

Study of case studies based on innovative marketing methods followed by companies and retailers globally

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Abstract

Innovative marketing is a process where a product is marketed and communicated to the target group by the help of ideas and processes which were not used earlier. Innovative marketing and marketing innovation terms are used synonymously. Ineffectiveness of the present marketing strategy and marketing mix of the company, urge for creativity and innovation even if “All is well” lead to generation of innovative marketing methods. Innovative marketing is adapted by companies and retail firms all over the world. It has been observed that companies and retailers have innovated interesting methods of marketing which have helped the company to attract new customers, create brand awareness, promote brand and in many more ways. Technology has played an important role in implementing innovative marketing methods in the target market. Innovative marketing has been proved to be a success formula for many companies globally.

Keywords : *Innovative marketing, marketing innovation, marketing mix, marketing strategy, innovative marketing method, result*

Theoretical background :

Innovative marketing is generally defined as “a process where a product is marketed and communicated to the target group by the help of ideas and process which were not used earlier.” It can be done through changes in the product design, launching the product in unique place, promoting through unconventional method, uniquely pricing the product. Innovative marketing is used synonymously with the term ‘marketing innovation’ which according to OECD, 2005 publication, indicates implementation of a new marketing method involving significant changes in product design and packaging, product placement, product promotion or pricing.¹ The term product indicates goods, an idea, information, object or service created as a result of process and serves a need or satisfies a want.

It is easily understood from the above definition that creativity is a key element in innovative marketing as creativity leads to innovation. Innovation indicates something original and more effective, and as a consequence new, which ‘breaks into’ the market or society. Innovation leads to a new idea, more effective device or process. According to the definition in Merriam-Webster dictionary, innovation can be viewed as the application of better solutions that meet

new requirements, inarticulated needs or existing market needs. This is accomplished through more effective products, processes, services, technologies or ideas that are readily available to markets, governments and society.²

In the present article, evenif ‘Innovative marketing’ or ‘Marketing innovation’ is the topic of discussion, importance of marketing mix cannot be overlooked. Marketing mix is a solution obtained after company decides an approach for segmentation, selection of a target market and positioning a product in a target market. Marketing mix is that success formula which if designed right creates wonders for the company and which if fails, creates a long term hell for the company. Evenif the marketing mix is right; it may become ineffective due to the changes in the environment over a period of time. Wrong marketing mix may be ineffective immediately or over a period of time due to the same reason. The ‘ineffectiveness’ of current marketing mix is one reason which forces the company to devise innovative marketing methods. Secondly, evenif ‘All is well’ for the company, an urge for creativity and innovation is pursued by the company and innovative marketing methods are devised. The reason may be anything, but innovative marketing has become a ‘must follow’ strategy for every company.

Innovative marketing can be represented pictorially as follows:

Fig. 1: Equation of Innovative marketing

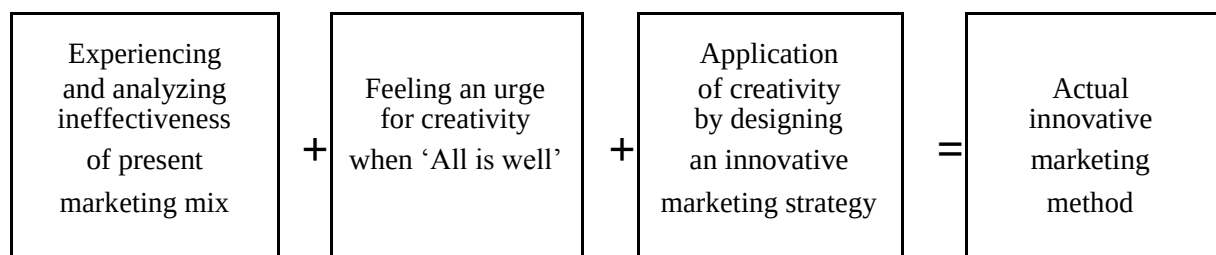
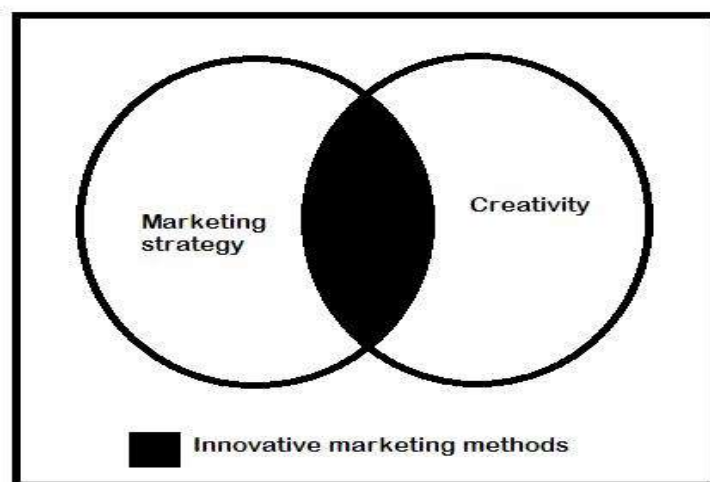


Fig. 2: Innovative marketing as a blend of marketing strategy and creativity



Innovative marketing has become a need of every field of marketing and retail sector is also not an exception. The question is why retail sector needs innovative marketing? History of retailing all over the world indicates that retailers have been successfully running the family businesses from generations to generations following the footsteps of their fathers and grandfathers. The marketing strategies were developed on the basis of experience, knowledge, observation and judgment when the word 'Technology' was even unknown to people. But as it is said, 'Change is the only constant.' This fact is very well explained by Andrew Saville, who is working as a head of sales for the retail sector with Experian Marketing services. He specializes in helping retailers to improve loyalty, increase growth via customer acquisition and to deliver a more relevant customer experience, by the intelligent implementation of data led solutions. According to him, "Retail marketing is in a state of flux. Changing consumer behaviour, driven by even more sophisticated technology has transformed the way we receive messages about retail and make purchases from our favourite brands into something almost unrecognizable from the shopping experience that we all grew up." ³

Yes, Saville is absolutely right. Retail environment is continuously changing. Urbanization, increasing buying power of consumers, changing lifestyle, changed family size, longevity, consumerism, increasing rate of literacy, globalization, evolution of new retail formats and many more factors are contributing to the growth of retailing globally which in turn is creating fierce competition. It has been observed that to survive in the fierce competition, retailers are adapting innovative marketing practices to gain competitive advantage.

The term 'innovative marketing' is time relevant since innovation is subjected to time. What is new and novel today becomes history tomorrow. Secondly, if the new methods have been practiced by a particular company or retailer's firm for the first time, it may be in an innovative way of doing old things in a new way for that company or firm. So case studies of innovative marketing should be studied in context of a particular time and firm since the innovative methods pertain to a particular time frame. Thirdly, it is important to understand that in innovative marketing the method may not be originated by the company or the firm but may be adapted in a new and more effective way to suit to that company or firm. Many case studies of innovative marketing practices are available from old to new times in the world. The case studies are based on various products and services, pricing methods, places of distribution and promotion delivered through various retail forms and formats in different types of markets. It is observed that in old times the innovative marketing methods were more concepts oriented due to lack of availability of technology whereas in new times the innovative marketing methods are more technology oriented.

Objective :

The objective of this article is to bring to the notice of the readers various case studies related to companies and retailers who have practiced innovative marketing methods, in an analytical manner. It was observed that even if the discussion of innovative marketing methods just revolves around the four words, product, price, place and promotion; the discussion goes beyond these terms by categorizing the case studies as follows: ⁴

1. Acquire new customers
2. Brand / sub-brand / product launch
3. Brand relaunch / repositioning
4. Build awareness/interest/promote brand icon
5. Build brand image
6. Build credentials in a particular sector
7. Build emotional connections / reposition brand
8. Build loyalty with existing customers
9. Control costs
10. Create community
11. Drive sales
12. Find new markets
13. Highlight USP
14. Increase the overall value of the business
15. Increasing market share
16. Promote trial
17. Reach key business contacts
18. React to external events / competitor activity
19. Recruitment / HR / discovering talent
20. Repairing damaged reputation
21. Retail opening / revamp
22. Store design
23. Product design

Sources of literature :

The literature was searched for on EBSCO server and internet. Research papers and articles

from scholarly journals and websites were reviewed. Also many audio-visual recording were reviewed. Few observations also were made on various streets in Pune. It was observed that implementation of innovative marketing methods has been done in organized as well as unorganized type of retailing.

Few samples of case studies have been summarized below. Cases in only one category have been explained in details. Few photographs showing implementation of innovative methods have also been presented below.

Case Studies :

1. Category: Acquire new customers:

a) Case: A '6 friends theory'- Brand: Mercure Hotels – Brand owner: Accor - Category - Travel / Airlines – Regions: Australia, Brazil, France, Germany, Indonesia, Italy, The Netherlands, Poland, South Africa, Thailand, United Kingdom, Belgium - Media channel: Online - (Jan.- May 2015)

Innovative marketing method implemented: A '6 friends theory' campaign

Mercure Hotels decided to challenge the famous theory of six degrees of separation by devising 6 friends theory. To develop a community of fans engaged in a long run, specific mechanics were deployed in three phases on social networks. Facebook and other social media as well as Mercure's network were used. In stage 1 a candidate was selected with a casting call to the international bid launched on the Facebook page of the brand. The winner turned out to be an Italian woman who was designated by the general public and jury to go meet an aboriginal man in Australia and prove that there was only 6 degrees of separation between them. In stage 2 winner's trip was drawn from friends and friends of friends. In step 3, an event was created by revealing the winner's trip in 7 episodes aired on social media for 15 days. Each episode described the leg of a journey to the end point of the operation taking place in Australia. The episodes were full of unexpected encounters, emotions, discoveries and suspense too.

A '6 friends theory' was valued across the international network Mercure, the unique local character of each hotel network, hoteliers and their ability to be discovered initiators. Throughout the operation, the '6 friends theory' worked to promote the values of conviviality, authenticity and sharing that carry the Mercury brand. The '6 friends theory' testing was executed at 6 destinations in 6 unique encounters.

The results of this campaign turned out to be fantastic. The press coverage included nearly 400 blog posts / news worldwide (Europe, Asia Pacific and South America), over 28 million people reached on Facebook. There were more than 11 million views on YouTube and Facebook, 12 created videos, more than 241, 000 new Facebook fans (to date), commitment rate of 8

% on average over the operation, more than 400 Facebook, Twitter, Instagram posts in seven languages. The campaign was also promoted Via Mercury Hotels (Screens, posters, flyers, goodies etc.)

b) Case : 'Happy ID' - Brand: Coca-Cola – Category: Drinks (Non-alcoholic) – Region: Peru– Media channel: Online, Out-of-home Billboards, Print, T.V. (May, 2014 till date)

Innovative marketing method implemented: Development of a concept of spreading happiness through 'Happy ID' movement

In spite of numerous international and local campaigns to lead and talk about happiness, the brand indicators in teens target market in Peru were below its expectations. Coca-Cola realised that it needed to focus its communication with teens through the pillar of the brand strategy: 'Happiness'. Coca-Cola detected that despite Peru's economic growth and pride; Peruvians were not happy and so were not smiling in their IDs. So Coca-Cola found an opportunity to spread happiness all across the country with a simple but significant action to make a difference: encourage Peruvians to smile in their IDs.

So Coca-Cola developed a complete IMC support plan mainly in online (Digital viralization through YouTube, banners and advertorials in important newspaper websites), out-of-home (Billboards), TV (Spots and PNTs in TV programs sponsored by CC), Radio (Spots and special mentions), Below the line (Photo booths installed in the shopping malls providing free coke and photo only if you smile) and press (special ads) modes.

Fig. 3: Happy ID card by Coca-Cola



Results were fantastic. The campaign was a viral success with more than 1.3 million shares on social networks and free press of USD 300 M. The Happy ID movement had a 58 % of awareness and 75 % associated it with Coca-Cola. The positive response and action was immediate. 90 % of new IDs in the first month of the campaign were Happy IDs. It helped increase main brand indicators: Coca-Cola's brand association with Happiness increased 8 pp, the for someone like

me indicator increased + 10 pp and brand's differentiation increased + 12 pp in the period of the movement campaign. 62 % Peruvians intend to get a Happy ID.

c) Case : Edmonton's downtown business association (DBA), Canada (1998)

Innovative marketing method implemented: A parking coupon program named 'Park in the Heart (PITH)' launched by Edmonton's downtown business association (DBA). Books of parking coupons were sold to downtown merchants and businesses. Purchasers (Merchants and businesses) in turn distributed the coupons free of charge to their customers or clients, who could use them at participating downtown parkades (Parking structures) and surface lots to reduce their parking charges.

Results were very good. In 1989, it increased the sales premium from 5 percent to 10 percent. By 1991, 20 lots in the downtown core were enrolled in the program. Coupon purchasers included hotels and restaurants, administrative and professional offices, street-front retailers, banks and other financial institutions.⁵

Few more innovative marketing methods implemented to attract new customers which have been extremely successful as follows:

d) Case : L'Oreal Colour show – Brand: Maybelline – Brand owner: L'Oreal – Category: Toiletries / cosmetics - Region: Argentina – Media channel – Digital, online (Apr. – Jul. 2014) Innovative marketing method implemented: Video tutorial

e) Case : They call it as they see it – Brand: Acuevue (1) – Brand owner: Johnson & Johnson – Category: Pharmaceuticals / Healthcare – Region: Puerto Rico – Media channel: Online, T.V. (Mar. – Apr. 2014)

Innovative marketing method implemented: Giving free visual tests and contact lenses to the National Basketball League Referees

f) Case : Google Mo Iang – Brand: Google – Category: Internet – Region - Philippines – Media channel: Mobile, online (Sept. – Nov. 2014)

Innovative marketing method implemented: Online game

2. Brand / sub-brand / product launch

a) Case : Life-size polar bear takes to the streets of London – Brand: Sky Atlantic – Category: Publishing & Broadcasting – Region: United Kingdom – Media channel: Experimental, PR (Jan. 2015)

Innovative marketing method implemented: Life-size polar bear to promote the launch of new crime drama

Fig. 4: Life-size polar bear takes to the streets of London

b) Case: Billboard Messages by KIT KAT – Brand: Kit-Kat – Brand owner: Nestle – Category: Confectionary / Snacks – Region: Columbia – Media channel: Digital, Online, Out-of-home Billboards, Radio (Mar. - Apr. 2015)

Innovative marketing method implemented: A simple billboard that activates a mechanism to give a message just by leaning against the billboard.

Fig. 5 : Billboards providing massage

3. Brand relaunch / repositioning

a) Case : Protection Ad – Brand: Nivea – Brand owner: Bieirsdorf – Category: Pharmaceuticals / Healthcare – Region: Brazil – Media channel: Experimental, mobile, print (May 2014 till date)

Innovative marketing method implemented: A combination of print ad and a mobile app

b) Case : Spend your lunch well – Brand: ING Direct – Category: Insurance – Region: Australia - Media channel: Direct marketing, events, online, PR, T.V. (Jul. – Aug. 2013)

Innovative marketing method implemented: World-famous magician Dynamo's events

Fig. 6: Dynamo at ING Direct event



4. Build awareness/interest/promote brand icon

a) Case: Nivea Doll – Brand: Nivea – Brand owner: Bieirsdorf – Category: Pharmaceuticals / Healthcare – Region: Brazil – Media channel: Direct marketing, Experimental (May 2015 till date)

Innovative marketing method implemented: Nivea doll for kids – a toy that sunburns when exposed to UV rays

Fig. 7: Nivea doll which sunburns when exposed to UV rays



b) Case: The Namesake – Brand: Dove – Brand owner: Hindustan Unilever – Category: FMCG – Region: India – Media channel: Online, Print (April 2014)

Innovative marketing method implemented: A personalized callout to 10 female names over 10 consecutive days

Fig. 8: Dove – The Namesake

5. Build brand image

a) Case: Kissanpur 2.0 “Where what you grow is what you eat” – Brand: Kissan – Brand owner: Hindustan Unilever – Category: Food – Region: India – Media channel: Branded content, mobile, Online, Print, Radio (Apr. – Jun. 2013)

Innovative marketing method implemented: Distributing tomato seeds in a uniquely designed Kissan ketchup bottle to kids. The new bottle cap could be transformed into a mini pot and a kid could start their journey. It took 3 months to grow a tomato plant.

Fig. 9: Kissanpur 2.0 “Where what you grow is what you eat”

6. Retail opening / revamp

a) Case : Moving B'lue flavored water - Brand: B'lue – Brand owner: Danone Narang Beverages – Category: Food / Beverages - Region: India – Media channel: Experimental, print (2014)

Innovative marketing method implemented: A moving figure of B'lue bottle following potential customers around a mall capturing their attention

Fig. 10: A moving figure of B'lue bottle in a mall



7. Store design

a) Case: Apothecaries' shops in early modern London - There are few interesting examples of innovative marketing in old times too. Wallis (2008)⁶ has studied consumption, retailing and medicine in early modern London. The author argues that apothecaries' shops in early modern London were sites of innovative shop design and display. Even the shops frequently offered a venue for music, drinking and gossip. "By the mid-seventeenth century, at the very latest, apothecaries' shops had become highly stylized and distinctive. Shops contained a very large no. of containers, which were increasingly standardized in form, particularly the elaborately painted sets of ceramic and glass jars which were systematically arranged and ordered into sets and rows on extensive shelving units. Jars and vials of coloured waters were often set out where passers-by could see them through windows or doorways. Counters divided the interior space, separating vendor and space. More strikingly of all, the ceilings and walls might be used for the display of exotic objects and curios. This ornate style of shop design was a characteristic of Dutch as well as English apothecaries' shops from the seventeenth and eighteenth centuries, and is represented in a number of contemporary paintings."

Fig. 11: Beautiful layout, drug jars and the social scene at the apothecaries' shop

b) Case - See Thru panel in Singapore - In Singapore, a company has made a provision to customize any size of shop's display by a simple see thru panel with a presentation of products and company profile. It is a 24x7 tireless sales effort. The panel can be stuck easily on glass, doors, and windows. It has to be stuck just like a paper. (2013)⁷

c) Case – Innovative use of old shipping containers - In Christchurch, New Zealand, a shopping mall has been created from old shipping containers. (2015)⁸

8. Product design :

a) Case : Healthful tea and coffee - Victoria's Innovations Company has created healthful coffee shops in USA. The conventional coffee shops sell coffee/tea beverages, but all of them are based on classic formula (roasted coffee beans/tea leaves) which are harmful for heart. So the company developed healthful herbal organic coffee, teas and smoothies to keep people healthy by reducing the harm to their hearts.⁹

b) Case : Affordabike bike shop - Affordabike is a bike shop started by 2 former college students Danny Inborn and Griff Ducworth in Charleston, South Carolina's King Street, who studied the nearby bike shops which were run conventionally and decided to come out with a unique bike shop. In their shop the customers pick up the bike parts as per their choice instead of buying a whole bike as a single piece first and a customized bike is manufactured for them. The parts are available in different colours so the customers can buy bikes in their multiple colour choices. (2011)¹⁰

c) Case: Padmini Innovative Marketing Solutions Pvt. Ltd., Mumbai, India (Est. 2012)

This company is dedicated to sales and distribution of engineering thermoplastics. Apart from sales, in support with the suppliers and engineering expertise the company evaluates converting an existing part from metal to plastic with major OEMs, Tier1 and molders throughout India.

The conversion helps the customers to reducing part weight, eliminating lead, lightening the load and lowering total manufacturing cost.¹¹

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