



# Revitalising a valued character

## Introduction

Powerful images stay in people's minds. Innovative technologies offer new ways of projecting images, and the messages they help to convey. As a result, creative images remain an effective means of communication. Firms with powerful, creative images have a valuable promotional asset.

Firms must ensure, however, that the images they convey keep pace with changes in society and continue to reflect consumers' lifestyles. These lifestyles undergo continual change, so businesses need to keep their communications processes under ongoing review. In particular they need to monitor their approach to advertising.

Advertising is a way of communicating with groups of consumers in the market place so that an organisation can achieve certain objectives. Advertising helps to create, sustain and promote consumer demand, which the business then meets. To advertise successfully, businesses must be clear about:

- the intended message
- the target audience
- the means of communication
- how receptive the target audience, and others, are likely to be.

Although advertisements are only one element of the **marketing mix**, they are vital for building up a product's image in ways that capture consumers' attention and stimulate their desire to purchase. Successful advertising campaigns result from good ideas presented creatively in ways that are 'in tune with the times'.

Businesses also need to foster a warm relationship with targeted consumers. One way of doing this is to create a character that links with the brand, and then use the character's actions to project the qualities of the product or service.

Frosties is one of Kellogg's core products. With Frosties comes Tony the Tiger. This case study focuses on how and why Kellogg's recently decided to revitalise Tony.

## The Kellogg Company

William Kellogg, who founded the company in the USA, believed that diet played a key role in a healthy lifestyle and that breakfast was the most important meal of the day. Around 1898 he conducted experiments that led to the development of Corn Flakes. The company prospered, and in 1924 Kellogg's established the Kellogg Company of Great Britain. By the 1950s the US company had begun to develop cereals appealing to younger tastes. Frosted Flakes hit the USA in 1952. In 1954 they arrived in the UK, as Frosties.

Kellogg's has flourished through skilful marketing of good products, and by creating and sustaining a highly valuable brand name. Kellogg's is an example of multiple branding, where each product within the range is given its own clear identity and defining characteristics, but is marketed using the Kellogg's name as an umbrella.

**Segmentation and targeting** are key factors in creating these brand identities. Segmentation involves subdividing markets into constituent parts. Each part has clear characteristics that distinguish it from any other part. For example, the main segment for Frosties consists of children under the age of 12 years, although over half of all Frosties are consumed by adults. When segments have been identified, targeting then takes place. This involves developing a marketing mix

that creates characteristics and brand values that appeal to consumers within each segment. It is this approach to marketing that has led to the creation and ongoing development of Tony the Tiger.

## The need for an injection of new life

All markets change over time. Fashions alter, tastes change, technologies develop, people adjust their lifestyles, preferences and expectations. Taken together, these factors cause products to experience a product life-cycle that follows a pattern of introduction, growth, maturity, and decline. By charting the various phases in a product's life, an organisation's marketing department can decide if, when and how best to inject new life into the product and so extend its period of usefulness and value to the company.

The chart below illustrates the life-cycle of a product and shows how a timely boost might extend its useful life.

In the example below, the effect of an injection of new, creative ideas has the effect of extending the life of the product. Success is not guaranteed. Like all business decisions, there is a risk involved. Not all attempts to breathe new life into a product pay off.

In 1999 Kellogg's undertook a huge process of strategic **market research**. The company hoped that the research would provide valuable insights about the brand, its icon Tony the Tiger and the current position of Frosties within its product life-cycle. The research focused on children under the age of 12 years, who are the main target market for Frosties. The data collected was both qualitative and quantitative.

## Research results

**Qualitative research** finds out about the opinions, views and thoughts of consumers. The Frosties qualitative research showed that Tony, while 'cool', was losing relevance for some kids, which resulted in Frosties not having

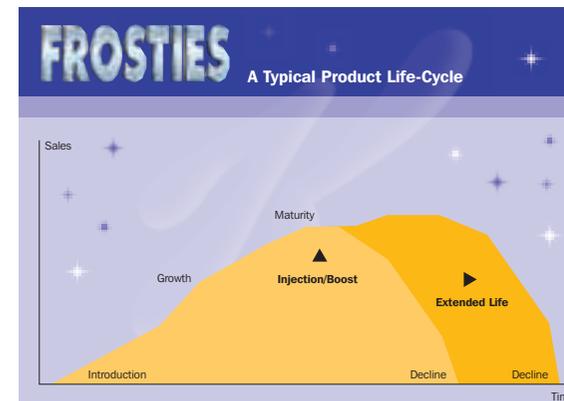
the 'playground credibility' like some other kids' brands, eg DairyLea and Tango.

**Quantitative research** identifies factors that are measurable; it creates numbers that can be analysed. Quantitative research about Frosties produced some key data.

Good old Tony? (Scale 1 - 10, with 10 as high)					
Year	95	96	97	98	99
Tony is cool	7	6	5	4	4
Tony is for children younger than me	5	6	7	7	7
Tony is naff	5	6	7	7	8
Tony is active	5	6	6	6	6
Brand share	8	7	7	6	6
Penetration (no. of users)	8	7	7	6	6
Volume sales	8	7	7	7	7

The research showed that the Frosties brand was nearing the end of the growth phase in its life-cycle and was moving towards maturity as more competition entered the market. One effect of newer products from competitors was that children no longer considered Tony to be as 'cool' as other cereal characters.

When research suggests that a firm's product or brand is approaching decline, the firm has important decisions to make. Should it try to extend the life of the brand, or would it be better to develop new, replacement products or brands? Kellogg's decided to extend the Frosties life-cycle by re-adjusting the marketing mix. Kellogg's hoped that, by investing heavily in the mix and by modernising Tony, Tony would again become the favourite cereal character of consumers in the targeted age range.



## Modernising Tony the Tiger

Market research showed that although Tony the Tiger's new role should rely heavily upon the image and activities associated with Tony's past, his role should be updated and linked with current and futuristic activities.

When planning an advertising campaign, a business like Kellogg's works closely with an advertising agency. The agency uses its expertise to create, develop, plan and implement an advertising campaign for its client. Drawing on the background research and the advertising brief, the agency developed and modernised Tony's role, basing it on the term 'Action Hero'.

It was important at this stage to consider what 'Action Hero' meant, and how this role related to food. It was also important to decide on whether Tony should be linked to other characters, such as an enemy. Having made these decisions, a story then needed to be created around Tony.

The advertising agency came back with TV scripts, and showed how these scripts could be used within the whole **promotional mix**, particularly in special promotions, merchandising and public relations. The animated script needed to be tested with consumers so that it would be possible to predict accurately whether an investment made in modernising Tony would increase the sales volume and value of Frosties to an extent sufficient to justify the financial outlay. The research followed a standard format:



A key decision in redeveloping the animation for Tony was whether to go for a flat TV cartoon animation, as used with Tom and Jerry, or for 3D animation as used in Toy Story and Toy Story 2. After much discussion, it was decided to create a 3D Tony and to use him not only in standard advertising media but also in new media such as the internet.

Although Tony was now in 3D, his appearance would be based upon his past character. After many approval phases, a pair of 60-second and 30-second advertising commercials was developed, and on 9 October 2000, the new Tony was launched. The whole process, from the identification of the problem in March 1999 until the launch in October 2000, had taken just 18 months.



## Evaluating the success of the campaign

Revitalising a brand character is very expensive. It is particularly important when making such an investment that the advertisements hit a range of measured objectives. This process is known as **DAGMAR: Defining Advertising Goals for Measured Advertising Success**.

Quantitative research after the launch showed that, although not all targets were achieved immediately, the advertising had moved Tony forward and had met many of the concerns highlighted by the previous research.

Target	(Scale 1 - 10 with 10 as high)									
Year	95	96	97	98	99	00	01			
Tony is cool	7	6	5	4	4	8	7			
Tony is for children younger than me	5	6	7	7	7	4	(5)			
Tony is naff	5	6	7	7	8	4	(5)			
Tony is active	5	6	6	6	6	8	(8)			
Brand share	8	7	7	6	6	8	(6)			
Penetration (no. of users)	8	7	7	6	6	8	(6)			
Volume sales	8	7	7	7	7	8	(6)			

In the short-term, following the launch, Frosties achieved an increase in market penetration, consumption, brand share and sales.

## Conclusion

Tony is a particularly valuable brand character, and Frosties remains a key brand for Kellogg's. In the highly competitive market for cereals, the sales performance of Frosties relates directly to the positive images projected by Tony. Giving Tony a new injection of life was seen as a vital contribution towards improving the competitiveness of the brand and prolonging its useful life.

Kellogg's promotional effort with Frosties has worked. Although the revitalised Tony still needed some tweaking, the modernised character had strengthened the Frosties brand. Changes to Tony were not radical (Tony retained the same voice and appearance) but they had helped Tony to become a more distinctive figure in a rapidly changing and more competitive commercial environment.



## Glossary of Keywords

**Marketing mix:** The measures which, taken together, represent the sum of what is on offer to consumers in relation to a particular product. An optimum marketing mix offers the right *product* at the right *price* in the right *place* at the right *time*, supported by appropriate *promotion*.

**Market research:** The systematic gathering, recording and analysing of data about problems relating to the marketing of goods and services.

**Promotional mix:** The range of measures in place to support the promotion of a particular product e.g. at its initial launch or re-launch.

**Qualitative research:** Research that reflects the opinions, views and thoughts of consumers.

**Quantitative research:** Research based upon facts and which produces measurable outcomes.

**Segmentation:** Dividing up a marketplace into parts, each representing similar needs of groups of consumers.

**Targeting:** Developing marketing strategies aimed at particular market segments.



**1** Identify two brand characters and briefly discuss their qualities.

**2** Explain the difference between segmentation and targeting.

**3** What is the product life-cycle? How useful is the concept?

**4** Explain why an advertising campaign needs to be evaluated.

**5** Imagine that you are a brand manager for a consumer product of your choice. Explain the criteria by which you would monitor the product's performance. What research methods would you use to determine whether or not your advertising of the product needed to be reshaped?

Questions

- To download this case study
- A profile of the organisation
- Revision help

[www.businesscasestudies.co.uk](http://www.businesscasestudies.co.uk)

- Information on the organisation

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