the National Biscuit Company in New York in 1912. People are so in love with the cookie that the street where the first cookie was made is literally named Oreo Way. It is now owned by Mondelez International & Cadbury Milka and served in over a hundred countries.

The delicious cookie-crème sandwich was first brought to the Indian market in 2011 by Cadbury India as Cadbury Oreo. By leveraging the well-established brand image of Cadbury (a well-established Indian household brand), Oreo overcame the initial hassles of brand awareness & establishing trust with Indian consumers. In the first year after entering the Indian market, Oreo captured 1% of the total market share in the biscuit segment and holds a 6% market share as of today.

Let's take a deep dive into the marketing strategy and understand how Oreo leveraged the iconic *"Lick. Twist. Dunk. Repeat."* ritual and became *"milk's favorite cookie"*.

Competitive Analysis

While Oreo has carved its own space in the Global & Indian markets, the biscuit segment is highly competitive. Let's understand Oreo's competition before we get to know how it manages to stand-out.

Global FMCG Sharks:

ITC, an Indian conglomerate, has a diverse product portfolio & strong market presence. It offers various cream biscuits including Sunfeast & Dark Fantasy. Its deep pockets & well-established distribution networks give the upper-hand.

Nestle is a global giant that offers familiar brands like KitKat & Milkmaid. It leverages the long-standing brand recognition and focuses on premium offerings.

Key Players in the Indian Market:

Britannia boasts a huge product portfolio, offering well-known brands such as Treat, Milk Bikis & Tiger at premium pricing. Its strong brand recognition helps it maintain a significant market share.

Parle is a brand well-engraved in the hearts of Indian consumers, Parle is known for its affordable biscuits available at all touchpoints. It caters to the masses by building a strong sense of value & affordability.

Oreo's Competitive Edge & Distinctive Strategies

Having a global brand image helps Oreo position itself as a premium, trendy snack choice. It has a deep-rooted focus on using quality ingredients and maintaining a consistent taste. It also leverages brand

collaborations with global icons like McDonalds & Cadbury to leap out from the competition. Constant innovation in flavors & limited editions keep the brand in limelight.

Oreo ensures to develop a comprehensive understanding of its target audience and, hence, are able to craft bespoke marketing strategies. It keeps up with the playful campaigns which translate to trust & familiarity; and foster an emotional connection with consumers.

Emotional Storytelling

Oreo never misses a chance to create an emotional connection with its consumers. A prime example of this is the 'Wonderfilled' Campaign – a spoof of various fairytales wherein the villains turn good after having an Oreo. This unique approach helped to create a positive impact from a place of fear in children.

Constant Innovation & Limited Editions

Today's consumer craves change, something new, something exciting – Oreo gets that! They constantly introduce limited edition cookies and new flavors. For instance, the 'Firework Oreos' were launched around the Fourth of July creating a buzz and skyrocketing sales. Another example is when Oreo launched the special 'Game of Thrones' Edition; allowing fans to explore and relate to the cookies.

Rich Social Media Engagement

Maintaining a strong digital presence and active engagement with the audience is the key to popularity for brands in today's digital world. Oreo has mastered this art by posting not only promotional content; but content that is also fun, interactive & oftentimes consists of real-time elements. The most popular example of this was during the Super Bowl blackout in 2013. While people were saddened by the darkness; the brand capitalized on the opportunity with a witty tweet: "You can still dunk in the dark." The post was subtle but the timing was impeccable and thus, the post reaped intense engagement.

4P's – Product. Price. Place. Promotion.

Product

Being a leading biscuit brand, Oreo has a dominant market presence in various countries. Although it has developed various customized products for specific market segments; its major product is the chocolate sandwich. All iterations of the product aren't available everywhere.

You can find most of the flavors in the US market but only a few flavors are available in newer markets like India. It constantly experiments the Indian market with new flavors. Some recently launched flavors in India include chocolate & red velvet.

Price

The brand focuses on a mid-premium pricing strategy wherein it offers quality products at mid-range. This has definitely helped Oreo to build a large, loyal consumer base. However, it went for a penetration pricing policy in India by starting off with lower prices. These prices went up quickly with the soaring popularity of the cookies.

Place

Initially, Oreo started its operations in Birmingham, United Kingdom. It has now spread out to overseas markets including India, United States, Ireland, Australia, Canada & New Zealand. It actively uses Mondelez International & Cadbury's distribution channels in order to make its products available at various touchpoints for its consumers. It has a widespread network of manufacturing units across all continents which enables the fulfilment of all consumer preferences.

Promotion

Oreo targets children and youth using creative & innovative television commercials and an interactive, personalized social & direct media strategy. The use of playfulness in marketing campaigns is what has appealed to consumers worldwide. It has successfully brought back the iconic ritual – “Twist. Lick. Dunk. Repeat”; creating a wave of nostalgia and making people think of Oreo whenever milk is served.

Remarkable Campaigns

Twist. Lick. Dunk. Repeat.

Eating an Oreo is way more than just eating a cookie; it's more of a playful experience to be shared with loved ones. Bringing back the iconic “Twist. Lick. Dunk. Repeat” ritual; the brand gave children a sense of playfulness and adults were taken aback in nostalgia. This helped the brand create a deep-rooted emotional connection with consumers all around the globe. The ritual has become way more than a campaign; it has become an integral part of the brand's image.

Milk's Favorite Cookie

When milk demand was constantly falling year-after-year, California's Dairy Processors pooled in \$20 million and hired an agency to drive up the demand for milk. After a comprehensive market research, the agency concluded that milk was always consumed with other products where the other product was always the hero. Moreover, milk was one of the things people didn't like to run out of. Thus, they ran a classic deprivation marketing strategy with the tagline “got milk?” and it hit the jackpot!

When “got milk?” rose to fame, the agency decided to do a co-marketing campaign with various complementary products – Oreo being one of them.

They were once together, and then Oreo never let milk get away. A new tagline, “Milk’s Favorite Cookie” was created and it was engraved into consumer’s hearts & souls for eternity; successfully riding on the popularity of milk consumption.