

Despite its unprecedented success over the years, Coke is not perfect. In 1985, in perhaps the worst product launch ever, Coca-Cola introduced New Coke—a sweeter concoction of the original secret formula. Consumers instantly rejected it and sales plummeted. Three months later, Coca-Cola retracted New Coke and relaunched the original formula under the name Coca-Cola Classic, to the delight of customers everywhere. Then-CEO Roberto Goizueta stated, “The simple fact is that all the time and money and skill poured into consumer research on the new Coca-Cola could not measure or reveal the deep and abiding emotional attachment to original Coca-Cola felt by so many people.”

Coca-Cola's success at marketing a product on such a global, massive scale is unique. No other product is so universally available, universally accepted, and universally loved. As the company continues to grow, it seeks out new ways to better connect with even more individuals.

Referring to itself as a “Happiness Factory,” it is optimistic that it will succeed.

### Questions

1. What does Coca-Cola stand for? Is it the same for everyone? Explain.
2. Coca-Cola has successfully marketed to billions of people around the world. Why is it so successful?
3. Can Pepsi or any other company ever surpass Coca-Cola? Why or why not? What are Coca-Cola's greatest risks?

**Sources:** Natalie Zmuda, “Coca-Cola Lays Out Its Vision for the Future at 2010 Meeting,” *Advertising Age*, November 22, 2009; Natalie Zmuda, “Coke's ‘Open Happiness’ Keeps It Simple for Global Audience,” *Advertising Age*, January 21, 2009; John Greenwald, “Will Teens Buy It?” *Time*, June 24, 2001; “Coca-Cola Still Viewed as Most Valuable Brand,” *USA Today*, September 18, 2009; Edward Rothstein, “Ingredients: Carbonated Water, High-Fructose Corniness . . .” *New York Times*, July 30, 2007; Brad Cook, “Coca-Cola: A Classic,” *Brandchannel*, December 2, 2002; Coca-Cola, *Annual Report*.

## Marketing Excellence

>> Gillette



Gillette knows men. Not only does the company understand what products men desire for their grooming needs, it also knows how to market to men all around the world. Since the invention of the safety razor by King C. Gillette in 1901, Gillette has had a number of breakthrough product innovations. These include the first twin-blade shaving system in 1971 named the Trac II, a razor with a pivoting head in 1977 called the Atra, and the first razor with spring-mounted twin blades in 1989 dubbed the Sensor. In 1998, Gillette introduced the first triple-blade system, Mach3, which became a billion-dollar brand surpassed only by the 2006 launch of the “best

shave on the planet”—the six-bladed Fusion, with five blades in the front for regular shaving and one in the back for trimming.

Today, Gillette holds a commanding lead in the shaving and razor business with a 70 percent global market share and \$7.5 billion in annual sales. Six hundred million men use a Gillette product every day, and the Fusion razor accounts for 45 percent of the men's razors sold in the United States. Gillette's mass appeal is a result of several factors, including extensive consumer research, quality product innovations, and successful mass communications.

While Gillette's product launches have improved male grooming, it's the company's impressive marketing knowledge and campaigns that have helped it reach this international level of success. Traditionally, Gillette uses one global marketing message rather than individual targeted messages for each country or region. This message is backed by a wide spectrum of advertising support, including athletic sponsorships, television campaigns, in-store promotions, print ads, online advertising, and direct marketing.

Gillette's most recent global marketing effort, “The Moment,” launched in 2009, is an extension of its well-recognized campaign, “The Best a Man Can Get.” The campaign features everyday men as well as the Gillette Champions—baseball star Derek Jeter, tennis champion Roger Federer, and soccer great Thierry Henry—experiencing moments of doubt and Gillette's grooming products helping them gain confidence. The campaign was designed to help Gillette expand beyond razors and shaving and increase sales of its entire line of

grooming products. The massive marketing effort launched around the globe and included television, print, online, and point-of-sale advertising.

Another crucial element in Gillette's marketing strategy is sports marketing. Gillette's natural fit with baseball and tradition has helped the company connect emotionally with its core audience, and its sponsorship with Major League Baseball dates to 1939. Tim Brosnan, EVP for Major League Baseball, explained, "Gillette is a sports marketing pioneer that paved the way for modern day sports sponsorship and endorsements." Gillette ads have featured baseball heroes such as Hank Aaron, Mickey Mantle, and Honus Wagner from as early as 1910.

Gillette also has ties to football. The company sponsors Gillette Stadium, home of the New England Patriots, and is a corporate sponsor of the NFL, making four of its products, Gillette, Old Spice, Head & Shoulders, and Febreze, "Official Locker Room Products of the NFL." Gillette's partnership includes sweepstakes to win NFL game tickets, Web site promotions, and ties to the NFL, such as the presence of some NFL players in its commercials. Gillette also sponsors several NASCAR races and drivers and the UK Tri-Nations rugby tournament. It even created a Zamboni at the Boston Bruins game that looked like a huge Fusion razor shaving the ice.

While sports marketing is a critical element of Gillette's marketing strategy, the brand aims to reach all men and therefore aligns itself with musicians, video

games, and movies—in one James Bond film, *Goldfinger*, a Gillette razor contained a homing device.

When Procter & Gamble acquired Gillette in 2005 for \$57 billion (a record five times sales), it aimed for more than sales and profit. P&G, an expert on marketing to women, wanted to learn about marketing to men on a global scale, and no one tops Gillette.

### Questions

1. Gillette has successfully convinced the world that "more is better" in terms of number of blades and other razor features. Why has that worked in the past? What's next?
2. Some of Gillette's spokespeople such as Tiger Woods have run into controversy after becoming endorsers for the brand. Does this hurt Gillette's brand equity or marketing message? Explain.
3. Can Gillette ever become as successful at marketing to women? Why or why not?

**Sources:** Gillette press release, "Gillette Launches New Global Brand Marketing Campaign," July 1, 2009; Major League Baseball press release, "Major League Baseball Announces Extension of Historic Sponsorship with Gillette Dating Back to 1939," April 16, 2009; Gillette, *2009 Annual Report*; Jeremy Mullman and Rich Thomaselli, "Why Tiger Is Still the Best Gillette Can Get," *Advertising Age*, December 7, 2009; Louise Story, "Procter and Gillette Learn from Each Other's Marketing Ways," *New York Times*, April 12, 2007; Dan Beucke, "A Blade Too Far," *BusinessWeek*, August 14, 2006; Jenn Abelson, "And Then There Were Five," *Boston Globe*, September 15, 2005; Jack Neff, "Six-Blade Blitz," *Advertising Age*, September 19, 2005, pp. 3, 53; Editorial, "Gillette Spends Smart on Fusion," *Advertising Age*, September 26, 2005, p. 24.