

# BRAND EQUITY

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## NICK IN TIME

The 30 seconds spot is dead. It's time to look at the market place through the prism of co-creation, advocacy, paid, earned and owned media, says Nick Emery of Mindshare

Rajiv Banerjee

LANDING in Mumbai in the midst of a global pitch which the world has been talking about, it's but natural to ask the man his prediction. "It should come to us," says Nick Emery, chief strategy officer, Mindshare Worldwide. Maybe it was pure crystal gazing at that point of time or maybe Emery had an inclination which way the wind of blowing, but WPP agency, Mindshare did manage to retain the Unilever account. By the time you read this piece, it will be business as usual for Mindshare on Unilever. But business as usual is not exactly what Emery wants, not for Unilever or for any of the clients Mindshare handles.

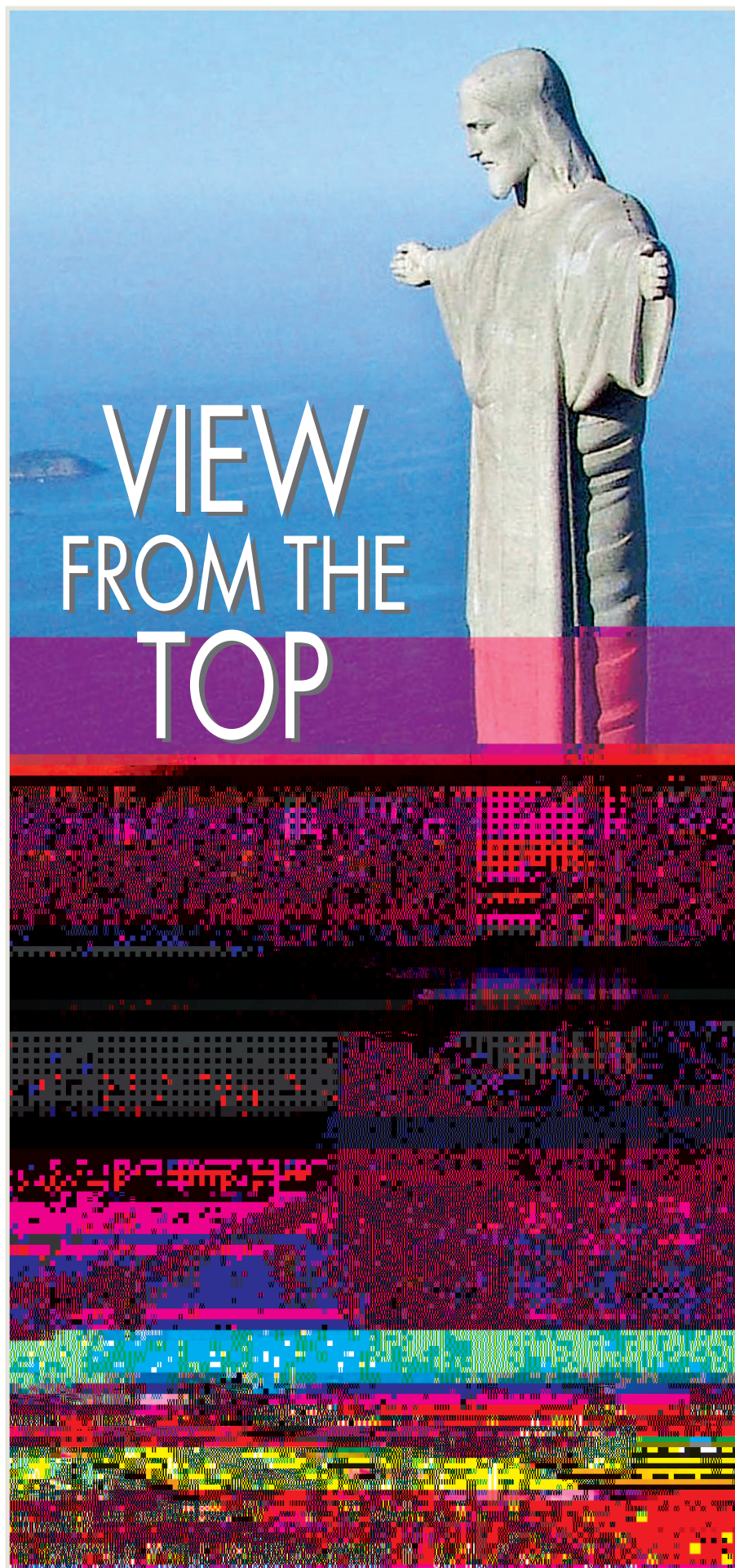
Emery once walked into Mindshare's New York office and saw 15 logos (of Mindshare companies) floating on a screen. "We had become a department store," was his reaction. Then the restructuring took place and Emery was

in the thick of action, changing processes and structures to create a new Mindshare. "In ten years, most Governments become bureaucratic and need to be changed. Same was true of Mindshare as there was a danger of walking the same path," he says.

Emery believes it's no longer about creating campaigns, but about managing data and creating content. "Core is not just media planning and buying, but everything around it," he says. Even as Emery blanched at the numerous logos comparing it to a department store, media today, he says, is no different to a shelf space in a department store: "TV, print, digital and any other platform, it's like a shelf. Of course, the key for us to behave more like a strategic partner than be a vendor who buys and sells."

In the new strategic world order, it's time to re-look at the partnerships that conventionally exists between brands, media and creatives. So much so that both media and creative need to understand the new world of advocacy, which in simple terms means not the typical top down approach of telling consumers what they want, but instead looking at how consumers react to the brand. Consumer centricity means doing away with the 30 second syndrome, he says. "It (the 30 second spots) are diminishing. People are creating the content," he states. He however states that by 30 seconds, he means the old word definition of looking of a brief and the eventual execution of the strategy: "While the core proposition remains the same, the customer journey related to the media is how we define the distinction between the old and new world." So it is possible, he says, that clients call Mindshare first for a brief and the agency then chalks out the strategy. "And the strategy could involve content developers, game developers or some other partner to take the message to the audience."

Increasingly, the drift is towards paid, earned and owned media. Paid media, which is conventional mass media usage to create one way communication is still prevalent in India, says Emery, but different markets are at various planes of change.



## VIEW FROM THE TOP

Kala Vijayraghavan

IT'S A VERY new Procter & Gamble (P&G) from that of two years ago, and the change is palpable at its Indian headquarters. Today, the company commands a lion's share in India's home and personal and health care categories. But that's not all. The owner of multi-billion dollar brands such as Crest, Ariel, Pampers, Pringles, Head & Shoulders, Vicks and Tide is on the most ambitious expansion plan in its history — a renewed effort to gain fresh ground in markets like India, most of Africa, much of Eastern Europe and the Middle East. The thinking in P&G's Cincinnati headquarters appears to be that India is underdeveloped compared to other developing markets like Brazil and Indonesia. In an interview with *Brand Equity*, Shantanu Khosla, managing director, P&G India, talks of how the company plans to do more.

### What is P&G doing differently?

Growth has been completely innovation led. Innovation on every front — products, pricing, distribution. P&G's global operating structure is giving us clear competitive advantages and our distribution model provides advantages as we grow. As AG Lafley said, everything starts and ends with serving consumers better. Whenever

we have done that we have success. The huge success of our feminine hygiene brand, Whisper, has resulted from understanding consumers better.

**P&G was seen as having kept a low profile after the fight for market share in the detergents and shampoo. Did focus on segments which were not as competitive help brands such as Pampers, Olay, Whisper and Gillette?**

All our competitors are strong, agile and good organisations. But essentially, we focus on the consumer. Look at the diaper market. We engaged with the consumer and communicated the benefits of using a disposable diaper over a cloth. We educated the mother on the use of disposable diapers. Our ability to bring scale and local insights helps to win. We are able to learn, develop and re-apply global consumer insights in the local marketplace. P&G is globally reported to be on "the most ambitious expansion plan in company history" to gain fresh ground in markets such as India. Over the next decade, India will be a significant contributor to incremental growth. We are backing these plans with the investments needed, which is already yielding results. In India, growth in the last three to five years has been good. The combined turnover of Procter & Gamble Health &

## DESIGNING DESIRE

Maintaining the legacy of a brand and living upto expectations is a tough task, says Dr Jurgen Gessler of Porsche Design Group

Nandini Raghavendra

IT MUST indeed be a tough job to introduce a product, design or company, if it is preceded by the name Porsche. So what if that company boasts of a turnover of as much as 63 million Euros? Everyone still looks over your shoulders for a sleek, new, car model. "It is indeed the toughest part of the job — to explain the hidden assets of this brand that have been there for the last four decades," says Dr Jurgen Gessler, president and CEO, Porsche Design Group, (PDG), who is in India to open the group's 100th store and India's first.

Delhi's glitterati have joined in with the 45-year-old Gessler, who, underpinned by the decibel levels of his Saturday night crowd, picks up product after product and delves straight into the philosophy of the brand and its founder. Ferdinand Alexander Porsche, the man who gave auto lovers their first Porsche 911 in 1962 and then founded the industrial design company, Porsche Design, changed the way people looked at their daily products. "He decided that form and function must have equal weight and changed the way people used some of the most basic products in their daily life, be it the wrist watch, sunglasses or toaster," says Gessler, picking out products from the neatly lined shelves to show what he means.

The Group is divided into three verticals. The Porsche Design Studio offers design services ranging from the interior of aeroplanes, designing dentist chairs to the new cable car in Austria, or tram in Vienna and about 5% of the groups turnover comes from here. The second vertical is Porsche Design, which does licensing, franchising and runs stores (10 worldwide) and 75% business comes from here. The third, is of course directly linked to the famous mother brand, Porsche Drivers Collection which designs and manufacture auto related products which are sold via the Porsche dealer network, an extension

of the brand for the car business, which contributes 20% to the group. The dramatic turn came when there was a clear commitment made to go on an expansion of the retail network, in '03. "We had six stores in spite of being three decades into the business and today in 2010, we have 100 stores and the plan is to cross 200 stores worldwide in five years," says Gessler. The push in turnover came from the retail expansion as well as new product categories which the company began in collaboration with Adidas, for a very successful sport category or fragrances, and with Clarins. In fact, the sports category is the fastest growing segment and top driver contributing 19% of their turnover.

Though like in almost all luxury brands, China leads for PDG with 10 stores, followed by Dubai which has seven, it is Germany which still contributes to 80% of its business. India was on its map more from 2007. "We identified 110 cities and 42 airports in the world as our 'must have locations' and Delhi, Mumbai and Bangalore were part of them," says Gessler, glancing at his watch, which thanks to its founder can be looked at from almost any angle without having to flick the wrist.

The criteria for being listed on this coveted list of cities is monitored through a set of competitors and if ten of these (like LV, Prada, Cartier, Hermes) have opened a single brand store in the city, Gessler says they stick a flag to say that the market is ready for them to enter.

Hygiene (PGHH) and Procter & Gamble Home Products (PGHP) India pegs the company as the second largest FMCG company in the country at Rs 3000 crore.

**P&G's global strategy is looking at global clusters of consumers to drive growth. How does that work?**

P&G views clusters of consumers on a global scale. Today consumers in Mumbai have more in common with consumers in Shanghai, Tokyo and New York than with consumers in rural India. Consumers in rural India are very similar to consumers in rural China and Mexico. This scale allows P&G to invest in innovation for these consumer clusters. It helps us bring expertise from one part of the globe to another where similar problems exist. For example, many African countries similar to India battle the problem of cultural stigma around the subject of feminine hygiene.

## THE INNOVATION GAMBLE

In fifth gear, P&G India is all set to lead, says CEO Shantanu Khosla

## THE

India's marketers had compasses on them last week they would've all pointed in one direction — Mindshare Brand Equity Compass 2010. It was an event where the who's who of India's marketing inc descended on Mumbai shores to participate and share, (that's the word *du jour*). And the day-long affair didn't fail to deliver. The panel discussions were significant as marketers face a new world order. An order in which building consumption, word of mouth, brand experience, marketing in compressed consumer time, innovation and ecosystem marketing have to be seen in a new light. Marketers, of all ilk, agree conventional tactics alone will not cut it anymore. However, that does not nullify the significance of building a strong talent pool rooted in solid basics. Digital, hasn't changed the rules, it has redefined the game. The future marketer will be an innovative and a strategic mind. He will have to think like a brand entrepreneur, rather than just a brand manager. The road ahead will mean balancing the short term quarterly pressures as well as keep the long term objectives in mind. Ecosystem marketing is not something to be afraid of, but a possibility of new ways of doing business and the path to create a future of new alliance brands. All this and more was discussed thread bare at the event. While some took to the mike to throw some questions at the heavy weight panelists, others preferred to share via smart phones and blue tooth, live texting. Surely marketing 3.0 is a totally different space.

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