

Marketing Communications

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Assignment #2

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Old Spice Guy

Brand Overview

Old Spice is a male grooming product that was introduced in 1938, and the brand was represented by an athletic surfer. The brand stuck with the image for several decades, and appealed to older men between the ages 40-60. By the early 2000's the affection for the brand started to die, sales started dropping, and the age gap of the target audience was shrinking. Old Spice realized that they needed to make a change to their marketing strategy, so they created a whole new brand image that was more humorous, and relevant to the millennial generation. The company decided to replace the traditional surfer "Old Spice Man" with well-known macho athlete, Isaiah Mustafa, who was one of the best players in the NFL at the time.

Target Audience

Old Spice wanted to become active on the online community so it decided to start aiming its target market at a younger audience. Previously, the brand's target audience was aimed at men between the ages 40 and 60. However, with social media being the key factor in the 2010 campaign, the company took the opportunity of changing the age of the target market to 18-40. Old Spice also wanted to add women to its target market, because the company discovered that there are just as many women that are buying the products for their man as there are men buying the product for themselves. Humorous commercials that men and women can enjoy together was the winning strategy for this plan.

Opportunity

The game-changing decision for the brand featured a humorous video beginning with Isaiah standing outside of the shower, requesting for women to look at him, their man, then back at him, then stating "sadly, he isn't me; but if he switched to Old Spice, he could smell like me". At this point, the commercial is only at 12 seconds running time, and by using a mix of celebrity branding, humor, and sex appeal, it has already intrigued a male and female audience ranging from ages 18-60. The commercial proceeds with Isaiah teleporting from a bathroom to a large

ship out at sea, where he makes another impactful comparison, expressing to women watching that they are on a boat with “the man that your man could smell like”. He then pulls out tickets, which he refers to as “that thing, that you love”. The tickets turn into diamonds, and then transform into a bottle of Old Spice body wash. This short scene delivered a strong impact for the brand, and not only persuaded men to buy the product, but women to want to buy it for their man as well. Traditional Old Spice commercials did not include this kind of humor in their advertising, which resulted in a much smaller market.

The advertisement was only the beginning for the rise in success of Old Spice. The commercial aired for the 2010 Superbowl, resulting in millions of online conversations, memes, and parody videos. Old Spice however, wanted to create even more engagement amongst their customers, so they created 180 video responses to various Reddit and YouTube users. All videos featured Isaiah, and were designed to be relevant to the initial commercial. YouTube was the channel that received the biggest impact with a total of 236 million views between all the videos. Next was Facebook with interactions increasing 800%. Twitter followers increased by 80,000 in just 2 days, and sales increased by 107%. (Bullas, J., 2011, para. 6).

Future Opportunity

Based on the success of the Isaiah Mustafa campaign, Old Spice should continue to use interactive social media and humor as a strategy to promote their brand. The campaign has generated millions of followers between Facebook, Twitter, and YouTube which are all very effective platforms for advertising. The company also started an Instagram page; however, it did not turn out to see the success that the other channels did. Old Spice continues to use Facebook, Twitter, and YouTube as its primary channels, and now features Terry Cruz in many of its commercials. Just like Isaiah, Terry is another muscular man that is very popular worldwide, and is best known for his roles as a big, strong man with a sarcastic side to his personality. Aside from being humorous, Terry is a positive role model to many individuals who are afraid to speak out about personal issues. Both, Terry and Isaiah have created a major

impact on sales and advertising for Old Spice, and will likely continue to act as representatives for the Old Spice brand.

Competitive Advantage

Effective advertising, and right choice of spokespersons is what gives Old Spice the competitive advantage over other popular brands such as, Gillette, and Right Guard. One male grooming brand that has been very popular among younger men the past 30 years is Axe. The company was the leading male grooming brand for several years, until Old Spice took over the number one spot with its extremely effective campaign. Axe tried to follow up to the Old Spice commercials with some clever commercials of their own, but weren't able to present a campaign as intriguing, interactive, or as humorous as the Old Spice one.

SWOT Analysis

Strengths

In terms of strengths that Old Spice gained from the campaign, the use of social media to advertise the brand and allow consumers to engage in online activity is the greatest strength that was gained for the brand. Before the campaign began, Old Spice had a very small follower base on social media. In just 3 days of launching the campaign, the company gained over 100,000 Twitter followers, accounting for over half of the followers the Twitter account has currently.

Another strength that the brand gained that is highly beneficial for it is the market size increase. Now that Old Spice has become highly recognized on social media, it has the ability to reach a much larger market, and interact with the audience. Adjusting the brand image to apply to a more diverse market is another factor that helped Old Spice expand its market size. Now that the brand aims for a younger audience, its "sporty" image has a much stronger effect, as many athletes prefer Old Spice deodorant due to its exceptional quality; which could be considered another strength for the brand.

Powerful advertising is a key strength for the Old Spice brand. Although it was the online interactions that drove the most success to the company's dominant IMC campaign, it was the highly effective advertisements, featuring some of the world's most admirable celebrities that began the immediate success for the brand. Gillette also started using famous athletes in their advertising; however, they did not include the compelling humor that Old Spice did, which is likely why Gillette is missing out on the younger market.

The final most impactful strength that the brand gained is sales growth. Sales increased by 107% (Bullas, J., 2011, para. 6), which gives the company a higher budget to create an even more powerful campaign. The cost to build a campaign and use celebrities in it is very high, which is why many brands don't use this method in their advertising; however, Old Spice took a large financial risk, and not only used a celebrity in their campaign, but paid to have their commercial aired during the Super Bowl. Fortunately, the risk paid off and it led Old Spice to become the leading brand for male grooming products.

Weaknesses

Although the campaign turned out to be very attractive and generated an immense number of sales, the cost to construct and distribute the campaign was extremely high. It is unspecified what Old Spice paid Isaiah Mustafa and Terry Crews, but celebrities that are featured in Super Bowl commercials are usually paid anywhere between "\$500,000-\$2 million depending on the commercial and the celebrity" (Tucker, J., 2016, para. 4). Unfortunately for Old Spice, paying the celebrity was not even the largest expense in the campaign. For a 30-second Super Bowl commercial spot, advertisers typically pay about \$4.5 million (Tucker, J., 2016, para. 3). In the first quarter of 2010, with the Super Bowl commercial included, Old Spice spent a total of \$11.4 million in advertising; compared to Axe's \$3.6 million. (Newman, A., 2010, para. 12). Old Spice did an excellent job promoting their new brand image, but in the future should focus on cutting down costs.

In order for sales to remain high, Old Spice should introduce more products to their product line such as, razors, bath scrubbers, and shampoos. Other male grooming companies, like Axe, have achieved high rates of success by using this strategy. Old Spice could also benefit greatly by introducing female products to their line. Although this might take away from their masculine brand image, it will expand their target market.

Opportunities

Now that Old Spice has found an attractive brand image, and has a higher budget to work with, it can use the combination to create powerful advertising, as well as introduce new products to its product line. Old Spice can also use its now popular social media channels to engage and interactive with its online community to evaluate the success of its products, ad content, promotions, etc.

Innovation is key once a company begins to hit rapid growth because without product diversification, the market for a company will eventually crash, and the company will start facing major issues with future sales. Old Spice's sales have increased dramatically for several months, but this was only due to the attractiveness of the campaign. If the brand doesn't start making more diverse products, new consumers may start going back to their previous brand choice. If the company starts creating new products, adding new scents, and improving the quality of the products, it likely wouldn't have to rely so heavily on expensive advertising, and could lower the cost of current products.

Threats

The biggest threat that Old Spice faces, is the ability for other brands that were more popular than them previously, to create similar content, use similar humor, and use celebrities in their campaigns. This is another example of why Old Spice needs to create more diverse products. Six months after the Old Spice campaign was released, Gillette announced that it would start running celebrity ads (Thomas, J., 2010). This means that they were already trying to reproduce Old Spice's powerful campaign ideas.

Social media can be a powerful tool for branding. Although Old Spice has the upper-hand on social media right now, other big brands like Axe and Gillette are easily capable of constructing campaigns around social media, now that they know it is a highly effective way of promoting their brand.

Tactical Plan

Old Spice has seen great success following their 2010 campaign, and has built a massive online community to interact with their audience and promote the brand. High rates of online interactions will help promote the brand, and increase market size. Now that sales are high and starting to slow down, the company should implement a new tactical plan that will help keep traffic high on social media:

One thing that Old Spice did exceptionally well in their advertising was keep things short and to the point. These kinds of ads are extremely effective when advertised on social media. A tactic I would recommend to Old Spice would be to make more celebrity-featured video ads with humor similar to the humor used in the Old Spice Guy commercial, and advertise the ads via Facebook, and YouTube. All non-subscribed users of the two social media platforms are required to watch a short ad every few minutes. You can also use search-engine optimization to target a certain audience.

The company should focus on creating a new ad every 6 months. Although it may be expensive, it keeps customers intrigued, and promotes new products. Typically, the cost to advertise on YouTube is \$0.10-\$0.30 per view, which can add up; however, it is still a cheaper method than playing it during the Super Bowl, and it can still reach a large audience. The three main target KPI's for this plan would be monthly sales growth, number of views, and number of online interactions.

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