

brand strategy

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STRATEGIC THINKING FOR TODAY'S MARKETING PROFESSIONAL

Back to the future:
How reverse product placement can make fictional success into reality

Cooking up good branding

Harvey Chimoff, director of marketing for Tate & Lyle, wants to make life taste good

Smoothing and schooling

Jane Wurwand, Dermalogica's founder, says that marketing should educate

The Wiggles go wild

How a children's entertainment band became Australia's biggest branded earners

Corporate responsibility

Who do consumers think are the most responsible brands?





"Try to imagine a dial and one side of it is 'emotional' and the other is 'rational'. You can dial up ads in mature territories on emotional appeal, but less established markets for your brand may need the dial to be closer to a more rational approach."

Steven Sturgeon, global marketing director for drinks brand William Grant & Sons, on modern marketing, page 10.



"The internet has made information more accessible than ever before, with online reviews, discussions and forums able to make or break a new idea or product in an instant. Marketing hype just won't cut it."

Jane Wurwand, founder and chief executive of skincare and cosmetics brand Dermalogica says that educating consumers is vital, page 11.



"One of the things about marketing is understanding how your products and services physically impact customers. You can say: 'We'll have displays in 80% of stores'. But do you understand how challenging it is to get from corporate level to retail level?"

Harvey Chimoff, director of marketing, Tate & Lyle Americas, argues that life is sweet for marketers on page 16.



"We knew the name would bring instant recognition and association with the movie [*Forrest Gump*]. But we have really set out to develop a business that can stand on its own as a separate and distinct brand."

Scott Barnett, president of the Bubba Gump Shrimp Co. explains why reverse product placement takes brands from fiction to fame, page 24.

Summaries and Trends

BUSINESS-TO-BUSINESS BRANDING (See p16 for Tate & Lyle profile)

- Just because a brand operates in the business-to-business environment, don't dismiss consumer insights that could help inform your research and development.
- Emotion is just as important for business-to-business companies as consumer ones.
- Forging strong relationships is vital. B2B companies often have fewer customers with larger orders.
- If your company creates ingredients for consumer products, could you develop a brand name for the ingredient on pack?

CREATING VIRTUAL LOYALTY CURRENCIES (See p14 for global trends watch)

- Virtual currencies are good news but there must be more to back up the brand than a loyalty scheme. Don't forget core marketing techniques.
- Young people aren't interested in carrying loyalty cards. Linking a loyalty scheme with online components is a way to keep their interest.
- Take your online currency further by immersing it in a full virtual world where consumers can interact with each other.
- Creating a virtual currency exchangeable for gifts or products is a good way to keep control on costs.

CONTROLLING YOUR BRAND IMAGE (See case study, page 20)

- Don't be tempted into over-licensing your identity. Saturation can be a negative situation for a brand.
- Be careful about who you pick for your brand partners. Make sure people have the same aims and ideals as you.
- If people are involved in representing the brand, they must communicate it through their actions and tone of voice.
- If you are extending the brand to new global territories, think carefully about whether you should stick to its initial values or develop local characteristics.

REVERSE PRODUCT PLACEMENT (See p24 for cover story)

- If a brand already has a following in fiction, it could work in reality too. Why not try extending it?
- The best fictional extensions are those that have an emotional connection with consumers.
- Games or TV shows are good media to judge demand for a brand or product. A pair of fictional Nike trainers attracted attention in TV show *Entourage*.
- Your brand can even feature in futuristic films. When an imaginary Audi concept car appeared in film *I Robot*, it made the brand look cutting edge.



Marketing the sweet life

Former Unilever marketer Harvey Chimoff tells Ruth Mortimer why life is delicious in his role at global sugar and ingredient brand Tate & Lyle and why marketing is the world's tastiest job

Harvey Chimoff, director of marketing for global sugar, food and ingredient company Tate & Lyle in the Americas, can't imagine a better job than building a brand. He is racking his brains to try and think of what he'd do in an alternative universe. He chuckles: "Hmm...I don't have any secret yearnings to be in the movies. Maybe if I was an extra in a film one day, that would be fun, but I've had a lot of opportunities already."

Not that Chimoff, whose cheerful American tones rise with excitement when he talks about work, is completely satisfied with his lot. He says that he is always trying to improve himself. He claims: "I want to challenge myself, get better, put myself in situations that might be uncomfortable but where you can learn."

As an experienced marketer who has run his own consultancy and worked at Unilever for 10 years, Chimoff has the tough task of bringing consumer thinking to a company which concentrates heavily on its business-to-business operations. Tate & Lyle, which made profits of £75m and revenues of £3.7bn in 2006, might have started off in 1921 as a sugar refiner but these days it makes everything from sweeteners to industrial starches.

It appears to be up to Chimoff to market to two different audiences. The first is food and drinks brands, who will use the company's ingredients in their products. But the second group, becoming increasingly important, is the end consumer themselves.

Just as Intel was a computer ingredient that became a consumer brand – people wouldn't buy a machine unless it had an Intel chip – Chimoff must be hoping that people will choose to buy food products that have Tate & Lyle's ingredient brands within them. He admits: "We want to build extra layers onto our house."

Mark Olney, vice president and general manager of foods, Unilever Canada and Chimoff's former colleague, is in no doubt that Chimoff will succeed in his aims. He says: "While there will always be roadblocks, people saying no or the often-fickle consumer, Harvey remains in it to win it and deliver above expectations."

Inspiration at home

It was perhaps an ingredient in Chimoff's own makeup that turned him into a keen businessman. His father worked in sales and he remembers being inspired by this when thinking about his own career. "I've been a very sales-centred marketing person, which has been a big part of my success. It's not always the case in marketing," notes Chimoff.

He left his native New Jersey to attend Duke University, taking a liberal arts degree, specialising in political science. After

leaving college, he tried out PR in New York, working on the Bose electronics brand. The experience encouraged him to go back to university in Washington DC and undertake an MBA.

With the extra qualification under his belt, Chimoff got a job as a brand manager at Lipton, now known as Unilever Bestfoods. He remembers with a smile that the training there included everything from financial planning to literally stacking shelves. He reckons the bottom-up experience has stood him in good stead, however.

"One of the things about marketing is understanding how your products and services physically impact customers," he argues. "You can sit in an office, put things down on paper and say: 'We'll have displays in 80% of stores'. But do you understand how challenging it is to get from corporate level to retail level?"

The challenges at Unilever lasted a decade, with Chimoff in different brand management roles. He eventually left to start his own consultancy business and then joined another firm to work with clients such as Hallmark Cards and Crayola on their business strategies.

While Chimoff comes across as a very sober strategist, he clearly has another side. Unilever's Olney says that his friend has been involved with the Big Brothers Big Sisters organisation, which involves mentoring young people. In fact, says Olney, Chimoff would make a good high school teacher. "He has a constant desire to learn and share," he notes.

Perhaps it was this desire to keep on developing himself that encouraged Chimoff to stop consultancy work after a few years and start his own business importing wine brands into the US from Spain. He says: "Being a consultant you can only take things so far and then it's up to the client to be responsible for implementation. I missed that part of it. I like to see things from start to finish."

While he clearly enjoyed running his own small business – "I didn't ever want to look back and say: what if?" – it wasn't too long before Chimoff felt the pull of a big brand. In 2005, he joined Tate & Lyle and he loyally refuses to speculate on his future career, except to say that it is such a large company that there are bound to be multiple opportunities for him.

"It's really interesting to be part of a global marketing story in a company that traditionally hasn't had that function," he enthuses proudly. "The challenge for me is to apply basic consumer-orientated marketing to the business-to-business environment and make a very historic organisation even better."

Q&A overleaf

Enriching the lives of others

Ruth Mortimer asks Harvey Chimoff how to market a business-to-business brand with insights learnt from consumer products



HARVEY CHIMOFF

Education: Liberal arts degree at Duke University; MBA at Georgetown University, Washington DC.

Career: 1987-1997, various brand management positions at Unilever; 1998-2001, sales and marketing consultant for brands including Crayola (Binney & Smith), Hallmark Cards and Eight O'Clock Coffee; 2002-2005, founder of an import company to market and sell international beverage products in the US; 2005, joins Tate & Lyle as director of marketing in the Americas.

Other interests: Golf, sports, genealogy and family history.

RM: What is Tate & Lyle's current marketing strategy?

HC: It's about Tate & Lyle (T&L) creating ingredients that can provide functional advantages in terms of better nutrition for consumers. This happens via our customers, who are food and beverage manufacturers around the world. Some are large global brands, others are regional food companies and we also do lots with the big retailers on own-brand goods. We interact with these customers and T&L has multiple parts of its business. We're trying to create ingredients with better nutritional profiles to benefit our end user – which is the consumer.

RM: You have a brand strategy called 'enrich'. Can you explain what this is all about?

HC: To understand 'enrich', you have to take a step back and look at a service we have called CORE. That stands for 'create', 'optimise', 'rebalance' and 'enrich'. We started it internally in 2004 and rolled it out externally in 2005. We did research which discovered that our customer brands wanted to develop new products and also reformulate some items.

We worked on making our ingredients better, manufacturing some and sourcing others, then putting them together to deliver specific functionality. Some of our initial work was on the 'rebalance' element. Back in 2004-2005, there was a great need to take existing products and enhance the nutritional profile with less calories, sugar and fat. That's what the 'rebalance' element of our plan is all about. We have a lot of ingredients that can do that – the sweetener called sucralose is just one – and they are all used to deliver a finished product, whether it is a cereal bar or dairy drink.

So that was where we started and 'enrich' grew out of that. If you think of 'rebalance' as what you might modify by taking things out, then 'enrich' is about putting things in – more fibre in particular. It's all about adding nutrients to deliver a product that falls into the consumer category of 'better for you'.

RM: What drove you to move into this area of creating ingredients and products around wellness?

HC: We do a lot of bespoke consumer research, which is why it's so important to have people like me with FMCG backgrounds here dealing with business-to-business issues. We took this research and from that, we defined three broad areas that we wanted to be active in.

The first was children's health and helping kids develop properly. The second was obesity and weight management, and given the problems with this issue around the world, I don't think I need to explain why that's so important. We wanted to create things that would make people feel fuller for longer to



“Consumers are getting increasingly interested in what they eat. This is in terms of how they perceive food’s impact on their overall health ... people want foods they enjoy from a taste perspective to offer a better nutritional profile. Therein lies a challenge.”

potentially decrease unnecessary snacking.

The third area was digestive health and immunity. It’s thought that having good digestive health might boost immunity so you can feel better for more of the time. So we decided to be active in those areas and specific product areas: dairy, beverage and bakery.

We want to offer products that will make consumers keen for a more nutritious positioning. We also chose those three areas to give ourselves focus as you can’t start off covering all consumer issues and product areas at once.

RM: Is your focus on areas such as obesity, health and development related to changes that are occurring generally in consumer lifestyles and how people live?

HC: I think it’s fair to say that based on our research and general views from the market, consumers are getting increasingly interested in what they eat. This is in terms of how they perceive food’s impact on their overall health from feeling good to looking good. They are thinking more and more that way.

People want foods they enjoy from a taste perspective to offer a better nutritional profile. Therein lies a challenge and I think we are well suited to this. We have global research and development capabilities and food scientists who know how to make things taste good.

If our brand customers want to talk about digestive health and immunity, there’s an opportunity for us. Consumers are not necessarily knowledgeable about it but there is an opportunity to tell them about it. There are opportunities to help people manage their weight better. We package up our consumer research and talk to our business customers about how they can reformulate items or create new products.

RM: You’re based in the US. Do you think there are differences between what consumers want from food brands there and Asia and Europe?

HC: There are similarities and differences. We’ve done research round the globe as a global marketing team. We’ve done research in the US, UK, France, Germany, Mexico,

Brazil and Canada. We’re getting information about consumers in different parts of the world. We set up a new part of our business in the last year in Asia-Pacific. So we’re going to be active in that region and also Latin America.

If you look at Europe, the brand Danone has been very active in terms of telling consumers about probiotics and what they can do for the digestive system. So consumers there are a little more attuned to an ingredient like a probiotic, which in layman’s terms is something that helps good bacteria grow in the digestive tract.

Danon, which is the US arm of Danone, has been launching similar products here in the States over the last year so we’re now seeing a growing awareness here too. Most consumers don’t know what things such as Omega 3 are but they’re popping up on labels now. The manufacturers are relying on building awareness in the market about why Omega 3 is useful.

RM: Brands like Intel and Lycra have created very strong brands with consumers, even though they both started out as ‘ingredient brands’ in products. Are you actively looking for ways that Tate & Lyle brands can move into this area? For example, your ingredient sucralose, which is marketed under the name Splenda, has probably become more popular

because people can just look for the ‘Splenda’ name on product packaging.

HC: This is one of the main reasons why T&L developed its global marketing department. It wants to have consumer marketing capability that can operate in a business-to-business environment. My background means that I can see things from a consulting, operational and entrepreneurial side. That type of sensitivity is really needed.

I think T&L has now approved around 1,700 product units to run the Splenda logo on their packs. As we’re developing this new fibre ingredient, we will give it a customer-friendly name, so people can look out for it. We started off getting our customer brands to think about using our ingredients for taste and formulation purposes, but now we can also help them from a marketing perspective too. ■

