

Cassies 2005 Cases

Brand: Penaten

Winner: Packaged Goods Other—Certificate of Excellence

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Crossover Notes: All winning cases contain lessons that cross over from one case to another. The notes for this case are as follows, and are attached. The full set can be downloaded from the Case Library section at www.cassies.ca

- Crossover Note 1. What a Brand Stands For.
- Crossover Note 2. Brand Truths.
- Crossover Note 6. Should the product be improved?
- Crossover Note 7. Fighting for the Same High Ground
- Crossover Note 20. Emotional versus Rational.

To see creative, go to the Case Library Index and click on the additional links beside the case.

EXECUTIVE SUMMARY

Results Period (Continuous Months): October 2003 – May 2005.

Start of Advertising/Communication Effort: October 2003.

Base Period: November 2002 – October 2003.

This document describes the successful re-launch of a previously unsupported yet quietly powerful brand. It is the story of PENATEN, a diaper rash cream in the baby toiletries market. It demonstrates the power of advertising to reignite, retool and redefine a forgotten brand. It shows how PENATEN reclaimed leadership in less than six months, after having lost it over a decade ago. [Crossover Note 9](#).

SITUATION ANALYSIS

PENATEN has been sold in Canada since the 1950s, and was acquired by Johnson & Johnson in 1986. In 2001, J&J Canada re-claimed the selling rights and began marketing the brand directly. At that time, PENATEN had one product in its line-up: the zinc oxide cream, in two sizes. New brands, and store brands, had fragmented the market in the previous ten years, and this had depleted PENATEN's share. Zincofax had become the #1 brand, with higher awareness and trial. None of the brands had run any substantial advertising for a number of years. As a result, category growth was fairly stagnant.

The diaper rash category is the largest in baby toiletries. If quiet little PENATEN could hum along with little to no support, imagine the opportunities if we could unlock its inherent power.

STRATEGY & INSIGHT

In 2001, a learning plan uncovered that PENATEN's equity lay in its efficacy. It was seen to be strong, effective medicine for the worst cases of diaper rash. But to grow the brand we would have to broaden it beyond these infrequent applications.

Our first insight was about the PENATEN product. A key attribute was its ability to create *an effective barrier* from the pain and discomfort of diaper rash. Pediatricians recommended this as one of the most important attributes of a diaper rash cream, for protection and healing. This was something that most Moms didn't know. They were either unaware what the most important attribute was, or they tended to believe it was "zinc oxide," and this was an attribute owned by Zincofax. [Crossover Notes 1, 2, and 7](#).

Our second insight was hidden in the target. We talked to Moms at different stages of motherhood, from women pregnant for the first time, to moms with babies 12 months or older, and realized that a significant learning curve took place over that short period of time. Women went from being idealistic and unknowing, to tired, nervous and barely coping, to organized and confident, all in about a year. Once they had their act in gear, their diaper change routine down pat, and considered themselves diaper rash experts, they were pretty impossible to switch.

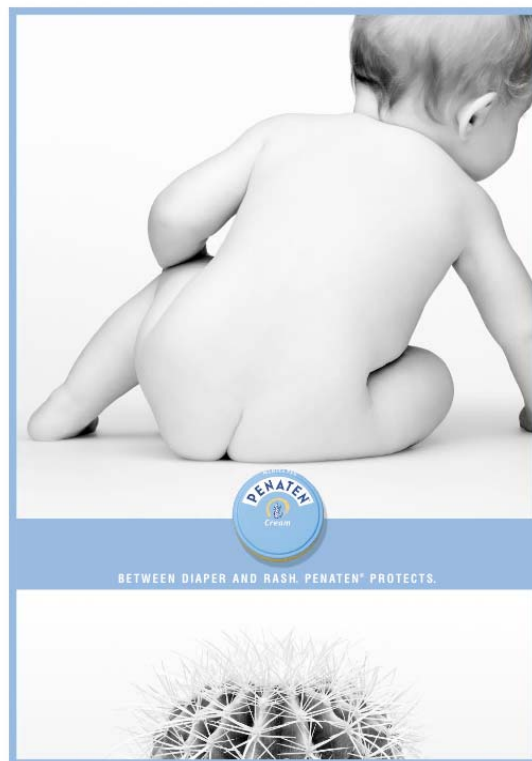
Our third insight about the brand: PENATEN was old-fashioned. While women liked the fact that generations of Moms used and trusted the brand, they didn't want to use "their mother's brand." Our strategy emerged from this as follows:

- Focus communication on the ownable benefit – creating an effective barrier.
- Link the "barrier" proposition to an emotional benefit of paramount importance to new Moms – that of protecting her baby from harm. **Crossover Note 20.**
- Target new Moms, but position PENATEN as the choice of confident Moms.
- Use the distinctive and graphic nature of the packaging to present the brand in a more contemporary and aspirational way.
- Launch new line extensions that build on this positioning:
 - a) Penaten Daily Clear Protection Cream
 - b) Penaten Easy-to-Spread Soothing Lotion

(These launched in June 04, nine months after the new creative launched in Oct 03.)

EXECUTION

Creative focused on the barrier benefit. The PENATEN tin and blue colour are between the baby and the cactus, with the line "Between diaper and rash. PENATEN Protects." B&W photography is complemented by soothing PENATEN blue, elevating the aspirational and contemporary image of the brand. A full page ad ran with an educational 1/3 page opposite, talking about the benefits of PENATEN and the perils of diaper rash.

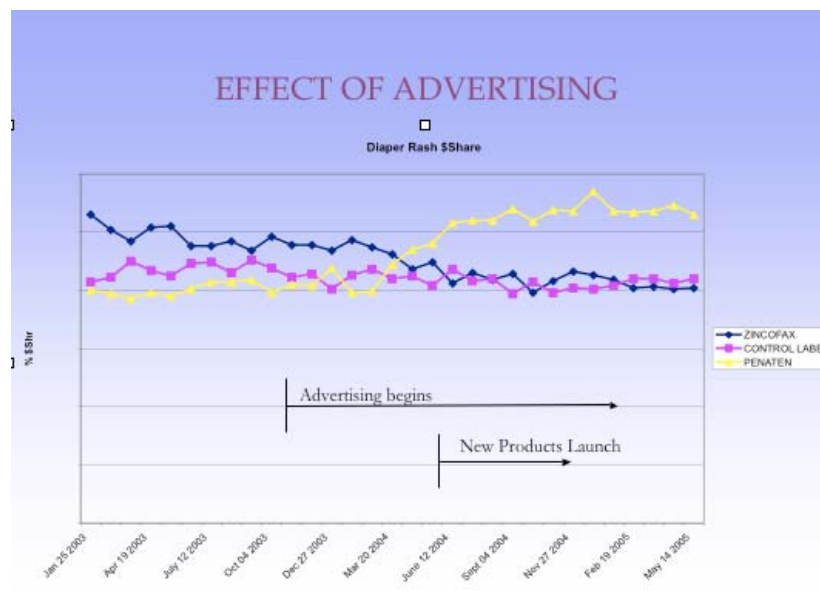


The media strategy was to target Moms early, when they are uneducated about diaper rash. We used pre-natal and post-natal magazines, with an emphasis on the new born books. The print ad has continuously run in these magazines since October 2003.



BUSINESS RESULTS

Since advertising launched in October 2003, PENATEN has grown 46% in dollar volume on a rolling 52 week basis, and has increased share by 34%. It became the #1 brand in April 2004, surpassing Zincofax and control label, and has maintained that position ever since. Line extension results (June 04 launch) have been completely incremental, with the base cream business growing at 6% on a dollar volume basis.



CAUSE & EFFECT BETWEEN ADVERTISING AND RESULTS

We can attribute this growth to PENATEN's communication efforts, given that there has been no promotional activity, either feature or discounting, on PENATEN products.

End of Case. Crossover Notes follow.

INTRODUCTION TO CROSSOVER NOTES — CASSIES 2005

[For PENATEN]

Crossover Notes have been going for several years, and now run to 28 pages.

We used to attach a full set to all cases, but to save a few trees, we now include only the Notes particular to any case.

The idea of Crossover Notes occurred to me while I was editing Cassies 1997.

I was a consultant by then. Before that I had reached the category manager level at P&G (what they quaintly called the Associate Advertising Manager). I had then clambered up the ladder at O&M, eventually becoming President and later Vice Chairman—both in Toronto. P&G and O&M were both passionate about “lessons learned,” and so was I. In those days (it seems hard to believe now) we felt rushed off our feet. But we did have time to study if campaigns were working or not, and come to conclusions about why.

There are lessons, like gold dust, in all the Cassies cases. So in 1997 I decided to extract them. This started with bite-sized footnotes about lessons that “cross over” from one case to another. And the idea kept growing. It is still anchored to winning cases, but I also draw on other thinking for more complex issues.

You can use Crossover Notes in two ways. Although they didn’t start out as a crash course in advertising, they are worth reading as a whole. You can also dip into them selectively. The headings on the next page will help you choose.

I’ve tried to be even-handed on controversial issues, but here and there you will sense my point of view. For this I thank the Cassies for not editing their Editor.

We now have over 150 published cases. They’re a growing body of experience. I hope I’ve helped pass some of the learning on.

David Rutherford

Toronto: December 2005.

For advice on brand-building see *Excellence in Brand Communication*—authored by leading Canadians from across the marketing and advertising spectrum.

It is published by the ICA. See www.ica.adbeast.com.

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The Notes for this case are marked ✓ and come next.

PENATEN. CROSSOVER NOTES. CASSIES 2005.

1. **What a Brand Stands For.** People in real life hardly give the deeper meaning of brands a second thought. They know that some appeal more than others. They may have a sense that brands jostle for their attention. But that's about it. They certainly don't agonize over what is the essence of this, or the abiding truth of that.

But branding goes deeper than we in marketing may realize. Before marketing was even thought of, branding was part of life. Everything from national flags, to coinage, to the uniforms on soldiers, boy scouts and Supreme Court judges, to the plumage on peacocks (human and otherwise), is a form of branding. Business had an early example in the 1800s when Harley Procter of P&G heard a pastor quote a biblical text about ivory palaces. Goodbye Procter & Gamble White Soap. Hello Ivory. More recently, Tom Peters published *A Brand Called You*. And Tony Blair tried to re-brand the UK as "Cool Britannia."

A brand, in the fullest sense, is hard to define. Dictionary definitions tend to focus on the trademark aspect, and yes, branding does involve some sort of identifying mark. But this misses the point. What makes a brand valuable?

The answer is *The Advantage of Belief*.¹ Charles Revson of Revlon famously said, "In the factory we make cosmetics. In the store we sell hope." In other words, a brand is not a product; it's what people believe about a product. These beliefs can be immensely powerful. The most astonishing is the placebo effect. In clinical trials, many patients respond to the "sugar pill," even when they have serious diseases. We see the same thing with blind and identified product tests. With a strong brand, the preference jumps. (See *What's in a Name* by John Philip Jones.) And when the *Advantage of Belief* takes hold, it leads to a long list of benefits:

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|-----------------------------------|---|
| a) Customer loyalty | e) Facilitating brand extensions |
| b) Higher price | f) Withstanding competitive attack |
| c) Higher cash flows | g) Motivating staff and attracting new talent |
| d) Higher long-term profitability | h) Potentially augmenting the stock price |

This doesn't, of course, answer the question, "how do you build these beliefs?" There are widely varying notions, but most agree on the basic principles: (1) stake out what the brand can and should stand for (2) stick with this over time (3) evolve to account for lessons learned and market changes.²

This can't be done by empty promises. We have to assess what consumers want against what the product delivers—and tell the story better than competitors do. We have a melting pot of perceptions and reality to work with. All the "brand" ideas are there to help—Brand Image, Equity, Personality, Character, Essence, Relationship, Footprint, Truth, Soul, Identity, and so on—along with old faithfuls like Positioning, Focus of Sale, USP, Features, Attributes, Benefits and Values. Whatever the terminology, though, "what the brand stands for" is critical.

¹ This is a phrase of mine, though the idea that a brand is "more" has been described by many authors.

² *How do you do this, and evolve?* See *Excellence in Brand Communication*: www.ica.adbeast.com

- 2. Brand Truths.** Successful advertising (in fact all successful communication) resonates with its audience. As a marketer, you may want people to believe that you have the best-tasting coffee, but simply saying, “I have the best-tasting coffee” will not usually get the resonance you need. One school of thought is to say the obvious as loudly and crassly as you can. We could call it the Bad Boy syndrome. Another has led to the idea of Brand Truths. These operate on a deeper level than simple claims. One of the top UK agencies described it as “we interrogate the product until it confesses its strength.”

I was once the Brand Manager on Tide, and when we were asked, “What does Tide stand for” we said, “Superior cleaning. Not whitening. Not Brightening. Not Fabric Care. Superior *cleaning*.”³

Superior cleaning was the religion on Tide, and Tide delivered, despite the cliché that all detergents are alike. But this was only a glimmer of the Brand Truth. If you “interrogated” Tide the most startling truth was the *intense belief* of Tide users. This came to life in the immensely successful “Two for One Swap” campaign. Hidden cameras watched as women who had just bought Tide were offered two boxes of another detergent in exchange. They adamantly refused, delivering off-the-cuff endorsements that no copywriter could ever have come up with. The campaign ran for years, and only came to an end because of its success—women knew it so well that the “candid camera” interview became impossible. Many Brand Truths are also insights, and for a list see [11. The Eureka Insight](#) and [12. Changing the Goalposts](#).

- 6. Should the product be improved?** Some years ago it was an axiom that your product, functionally, had to have an advantage over competitors. In packaged goods, it was considered foolish to launch a new brand unless it was a blind test winner over its major competitor—ideally overall, and at least for a desirable benefit.⁴

That thinking has shifted, and it’s commonly said today that it’s impossible to sustain a functional advantage; that competition can match you in a matter of weeks or months, or even days with some technological products. This has had a paradoxical effect. Some people are almost frenzied in their desire to keep their product (or service) improving—fearing that if they don’t, they will be left behind. Others go into a slipstream mode—letting others face the headwinds, then matching what they do.

John Philip Jones (the Professor of Communication at Syracuse University) is vocal on this, saying that we do not live in a parity world—that imitators may try to match the innovators, but they often don’t quite succeed. His view (and I share it) is that it is dangerously complacent to assume that functional parity is the way of the world.

Another danger is the belief that “marketing” can compensate for a weak product. This led to the debacle a decade or two ago when North America systematically under-invested in product. The Japanese, and later the Europeans and others, did exactly the opposite—and carved out the market shares we see today.

³ P&G defined “what the brand stands for” by a document they called The Creative Strategy. In those days, if anyone even dreamt that the Tide Creative Strategy should include whitening, brightening etc. it was seen as an offence against all that was holy.

⁴ There was still the “pre-emptive” possibility i.e. staking out a convincing claim for a parity benefit before anyone else did. But, in general, having a product edge was seen as important

There's no question that the cost to upgrade can be daunting. Nevertheless, many cases reflect the investment. For example:

- Listerine in Quebec in Cassies II, with an improved taste.
- Chrysler in Cassies III, with the NS Minivan.
- Pontiac Sunfire in Cassies III.
- St Hubert in Cassies 99, upgrading their entire operation.
- Sunlight in Cassies 99, with improved cleaning.
- Home Furnace in Cassies 2002.
- Lipton Sidekicks in Cassies 2002.
- Irving Mainway Coffee and Source Yogurt in Cassies 2003.
- MINI in Cassies 2003.
- Motrin in Cassies 2003, adding stronger skus.
- VodKice in Cassies 2003, remodelling the Boomerang portfolio.
- Cirque du Soleil in Cassies 2004, by adding Zumanity to their portfolio.
- Kit Kat in Cassies 2004, keeping Original the same, but launching Chunky.
- Toyota Sienna in Cassies 2004, with multiple upgrades.
- Coricidin II in Cassies 2005 (Re-launching a new version, after the original brand had been withdrawn)
- Penaten, Hubba Bubba, Stouffer's Bistro, and Juicy Fruit, all launching line extensions in Cassies 2005.

Still others achieve their gains with no change—though the existing product is in all cases good, and sometimes better than the competition. These cases include:

- Crispy Crunch and Pepsi Quebec in Cassies I.
- Oh Henry! in Cassies II.
- Buckley's, Dove, and Philadelphia Cream Cheese in Cassies III.
- Eggs, becel, and Wonderbread in Cassies 99.
- Kraft Dinner and Lipton Chicken Noodle in Cassies 2001.
- Campbell's, Diet Pepsi, Listerine, and Pro•Line in Cassies 2002.
- All the major beer winners over the years.
- Aero, Dodge SX 2.0, Familiprix, Super 7, in Cassies 2003.
- Cottonelle and Milk in Cassies 2004.
- Crescendo, Jergens Ultra Care, Whiskas, Twix, Energizer Lithium, Moores, Familiprix in Cassies 2005.

Technology cases usually have improvements. Services (e.g. Desjardins, Gaz Metro, Réno Dépôt in 2004) usually improve as part of the "total brand experience." Some cases (e.g. Clearnet in 2001 and Lipton Sidekicks in Cassies 2002) say that if your functional advantage is going to be matched, you'd better develop an advantage through brand personality/character/equity. There is no cookie-cutter answer. Each situation has to be assessed on its merits.

- 7. Fighting for the Same High Ground.** Some people feel that a brand should not fight for high ground already held by a competitor. It comes out as “our positioning has to be unique.” This sounds so right, how can it be wrong? Consider Cassies III. Lever wanted to pre-empt the arrival of P&G’s Oil of Olay bar from the US, and decided to kick-start Dove sales via new advertising. They had a spectacular product demonstration. Dove is not a soap, and when it is subjected to litmus paper, the colour does not change. With soaps—including Ivory—the paper turns an ugly blue. But this is essentially a mildness demonstration, and Ivory owned mildness. Some heavy hitters in international management (at the client and agency) predicted disaster if Dove took on Ivory. But Dove attacked anyway. At the start of the case, Dove and Ivory had the same dollar share. Four years later Dove’s dollar sales were up 73%, and Ivory had dropped to half of Dove’s dollar share.

And how do you decide whether to attack or not? On winnability. Yes, Ivory held the mildness position, but with “litmus” Dove had a superb claim on that territory.

The key is how you think about distinctiveness. It does *not* have to come from positioning. Consider Duracell and Energizer. Duracell was the first brand to stake out “lasts longer,” and Energizer (believing they could not attack this high ground) languished in other territory for years. Eventually they decided to attack, and the Energizer Bunny has been going and going ever since. Both brands have the high ground positioning. They get their distinctiveness from execution.

One last variation on this theme. Sunlight wanted to attack Tide on cleaning, but decided that a frontal assault on such a powerful brand would fail. They still attacked, however, but they re-defined “clean” as the joy of getting dirty. This brilliant insight helped them win the Grand Prix in Cassies 99.

I’m not saying you should always attack a competitor on the high ground. There are many Cassies successes based on side-stepping or re-defining the high ground. Cottonelle, Desjardins, Gaz Metro and Réno Dépôt did this in Cassies 2004. Cruisin’ to Win, Crescendo, Whiskas, Twix, Moores and Lotto 6/49 did this in Cassies 2005. Even so, I think the high ground is still one of the first places you should look.

- 20. Emotional versus Rational.** There’s a great quote that “a brand is a bundle of meanings.” Many of these meanings are rooted in emotion rather than reason, so if we showed a Vulcan a typical Creative Strategy (especially one from the packaged goods companies in their heyday) he would be puzzled. The key consumer benefit is always rational, and the rationale is, well, rational too. Our Vulcan would say that it is not logical to be so logical, because Earthlings are, well, not logical.

It’s worth asking why Creative Strategies are this way. First, there’s the tendency to assess issues analytically rather than intuitively. This was fertile ground for the ideas of Claude Hopkins, writing *Scientific Advertising* in 1922, and Rosser Reeves, writing *Reality in Advertising* in 1960. The resulting hard-sell advertising appealed to the mentality of many North American advertisers. Hard sell then had enough successes to make the beliefs self-fulfilling. Selective perception expunged the failures.

20. Emotional versus Rational (Cont'd).

Others, led by Bill Bernbach, argued for a more intuitive approach, and recently the “emotion” approach has shone more brightly on the radar screen. But even today, there are Creative Strategies that just tuck the emotional benefits in under Brand Character, or don’t mention them at all. I used to make that mistake. When I was Brand Manager on Tide we said implacably that Tide stood for cleaning. At an unwritten level, we knew that Tide also stood for *trust*, but this emotional benefit did not appear in the Creative Strategy—and we could easily have overlooked it.

Make sure your mental model of advertising rings true to what people are really like. Often, we are too rational, which could be tragic. John Bartle of Bartle Bogle Hegarty (the UK agency famous for creativity that works) calls for us to think in terms of the

~Unique Emotional Proposition~

Agencies and clients factoring this in more than they used to, but it still doesn’t get pride of place. Given what we are learning about Emotional Intelligence, this strikes me as illogical, and lord knows what a Vulcan would say. Here are winners that *could* have focused on the rational, but chose emotion:

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| Cassies III | <ul style="list-style-type: none"> • Chrysler NS Minivan. It had functional improvements, but the campaign was heavily infused with emotional benefits. • Philadelphia Cream Cheese. The Angel campaign captured the emotional benefit of "permission to indulge," along with the rational benefit of 60% less fat than butter or margarine. |
| Cassies 99 | <ul style="list-style-type: none"> • Richmond Savings. The Humungous Bank campaign. • AGF Funds. The "what are you doing after work" campaign charmed its way into people's pocketbooks. • becel. With hard-hitting print, and a strong doctors/nutritionist plan, it reached #1. They then wanted to get on TV, but regulators forbade hard-hitting claims. This led to the "young at heart" campaign, and spectacular long-term business growth. • Clearnet MiKe. It appealed to the self-image of its pragmatic, project-driven target audience. • Fido. It includes rational benefits, but the main pull is user-friendliness. • St-Hubert tapped into chez-nous. • Sunlight captured the joy of getting dirty. • Wonder Bread. They could have sold on taste + nutrition, but instead used the joy of childhood. |
| Cassies 2001 | <ul style="list-style-type: none"> • Joe’s Rant made us proud. • Clarica made it all look simple. • Clearnet gave us the future is friendly. • Kraft tugged at our heartstrings with KD moments. • Manitoba Telecom gave us Morty, the talking bison. |

20. Emotional versus Rational (Cont'd).

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| Cassies 2002 | <ul style="list-style-type: none"> • The Bank of Montreal and Scotiabank made us smile. • Campbell's gave us the less-than-perfect family. • CFL fanned the flames of rivalry. • Diet Pepsi and Five Alive gave us back our youth. • ED made us think. • Home Furnaces tickled the fancy of an older audience. • Nautilus gave us joie de vivre. • Philly showed us that a less-than-perfect angel was still working. • Pine-Sol took a quirky look at keeping the house clean. • Sidekicks gave the family a helper. • Sloche appealed to teen rebelliousness. • The SAAQ campaign scared us to death. |
| Cassies 2003 | <ul style="list-style-type: none"> • Manitoba Telecom showed that Morty the bison was still working. • Toyota Matrix went for emotion rather than reason. • Sola Nero made wine youthful and hip. • Viagra was, well, Viagra. • The United Way cast off its "administrative" image. |
| Cassies 2004 | <ul style="list-style-type: none"> • Cottonelle talked to women as women. • Gaz Metro dealt with the fear of Gas. • Prairie Milk appealed to teens' need for growth. • Toyota Sienna positioned itself as the cool minivan. |
| Cassies 2005 | <ul style="list-style-type: none"> • Smoking is just "Stupid." • Energizer Lithium found that the rational approach was not working. • Coricidin II had to find a way to get a blood pressure benefit across. • Activia had to do the same with the "digestive" benefit. • Run for the Cure, perhaps not surprisingly, found that emotion was appropriate. |

End of Penaten Crossover Notes