



STRATEGIC RECOMMENDATION OLD SPICE: REPEATING SUCCESS

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Overview

Old Spice had always been seen as the rebellious child under the Proctor & Gamble (P&G) portfolio, taking less conventional and riskier approaches to advertising, in large part because they make up such a small portion of P&G's portfolio. Despite their size, they wanted to prove that they had a knack for creating a sound strategy that the great Wieden+Kennedy could then execute successfully, as they had for brands like Nike and Coca-Cola. Old Spice's successful rebrand of the Glacial Falls line proved that good creative advertising could have big payoffs, as the entire brand experienced huge gains because of it. Old Spice wants to continue the momentum and needs another blowout campaign to prove they are more than a one-hit wonder. Thoughtful consideration will have to be made regarding what products Old Spice should promote considering the competitive market, what positioning to take to keep the brand recognizable and relevant, and what media outlets will garner the right attention.

Analysis

Swagger Promotion

Because of its recent success, Old Spice considered keeping Swagger on the table as a primary focus of its advertising expenditures. Consumers had already bought into the concept of Swagger because it filled an inherent desire of theirs. Further promotion would not only reinforce what consumers were already primed to believe, but it would continue to influence their decision making when considering the purchase of other products. On the other hand, Old Spice feared that Swagger had already reached its pinnacle and they should pivot to a new strategy. This was a thoughtful consideration, as continued promotion of Swagger products feels rather conventional for such an unconventional brand.

Rebrand or Promote Another Scent

A rebrand or promotion for another underperforming scent, such as Showtime, could be a positive pivot for Old Spice. This would require that Old Spice identify another target consumer and insight to position the scent and chisel out another unmet need of the consumer. This would provide the brand with an opportunity to acquire an entirely new consumer base. However, a strategy of this kind, while proven successful with Swagger, has the potential to drive a sharp distinction between the different scents that Old Spice offers and may confuse consumers and their understanding of the brand's overall positioning.

Promote the Umbrella Brand

One way to avoid that confusion would be for Old Spice to focus its advertising efforts on the overall brand name, rather than singular scents, to build brand equity. Old Spice is already experiencing some degree of equity from the success of the Swagger campaign and its resulting halo effect. Thus, continuing the overall brand's promotion seems like a pragmatic choice. However, determining the brand's position will be imperative. A brand reposition had failed once before, when Old Spice shifted from a position of manliness to one of sex appeal. This suggested that the consumer's perception of the brand was very well-grounded and straying too far from that position could pose issues.

Men's Body Wash and Media Choice

Old Spice considered shifting advertising dollars to the growing category of men's body wash. Key insights into the buying power of both the men and the women's audience in this particular category are huge. And while deodorant still makes up a much larger portion of Old Spice's sales, the market reach of body wash is still in its infancy. This relatively untapped market provides enormous opportunity for Old Spice.

When it comes to media choices, Old Spice was faced with the decision to launch a social media effort or spend big money on a Super Bowl advertisement. While Old Spice saw tremendous sales growth after their “Swaggerize your Wallet” social media campaign, social media alone would not garner the same attention to both the male and female audiences that a Super Bowl advertisement would. And with competitors like Dove making bold appearances in this space, Old Spice would have to transition if they were to compete, despite the perceived danger it poses to brand growth. Fortunately, Old Spice has already established themselves in the male market so advertising men’s body wash isn’t as much of a stretch for them. In addition, the efficacy of a Super Bowl advertisement continues well beyond its 30 second television debut; thus, the return on investment would be compounding. This could be a huge opportunity for Old Spice.

Recommendation

The above analysis points towards Old Spice’s need to be bold in product advertising, yet cautionary in brand positioning if it is going to be successful with another campaign. I recommend that Old Spice continue to promote their Swagger scent with a focus on body wash and that they pay to place an advertisement in the Super Bowl for the following three reasons. First, Swagger’s success as a scent signals to the brand that consumers feel that confidence is inherent to manliness or manhood – a key tenant of Old Spice’s perceived brand positioning. And while Swagger repositioned the brand to target a new psychographic, it didn’t deviate from its original position. Rather, it complimented it in a way that was more youthful. Therefore, Old Spice is recognizable yet fresh. Second, while Swagger had largely focused on men’s deodorant, it had not tapped into the growing category of men’s body wash. And despite body wash owning a small portion of the overall brand sales, a Swagger body wash promotion would presumably

perform well because of Swagger's likability. In turn, this promotion could grow the body wash arm of the brand into a top selling category for Old Spice. Last, I recommend that Old Spice pay the pricey entry cost into the Super Bowl. A Super Bowl advertisement proves Old Spice is willing to respond to the competition and it fits the rebellious and risky nature of the brand; this level of advertising has never been done by Old Spice, and very rarely has a brand under P&G been emboldened to do so. Old Spice can both use its momentum with Swagger to scoop up the market before its competitor and secure an investment that is likely to endure. This is a sure-fire way to make a standout campaign and ignite Old Spice's reputation as an all-rounder.