

FUNDAÇÃO GETULIO VARGAS  
ESCOLA DE ADMINISTRAÇÃO DE EMPRESAS DE SÃO PAULO

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**ADVERTISING NEW PRODUCT CATEGORIES TO NEW GEOGRAPHICAL  
MARKETS**

A laundry care and appliances case study in the Brazilian market

SÃO PAULO

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*'But I don't want to go among mad people,' Alice remarked.*  
*'Oh, you can't help that,' said the Cat: 'we're all mad here. I'm mad. You're mad.'*  
*'How do you know I am mad?'* said Alice.  
*'You must be,' said the Cat, 'or you wouldn't have come here.'*

Lewis Carroll

## **ABSTRACT**

In a dynamic and competitive global environment, many companies realize that continuous development and introduction of new products are key activities to their survival and growth. One of today's biggest challenges to businesses involves knowing how to act in a world in which both the frame and the basis of competition are constantly changing, and where restructuring and portfolio shifting are central activities for capturing a fair share of global growth. Both the fast pace of technological innovation and the rising affluence of developing economies present businesses with risks and opportunities, and it is not only important that companies pay attention to the launch of top-notch products in developed markets, but also mandatory that they know how to launch old news to new markets. Using the Brazilian market as an example, this dissertation sought to study how multinational companies have been using advertising in the launch of new product categories and subcategories that are already sold elsewhere to new geographies. After reviewing the literature available, developing propositions, and evaluating those with the help of three case studies, it was possible to verify some linearity between the cases and the literature studied. These included the search for category legitimation preceding that of brand legitimation; the usage of expert sources to legitimate new categories; the usage of argument based appeals; and the advertising of more than one product feature per ad. Nevertheless, given some discrepancies noticeable between what was observed in Brazil and the literature consulted, it was also possible to verify that the way advertising cues are conducted in new geographies likewise depends on the competitive scenario faced, as well as on country specific economic and cultural variants.

**Key words:** product category launch – advertising in developing markets – product category legitimation – pioneering product categories – multinational company strategy

## RESUMO

Em um ambiente global dinâmico e competitivo, muitas empresas notam que constante desenvolvimento e lançamento de novos produtos são atividades-chave para seu crescimento e sobrevivência. Hoje, um dos maiores desafios enfrentados por tais empresas envolve saber como agir em um mundo em que tanto o escopo como a estrutura do ambiente competitivo estão em constante mudança, e em que reestruturações e mudanças de portfólio são centrais para as companhias que visam capitalizar com o crescimento global. Tanto o rápido ritmo de inovação tecnológica quanto a crescente afluência de economias emergentes apresentam riscos e oportunidades para as empresas, o que torna importante não apenas que estas estejam atentas ao lançamento de produtos de última geração para mercados desenvolvidos: faz-se também necessário que saibam como lançar produtos antigos para novos mercados. Usando o mercado brasileiro como um exemplo, esta dissertação procurou estudar como multinacionais têm utilizado anúncios publicitários no lançamento, para novos mercados, de categorias e subcategorias de produtos já vendidas em outros países. Após uma revisão da literatura disponível, do desenvolvimento de proposições, e da avaliação destas através de três estudos de caso, foi possível verificar a existência de alguma linearidade entre os casos e a literatura estudada, incluindo: uma busca pela legitimação da categoria que precede àquela pela da marca; o uso de “especialistas” para a legitimação da categoria; o uso de apelos baseados em argumentos; e a divulgação de mais de uma característica de produto por anúncio. No entanto, dadas algumas discrepâncias entre o que foi observado nos casos e aquilo descrito na literatura consultada, também foi possível verificar que a maneira como os anúncios são feitos em diferentes lugares depende igualmente do cenário competitivo enfrentado pela empresa, bem como de variantes econômicas e culturais específicas da localidade em questão.

**Palavras-chave:** lançamento de categoria de produto – publicidade em mercados emergentes – legitimação de categorias de produto – categorias de produto pioneiras – estratégia de companhia multinacional

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## 1. THEME, RESEARCH PROBLEM, OBJECTIVES AND METHODOLOGY

### 1.1. Theme

The central theme of this project can be defined as being *communication messages used in ads ran by multinational consumer goods companies when attempting to launch new market categories or sub-categories in new geographical markets*. It is important to clarify that this topic choice was based on what Umberto Eco (1998) refers to as the “four obvious rules”:

i. *That the topic be related to the interests of the candidate.*

The author’s main academic and professional interest lays on the marketing strategies adopted by multinational companies (MNCs) in emerging economies – and, most specifically, her home country, Brazil – having written one of her B.A. theses on the historical overview of the communication strategies used by multinational companies in the country.

Also, the author has worked at the FMCG giant P&G during the launch of Ariel Líquido, P&G’s liquid detergent, which belongs to a subcategory then unknown to the Brazilian market. Also, the student has taken part in a CEMS Business Project conducted together with Samsung’s subsidiary in Brazil, in an assignment related to the development of a new white goods subcategory.

ii. *That the sources be physically accessible for consultation.*

That implies the focus of the study should fall into questions that can be answered with the methodological resources and information which can be obtained by the student in the given time frame.

This is achieved not only by the author's access to journals and books on the theme, but also by the availability of a database containing the print ad campaigns that circulated in previous years in Brazil, as well as by the possibility of contacting managers in companies (such as P&G and Samsung) that have lead the development of new categories in Brazil.

iii. *That the sources to be consulted be manageable.*

By this Eco (1932) means that the sources consulted have to be within the candidate's knowledge reach, a criterion that is met both by the topic choice – which relates both to the author's Master and Bachelor degrees, as well as with one of her internships – and by the methodology to be used, described further in this chapter.

iv. *That the methodological framework of research be within the applicant's experience.*

This criterion is, again, met thanks to the choice of topic, mostly due to its already mentioned relation with the author's previous professional and academic experiences.

## **1.2. Research Problem**

What can be said about the communication messages used in advertisements ran by multinational companies in the early stages of product category or subcategory introductions in a geographical market to which it is entirely new?

### **1.3. Objectives**

#### **1.3.1. General Objective**

To analyze the communication messages used in advertising campaigns ran by multinational companies in the early stages of the launch of a product category or subcategory which is already marketed in another country, to an entirely new geographical market to which such category or subcategory is a discontinuous innovation.

#### **1.3.2. Specific Objectives**

- To understand what are and what has been said about the theoretical concepts linked to the launch of new product categories and subcategories to new geographical markets;
- To compare ad cues used in different contemporary product category or subcategory launches, in order to point out differences and similarities among them, as well as between them and the previously studied theories;
- To develop, based on these observations, managerial implications that can be generalized to other product categories and locations, and which can help managers in future decisions regarding new product (sub)category launches to new geographical markets.

### **1.4. Methodology and Organization**

In order to answer the questions posed, an initial literature review based on secondary data composed mainly of articles, papers, and books, will be conducted. This step will allow to build the knowledge needed to formulate the propositions which are to be evaluated later.

The sources to be consulted should provide an initial overview of the theme, as well as a picture of what has been done and studied when it comes to launching consumer good products which belong to a category or subcategory that was not present or properly developed in a certain geographic location. This phase allows for a deeper and more direct contact with the subject before further analysis takes place (LAKATOS & MARCONI, 1991).

After the propositions have been created, three case studies will be presented in order to test their apparent validity. The case studies were chosen among recent cases of product category or subcategory launch in an emerging country by different multinational companies that already work with such categories. The choice of methodology and the case studies themselves are presented in the following subsections.

The choice of looking only at multinational companies will allow for the ruling out of the deviations that might occur in case new companies or companies with no previous experience in the (sub)category may bring, whereas the choice to work with different categories and companies might allow for a better understanding of the types of message used, while ruling out the advertising practices typical of a single company, category or brand.

#### **1.4.1. The choice of proposition-evaluating strategy**

In order to evaluate the propositions presented in section 4, a case study type of research was conducted. The choice of using the case study method was given due both to the nature of the research and the availability of data, and is here explained.

Firstly, the central question of the present study (what can be said about the communication messages used in advertisements ran by multinational companies in the early stages of product category or subcategory introductions in a market to which it is entirely new?), using Yin's (2003, p.5-7) terminology, can be classified as 'what' question, as opposed 'when', 'what', 'who', 'where' or 'how' questions. It is, however, what the author of *Case study research: design and methods* defines as an explanatory variant of a 'what' question. What this means is that the type of question this study intends to answer and the

propositions that derive from it could, initially, be addressed using any of the five research methods enumerated by the author (*table 1*).

Once the type of research question posed leaves an open choice of research strategy, other factors had to be taken into account. Using *table 1* below as reference, the next factor to be considered was the necessity of control over behavioral events. Given that the only source of data available which could answer the present research question is the advertising pieces ran during the launch of new product categories and subcategories in certain geographies, the answer to that question is necessarily *no*, hence excluding experimental research as a viable option.

Next, the question posed was whether or not the focus of the present research laid on contemporary events. Once its main focus is to verify current industry practices, the answer to that question is *yes*, automatically excluding historical research from the alternatives viable to this study. The final choice was left, therefore, to be made between a survey, an archival analysis and a case study.

***Table 1 – Relevant situations for different research strategies***

Strategy	Form of Research Question	Requires Control of Behavioral Events?	Focuses on Contemporary Events?
Experiment	How, why?	Yes	Yes
Survey	Who, what, where, how many, how much?	No	Yes
Archival analysis	Who, what, where, how many, how much?	No	Yes/No
History	How, why?	No	No
Case Study	How, why?	No	Yes

Source: Yin, 2003, p.5

Once, as mentioned, the research question itself limits the source of data to advertising campaigns, surveys are automatically excluded as an option, and the final selection had to be made between archival analysis and case study. The latter has been chosen for the following reasons: 1) to enable a more exploratory view of the problem, allowing the integration of more than one event into a single set of explanations; 2) due to time constraints and lack of access to professional, world encompassing, advertisement archives that would allow the generation of a pool of results that would be statistically relevant, and hence adequate, to an archival type of research; 3) having in mind the constraints presented in item 2, to allow for a descriptive illustration of the topics researched, even if the number of cases available is not high, and hence permitting to test the propositions posed in a manner that can be generalized, even if under certain restrictions.

#### **1.4.2. The choice of cases: laundry care and appliances**

According to Lin and Iyer (2007, p.3046), the “usage patterns of clothes washing (and clothes washers) are strongly related to local cultural practices”, which “have led to the development of distinctive clothes-washing technologies in the US, Europe, and Japan.” To the authors, in emerging markets, “several types of technologies often co-exist.”

The laundry care and laundry appliances categories, the chosen topics for the case studies presented in section 5, include both the machinery used in domestic clothes washing and laundry care products, the latter being shown in *figure 1*, where their respective world annual sales are presented. These specific categories were selected as the illustrative example of the propositions discussed in section 4 for the following reasons:

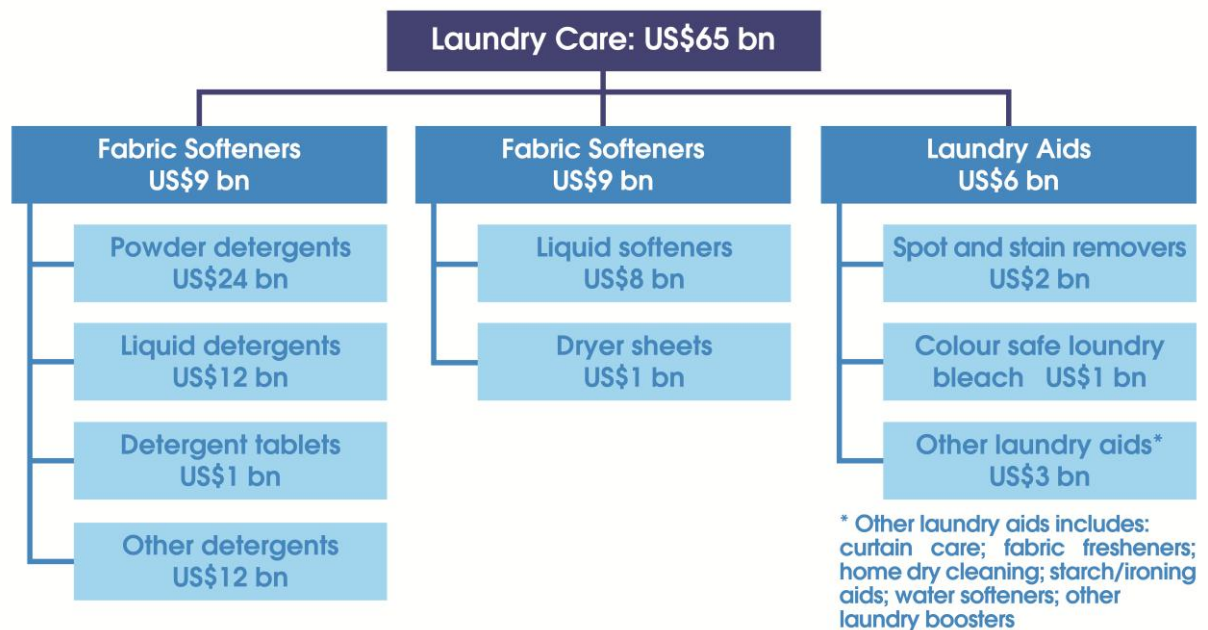
- 1) Unlike other categories (e.g. ovens, TVs, etc.), which are driven by the integration of new technologies, the laundry category is, among the white goods, the one which is most heavily influenced by external factors – like living space, government regulations and environmental factors (AVENELL, 2011);
- 2) The way people do their laundry is, thus, a lot more static than the way they interact with other categories in which there is constant technological



innovation (like personal computers, among others), and changing laundry habits may require more consumer education from the side of the enterprises that launch categories and subcategories within it than would be the case in other categories;

- 3) Finally, although these product categories are well established in developed markets, where their saturated status leads new trends to relate, nowadays, to eco-friendliness and skin sensitivity, for instance (BAINBRIDGE, 2010), they are rather underdeveloped in emerging markets such as Brazil, where the penetration of washing machines is low and products like liquid detergents are only just new (EUROMONITOR INTERNATIONAL, 2012).

The laundry appliances and laundry care categories are, thereafter, good examples of categories and subcategories which were launched in developing markets by companies that already worked with them in other geographies, being interesting cases of growth through newness, strategy described later in this work, regardless of the social and economic factors that caused the delayed entrance in the new markets.



**Figure 1 – Laundry care: category divisions**

Source: Euromonitor International, 2010c

#### 1.4.2.1. The chosen cases

A pool of advertisings was collected in order to analyze the communication used in the launch of such product categories and subcategories in developing markets. They were:

- 1) LG's front-loading washer-dryer combo campaigns in Brazil, when they were the first company to ever strongly advertise and sell both front loading washing machines and its washing-drying combo variant;
- 2) Television and print ads used in the Ariel Líquido campaign in Brazil when, in 2009, it was the first liquid detergent to ever be launched and to also have a sales take-off in the country;
- 3) Television and print ads used in the Vanish campaign in Brazil from 2000 to 2004, when it was the first bleach without chlorine to ever be launched in the country.

#### 1.4.3. Data collection and analysis

When gathering information for the case studies, the main source for the market description portion of it was the Euromonitor International database, although industry specific insights from GFK International were also used for the washer-dryer case.

In order to gather the ads to be used, the first step undertook was to contact the companies in question, a step that was fulfilled before the cases themselves could be chosen, so that the chances of response were higher. Procter & Gamble Brazil and Latin America were contacted, as well as LG Brazil, Reckitt Benckiser Brazil, L'Oréal Brazil, L'Oréal Latin America division in France, L'Oréal Europe division in France and L'Oréal Malaysia.

Although most of the companies replied positively to the inquire, none of them had a historical pool of the advertisings used, and the knowledge the individuals managing the categories had on older launches was very shallow, confirming what will be shown in subsection 3.5.2 (*Defining marketing communications*) of the present study. To that, it is possible to add that an aggravating problem seems to be the high rotation of employees between companies, and even between departments and categories within the same company.

In light of this, very few of the ads here analyzed had the advertising company as their provider (8%), an equal amount coming from the author's personal archive, another small parcel (12%) being found in specialized vehicles and the large majority (72%) being obtained from the Arquivo da Propaganda database, accessed from the ESPM-SP library.

Once the ads were obtained, they were analyzed according to the propositions posed on section 4, with the resulting interpretations being presented in subsections 5.1 to 5.3 and consolidated in subsection 5.4 (*Case study takeaways*), which precedes the works' conclusions, managerial implications and limitations (section 6). Given that, as previously mentioned, the amount of occurrences obtained was insufficient to yield statistically relevant results, the analyses that took place, and consequently its results, were more qualitative than quantitative.

## 2. INTRODUCTION

More than ten years ago Keegan (1999, p.403) stated that in a dynamic and competitive market environment “many companies realize that continuous development and introduction of new products are key activities to survival and growth.” Since then, the competitive scenario seems to have gotten even tougher, and many are the authors who write about the challenges and opportunities brought by a fast paced, globalized, business environment:

Globalization and resultant international trade are not only expanding at an unprecedented pace but are likely to become even more accelerated as the world becomes flatter (...). But this situation creates multiple new challenges. First, brand management traditionally revolves around needs of the brands itself. As brands become more global, however, they will have to be built around the needs of the varying wide range of consumers from different cultural settings of the world. (SAML I & FEVRIER, 2008, p.207).

To the global consulting firm McKinsey & Company, today’s biggest challenge to businesses involves knowing how to act in a world in which both the frame and the basis of competition are constantly changing. In a round table promoted by the company with its global managing director and other top employees, Patrick Viguerie, the managing director of their Atlanta office and head of strategic practices in the Americas, asserted that today the most difficult struggle of multinational corporations “is the amount of restructuring and portfolio shifting that will likely need to take place over the next ten years in order to stay ahead of the game and capture their fair share of global growth.” (MCKINSEY QUARTERLY, 2010b).

The previous idea that, in most industries, “the development and commercialization of successful new products are essential for a firm’s survival”, with innovations being financially important to firms and new products being a source of competitive advantage (CALANTONE, SCHMIDT & SONG, 1996), seems now to be more important than ever. In a McKinsey survey conducted in 2010, 84% of the interviewed executives stated that innovation was extremely or very important to their companies’ growth

strategy, but that the approach their companies used to generate ideas and turn them into products and services had changed little in the past years, even after the recent crisis. In other words, the “surveys over the past few years suggest that the core barriers to successful innovation haven’t changed, and companies have made little progress in surmounting them. (MCKINSEY QUARTERLY, 2010a)

From that same survey it is possible to deduct that companies are not confident when it comes to their innovation strategies, given that only 55% of the respondents believed their companies to be better than their peers at innovation, and even fewer said their companies were good at the “specific processes and tactics frequently tied to successful innovation — such as generating breakthrough ideas, selecting the right ideas, prototyping, and developing business cases.” (MCKINSEY QUARTERLY, 2010a). Some of the survey results are depicted in *figure 2* and in *figure 3* below.

% of respondents,<sup>1</sup> n = 2,240

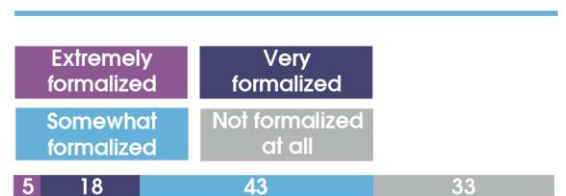
*Which best describes your organization’s innovation priorities?*



*What role, if any, does setting formal priorities for innovation play in your organization’s strategic-planning process?*



*How formalized, if at all, is the commercialization process for new innovation at your organization?*



<sup>1</sup> Figures may not sum to 100%, because of rounding; respondents who answered “don’t know” are not shown.

**Figure 2 – Survey results: innovation to companies**

Source: McKinsey Quarterly, 2010a

% of respondents, <sup>1</sup> n = 2,240



<sup>1</sup> Respondents who answered “don’t know” are not shown.

**Figure 3 – Survey results: executives’ views on their innovation abilities**

Source: McKinsey Quarterly, 2010a

According to Aaker (2007, p.5), the scope of a company’s business is defined not only by the products it offers and those it chooses not to offer, but also by the markets it seeks or not to serve, by the competitors it chooses to compete with or to avoid and, finally, by its level of vertical integration. Thereafter, it is possible to state that not only is a company made of the decisions it makes about launching new products or not, but also of the choices it makes regarding the location of such launches and how their commercialization is made, among other things. Furthermore, the appropriate strategic approach to be undertaken will depend on the characteristics of a national market in which the company is operating, including its stage of urbanization, “as well as a company’s size, position, and aspirations in it.” (ATSMON, KERTESZ & VITTAL, 2011).

A McKinsey survey conducted in 2005 pointed out that, when asked about constraints on their enterprises’ growth, executives already worried about the shifting nature

of both the competitor and the consumer markets alike. Following that line of reasoning, important trends to be pointed are both the increasing fast pace of technological innovation and the rising affluence of developing economies, forces that present businesses both with risks and new opportunities for growth (CARDDEN, MENDOCA & SHAVERS, 2005).

As the current globalization process continues and accelerates, consumers around the world have a greater opportunity to recognize and purchase a continuously increasing variety of products. (SAMLI & FEVRIER, 2008, p.208).

Thereafter, it is not only important that companies pay attention to the launch of their top-notch innovative products in their core developed markets, it is also mandatory that they know how to launch old news to new markets:

Creating a powerful emerging-market strategy has moved to the top of the growth agendas of many multinational companies, and for good reason: in 15 years' time, 57 percent of the nearly one billion households with earnings greater than \$20,000 a year will live in the developing world. (ATSMON, KERTESZ & VITTAL, 2011).

Unfortunately for the multinational companies used to compete in their customary markets, "there is no one-size-fits-all strategy for capturing consumer growth in emerging markets" (ATSMON, KERTESZ & VITTAL, 2011), and "many of the revenue leaders in established markets are falling way behind in terms of unit leadership of new product categories." (MCKINSEY QUARTERLY, 2010b).

In this scenario, studying how multinational companies have been launching new product categories and subcategories already present in certain countries but not others is especially interesting, once it revives the idea of category creation: product (sub)categories that are fully established in developed markets still need to be launched in many other geographies, and the delay companies have so far afforded in order to spare resources and extend the product life-cycles of older product versions in emerging markets is no longer a viable option for those willing to keep a leading position in these new key markets.

### 3. LITERATURE REVIEW

In order to better understand the topic at hand and further develop the theme of the research before reaching the propositions to be verified in the case study portion of the dissertation, it is important to conduct a literature review. Its objective is not to be exhaustive, but rather to guide the thoughts through a series of concepts essential to the work, starting by the product life-cycle (PLC) concept, indispensable to the discussion of new product category and subcategory introductions, since “the life story of most successful products is a history of their passing through certain recognizable stages.” (LEVITT, 1965, p.1).

After this concept is presented, the review will follow through an explanation of newness as a source of company growth, which will lead to the clarification of the concepts surrounding product category creation. Once this is particularly important notion is presented, the literature review will follow through the presentation of the advantages and disadvantages of market pioneering, and culminate in a last subchapter in which the communication strategies of pioneering firms are presented.

#### 3.1. The product life-cycle theory

A product, brand or category life-cycle is the curve that depicts how the sales of that product, brand or category evolve over time (JOHANSSON, 2009, p.19). Stating that a product (the same is valid for a category or a brand) has a life-cycle is saying that: 1) products have a limited ‘life’; 2) product sales pass through distinct stages; 3) profits rise and fall in the different stages of the so called life cycle; and 4) different market, financial, manufacturing, purchasing and human resource strategies are required in the distinct stages of a product’s life-cycle (KOTLER & KELLER, 2009, p.278).

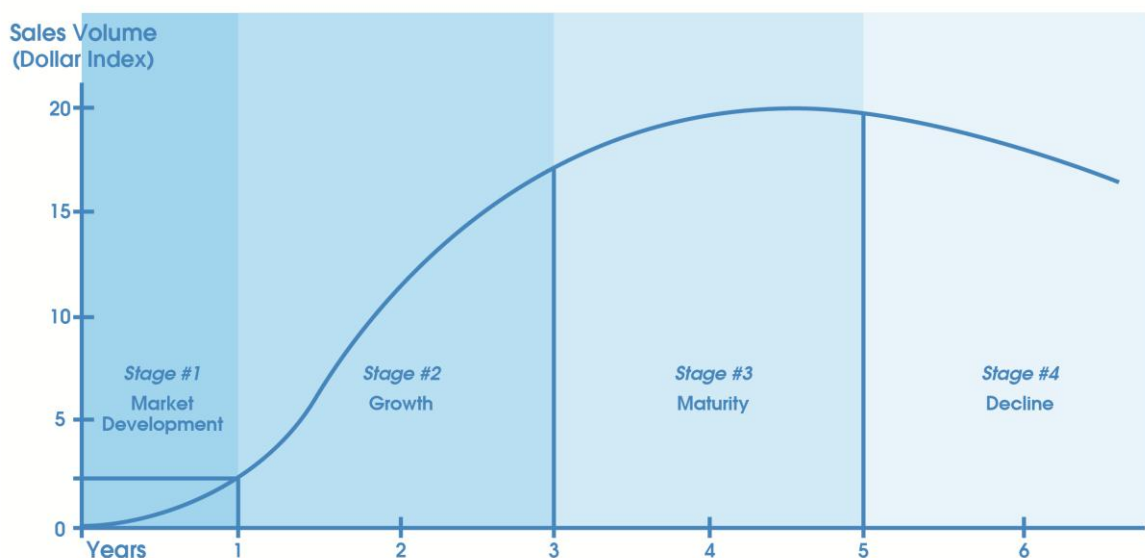
The notion that the product life-cycle curve is divided into four stages seems to be generally accepted by the whole of the authors consulted (LEVITT, 1965; SWAN & RINK, 1982; TELLIS, STREMERSCHE & YIN, 2003; JOHANSSON, 2009; KOTLER & KELLER, 2009). As shown in *figure 4* below, these stages are the introduction (development) stage, in



which there is a slow sales growth; the growth stage, in which a rapid increase is seen in sales; the maturity stage, in which the sales of the product, brand or category are held relatively constant; and the decline stage, in which sales start to drop (SWAN & RINK, 1982, p.72). Some authors go one step further and make one more distinction by naming the point in time when the new product breaks into rapid growth, leaving the introduction stage and entering the growth stage, as the take-off in sales (TELLIS, STREMERSCHE & YIN, 2003, p.188).

The focus of the present work lays on the introduction stage of product categories and subcategories, when the sales are still slow, the product (sub)category is being introduced to the market, and its sales are still low due to a series of reasons, such as the roll out time of the new product, technical problems that still exist, the time needed to fill dealers' pipelines and a customer acceptance which is still to be gained (KOTLER & KELLER, 2009, p.280).

It is important to notice that product life-cycle patterns are not all alike, being contingent to, among other demand variables, the product category in question and to the country where it is being sold (TELLIS, STREMERSCHE & YIN, 2003, p.191). However, although the PLC depends upon demand conditions, it is also sensitive to marketing efforts, and firms which aware of that tend to mold their strategy options to the life-cycle curve of their products, services and categories (SWAN & RINK, 1982, p.72).



**Figure 4 – Classic product life-cycle graph**

Source: Levitt, 1965, p.1

Hence, even though most product life-cycle curves are portrayed as bell-shaped, this is not the only format such a curve may take (KOTLER & KELLER, 2009, p.278). Swan & Rink (1982) have enumerated eleven different types of PLC curves (ANNEX A), and advise companies not to rely on the classically shaped one to adapt their strategies to. Nevertheless, whether a product has one type of life-cycle curve or another, it is clear that all products launched in a new market go through an introductory phase in which they are first presented to that particular market.

Market age “refers to the length of time a product or service has been available and advertised in a certain market.” (CHANDY et al., 2001, p. 400). A new market is, therefore, one in which a certain product or service has been recently introduced, whereas in an old one a product or service has been available and advertised for a long time. Different communication cues are said (CHANDY et al., 2001, p.400) to work better in different market ages and, based on this particular notion, it is possible to derive that diverse advertising cues should be used in the distinct stages of a product’s life-cycle, a notion that will be developed further in this work.

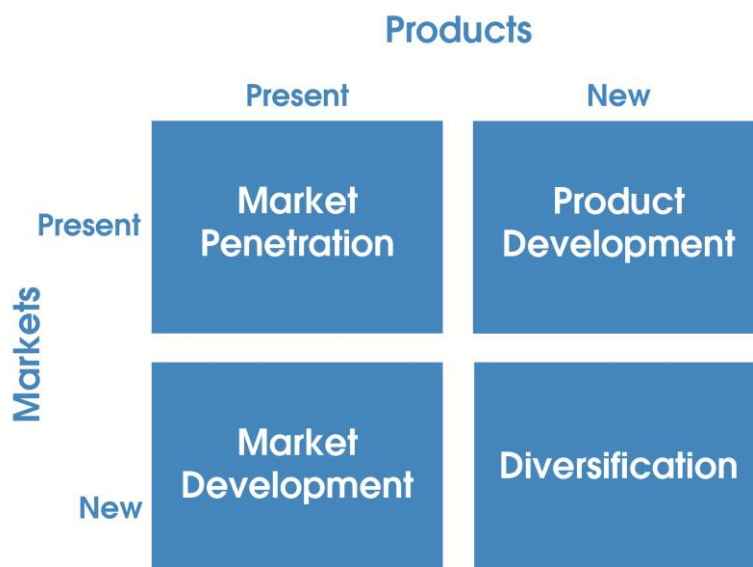
The concept of product life-cycle is, hence, particularly important for the present study, given its central objective is to analyze the communication messages used in advertising campaigns ran by multinational companies in the early stages of the launch of a product category or subcategory which is already marketed in another country, to an entirely new geographical market to which such category or subcategory is a discontinuous innovation. This ‘early stage’ to which the objective refers to is, using the PLC nomenclature, the introduction stage (pre take-off) of the new product (sub)category.

### **3.2. Newness as a source of growth**

Marketing gurus Kotler and Keller (2009, p. 45) defend that a company has three distinct options to grow: 1) identifying opportunities to achieve further growth within current businesses (intensive opportunities); 2) identifying opportunities to build or acquire businesses that are related to current businesses (integrative opportunities); and 3) identifying

opportunities to add an attractive business unrelated to current businesses (diversification opportunities).

Among the intensive opportunities, business growth can be attained through market development (bringing a company's existing products to new markets), product development (bringing new products to existing markets), diversification (entering new product markets) or market penetration (pushing further existing products to present markets) (AAKER, 2008, p.6; KOTLER & KELLER, 2009, p.45). These opportunities are exemplified in *figure 5*, below.



**Figure 5 – Ansoff's product market expansion grid**

Source: Aaker, 2007, p.6; Kotler and Keller, 2009, p.45

Out of the four cases presented above, three (all but the market penetration scenario) work with 'newness'. In the product development case, a company is offering something it did not previously offer, something that is new to that firm. When it comes to market development, on the other hand, 'newness' is achieved in another perspective: a product already sold starts being offered in a different market by the same firm that sells it in other markets. Finally, when the product is new both to the company and to the market, what

is seen is a diversification scenario. What is interesting to notice is that none of these alternatives imposes innovativeness, and that newness cannot, therefore, be considered a synonym of innovation (herein understood as the creation of something entirely new to the world).

In other words, producing toothpaste may be new to a company that formerly produced only toothbrushes, but this does not make toothpaste a market innovation. In this case, there can be said to be newness in the company's perspective, but no innovation in general terms. The same is true when a cosmetic company decides to sell one of its anti-aging products in a developing market where no anti-aging creams were available: in this case, there is newness from the market perspective, but, once again, no innovation has taken place.

According to Keegan (1999, p.403), product "newness can be assessed in the context of the product itself, the organization, and the market". This definition complements the one presented in figure 5 above in the extent it specifies that a product may be: an entirely new invention or innovation; a line extension (by him defined as the modification of an existing product); a novelty for a given company that starts producing it (product development); or, finally, the topic of the present study, new neither to the company nor to the world, but unknown for a specific market, and therefore being categorized, in figure 5's perspective, as a launch resulting from a market development type of growth strategy.

When classifying the 'newness' of an innovation based on a market's point of view, it can be considered either a continuous innovation (a variation of a current product on the market), a discontinuous innovation (one that embodies a new technology that results in a new market infrastructure), or an in-between dynamically continuous innovation (GAMMOH, VOSS & SKIVER, 2011, p.67). According to Alves, Piazza and Andreassi (2003), discontinuous innovations are those that require their final users to significantly change their behavior as a means to gain more benefits.

A market development strategy, on its turn, relates to either a geographical expansion (moving from a regional to national operation, moving to another region, or expanding to another country) or to an expansion to new market segments within a given geography. Moving existing products to new markets is considered a logical way to generate business growth, and would allow for the duplication of the business operation already used by the company attempting the expansion, thus allowing for a reduction in investment and

operating costs, thanks to synergies in expertise, technology, and possibly plant and operation facilities (AAKER, 2008, p.200).

The concept of market development becomes quite interesting in the current world scenario, where emerging economies show growing potential to consume products that are already in a maturity or decline stage of their life-cycle in more developed countries. This happens because product saturation levels rise as national income per capita increases and “the existence of wide disparities in the demand for a product from one market to the next is an indication of the possible potential for that product in the low saturation level market.” (KEEGAN, 1999, p.393).

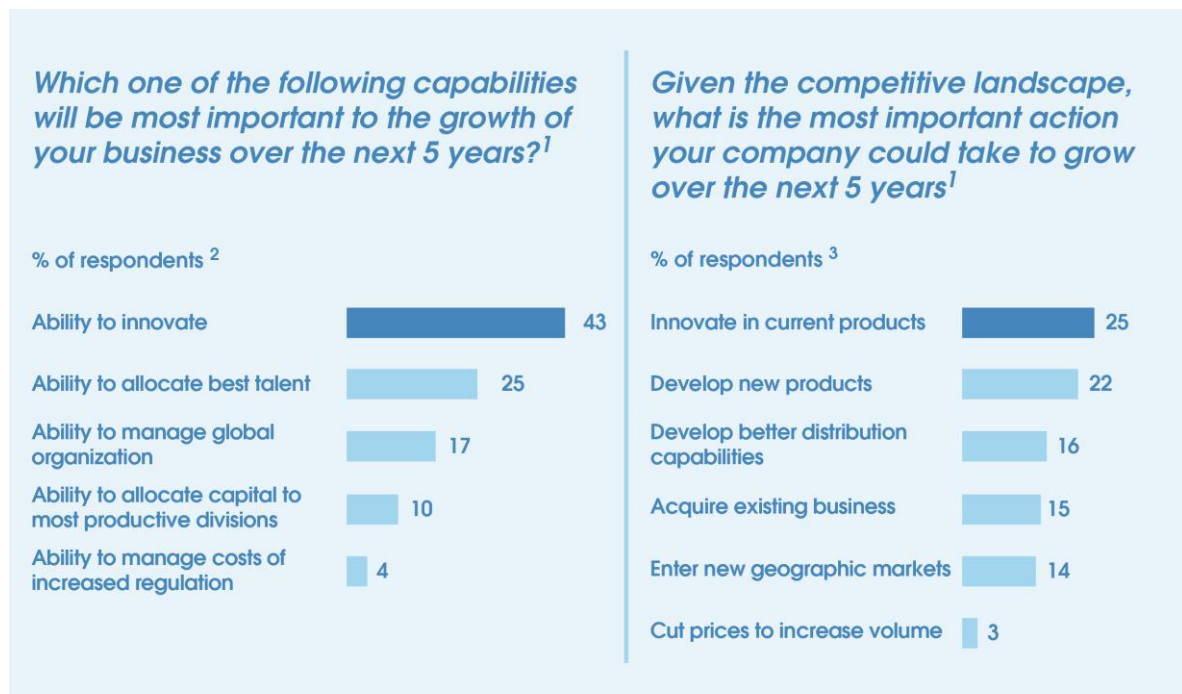
It is important to keep in mind that whether the product is new to the world, to the company, or only to a specific market, the product life-cycle pattern described earlier is applicable, and sales growth tends to be slow in its introduction stage, once, as previously pointed out, it takes time to roll it out, work out technical problems (especially in the two first cases), fill dealer pipelines and gain consumer acceptance (KOTLER & KELLER, 2009, p.280).

Even when companies follow a careful and systematic product development process, it is not certain that their product will thrive, even if it is already successful in other markets, and the rates of new product failure are high. Johansson (2009, p. 414) points out five success factors that could lead to a new product’s success: 1) new product superiority; 2) technological synergy with company know-how, allowing the company to better produce, service and support the product; 3) new product innovativeness; 4) company market orientation; and 5) market synergy with company know-how, which includes selling the product under an existing brand name. These success factors would vary in importance from one country to another (CALANTONE, SCHMIDT & SONG, 1996; JOHANSSON, 2009).

Given that the only source of intensive growth opportunity that is not related to newness of any kind is market penetration, which implies in thinking about the highly demanding competitive scenario seen nowadays, it is nothing but expected that newness and particularly innovation play important roles in today’s competitive scenario, and therefore the third success factor pointed by Johansson seems to be rather important, especially if newness is thought of, instead of only innovativeness.

According to Calantone, Schmidt and Song (1996, p.342), the development and commercialization of successful new products are essential for a firm's survival in most industries, making innovations (and, from that can be inferred, also newness) financially important to firms. This is confirmed by the previously mentioned research conducted by McKinsey & Company published in March 2010, which shows, as pointed out before, that 84% of the executives interviewed by the consulting company saw innovation as either extremely or very important to their companies' growth strategy (MCKINSEY QUARTERLY, 2010a).

Another already mentioned McKinsey & Company survey, to which more than 9,300 executives were interviewed, and published in May 2005, specifically shows that, by then, business people believed that innovation both in current and new products was necessary, and that entering new geographical markets was also a highly valued growth strategy (*figure 6*).



<sup>1</sup> All data weighted by GDP of constituent countries to adjust for differences in response rates from various regions.

<sup>2</sup> Figures do not sum to 100%, because of rounding.

<sup>3</sup> Figures do not sum to 100%, because respondents who answered "other" are not shown.

**Figure 6 – How companies planned to grow (2005)**

Source: Carden, Mendoca & Shavers, 2005

An undeniable form of newness is the creation of a new product category or subcategory, be it new to the world or new to a specific market. Defining what a product category and adjacent terms are, as well as further exploring the creation of product categories and subcategories, are thereafter the next logical steps undertaken in the present work.

### **3.3. New product category creation**

Golder and Tellis (1993, p.159) define a product category as a group of close substitutes such that consumers consider the products interchangeable and distinct from those in another product category, and add that “determining separate product categories is an empirical issue that may be resolved only in retrospect after the category develops.”

About product categorization, Cohen and Basu (1987, p.470) state that:

The categorization perspective emphasizes the view that consumers tend to organize their belief systems about products around category-relevant factors (e.g. consumption goals, product functions, common properties, clear or ideal instances) rather than a set of single brand attitudes.

Loken and Ward (1990, p.125) explain ‘category-relevant factors’ by affirming that product categories are structured by both family resemblance and valued goals or attributes. It is thereafter possible to understand that the choice of a product category or subcategory to which a business will associate itself can have enormous strategic and tactical implications to firms (AAKER, 2008, p.162). That seems to be especially true when it comes to creating a new category from scratch: a new business will change what people are buying (AAKER, 2008, p.213), and a new market will form around products and services that do not fit into established categories (KENNEDY, 2008, p.270).

In *The relevance of brand relevance*, Aaker (2004) points out seven dynamics capable of leading to a new category creation. They are: 1) a new product or service dimension expands the boundaries of an existing category; 2) a new product or set of products carves out a fresh niche in an existing category; 3) a new competitor devises a way to bundle

existing categories into a superior category; 4) a new competitor repositions existing products or services to create an original category; 5) customer needs propel a new product category or subcategory; 6) a new technology leads the development of a product category or subcategory; 7) a company exploits changing technologies to invent a new category.

When a new product category or subcategory emerges, the firms launching it need to be aware that their challenge is not only to create an offering and a brand, but also to manage the perception of the new category or subcategory (AAKER, 2008, p.213) which needs, in a first stage, to be legitimated both cognitively (by the spread of knowledge about the venture attempting to create it) and socio-politically (by being accepted as appropriate and right by key stakeholders, the general public, key opinion leaders and the government) (ALDRICH & FIOL, 1994, p.648).

About creating cognitive legitimation, Kennedy (2008, p.271) states that, as producers in a nascent product category interact, their accumulating discourse “embeds them in a shared cognitive network that enables their categorization, helping legitimate a market by enabling a census of its entrants, and thus transforming the category into something that seems real.”

Aldrich and Fiol (1994, p.646) point that legitimacy is very important, but not the single factor influencing whether an industry successfully moves beyond the stage of a few pioneers to fully realized growth. Other important factors are the state of the economy, the latent demand for the product or service, competitive pressures, and the skills of the new venture’s owners and workers. More will be said on the quest of firms for legitimation in subsection 3.5 (*Marketing communications*) of this work, where communication strategies for emerging categories are described.

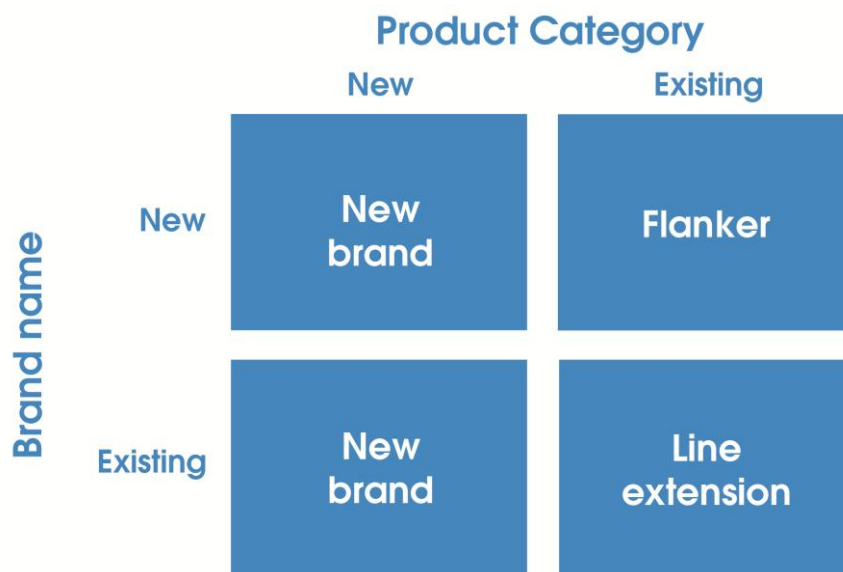
### **3.3.1. Further distinctions**

Before moving forward, it is key that some definitions surrounding the topic be clarified. First of all, it is important to notice that all new product development (that is, every time a new product comes to market, be it on the form of market development, product



development or diversification) comes in the form of either new brands, brand extensions or line extensions (AMBLER & STYLES, 1997, p.21), as depicted in *figure 7* below.

While line extensions involve the use of an established brand name for a new offering in the same product category the brand is already present in, a brand extension happens when a current brand name is used to enter a completely different product class (AAKER & KELLER, 1990; AMBLER & STYLES, 1997; SACHDEVA & BAWA, 2009; IYER, BANERJEE & GARBER, 2011). Apart from these two strategies, a company can also create a new brand to enter a new product category (new brand) or create a new brand to compete in a product class in which it is already present (flanker).



**Figure 7 – Tauber’s (1981) growth mix**

Source: Ambler and Styles, 1997

When P&G’s toothbrush brand in Brazil, Oral-B, launches new types of toothbrush, it is a typical case of line extension the consumers are faced with. When, in 2008, the brand started to sell toothpaste under its name, however, it was not a line extension, but rather a brand extension, the strategy to be seen. Following that line of thought, if P&G launched a new toothbrush brand (as is the case of their PRO brand), it would be considered a

flanker, whereas the launch of a toothpick under a new brand name would be considered a new brand according to the matrix above.

Once new product development (NPD) in general is a very expensive activity for firms to undertake (AMBLER & STYLES, 1997, p.17), and having in mind that “one common exportable asset is a strong, established brand name – a name with visibility, associations, and loyalty among a customer group” (AAKER, 2008, p. 196), brand and line extensions have become popular growth strategies (AMBLER & STYLES, 1997): it is estimated that as many as 95% of all new consumer products introduced to markets are some type of brand extension (SACHDEVA & BAWA, 2009, p.144).

Although the benefits of brand and line extensions over new brand creation are not unanimously recognized amongst scholars, most agree that they exist. The leverage of a strong brand name would, for instance, substantially reduce the risk of introducing a product in a new market, both by providing consumers the familiarity of and knowledge about an established brand, and by potentially decreasing the costs of gaining distribution and/or increasing the efficiency of promotional expenditures (AAKER & KELLER, 1990, p.27).

But what is a brand? Building on the concepts offered by the American Marketing Association (AMA) and on those offered by other authors, Sachdeva and Bawa (2009, p.145) arrive to the definition of brand as “a recognizable and trustworthy badge of origin and also a promise of performance”, and add that “brands are very important in today’s scenario because they act as the communication tool between increasingly globally separated businesses and consumers”.

Using the concepts presented in this subsection, it is possible to offer further specification to the present research objective as analyzing the factors influencing communication messages in advertising campaigns ran by multinational companies that opt for a market expansion type of growth, more specifically a geographical expansion, using an innovation that is discontinuous to that market, but not to the world, be it using an existing brand name, be it creating a new one.

Bearing the above definitions and concepts in mind, and knowing that the establishment of a new product (sub)category requires an expensive and many times failed effort on the side of the companies to create cognitive and sociopolitical legitimation, it is important to understand why firms nevertheless venture into being pioneers. Are there

advantages to being the first to launch a product? If so, what are these advantages? These questions will be explored in the following subsection of this work.

### 3.4. Definitions, Advantages and Disadvantages of Market Pioneering

After a company decides to introduce a discontinuous innovation in a geographically new market, the next decision in hand is that of when, in relation to competitors, to enter the chosen market. Although being first can be rewarding, it is also risky and expensive, and early market entrants face “a different set of challenges than those that simply carry on a tradition pioneered by thousands of predecessors in the same industry.” (ALDRICH & FIOL, 1994, p.645).

Much has been said about market pioneer advantages and disadvantages, and meanwhile, more and more firms around the world have kept venturing on this endeavor, some successfully, others not so much. In this subsection, some of the reasons why companies should or should not aim at being pioneers are exposed, but before this can be done, a brief explanation of the key terms used by authors in this area of study is offered.

Golder and Tellis (1993, p.159) propose the following definitions when it comes to category creation:

- *Inventor*: a firm that develops patents or important technologies in a new product category;
- *Product pioneer*: the first firm to develop a working model or sample in a new product category;
- *Product category*: a group of close substitutes such that consumers consider the products substitutable and distinct from those in another product category;
- *Market pioneer*: the first firm to sell in a new product category;

Another definition for *market pioneer*, as “the first entrant in a new market” was given by Robinson and Fornell (1985, p.305). Once the focus of this work is not on category

creation per se, but on geographical market expansion of a (sub)category that is nonexistent in the target market, this is the notion of market pioneer that will be herein adopted.

### **3.4.1. Pioneering advantages**

Yoon (2011) has published a post in Harvard Business Review's blog in which he suggests that new category creation goes beyond innovation. According to him, although usually delivering better benefits, experience, and economics, so that it can graduate from its original product class, the new category usually shares roots with its original product class. Many authors seem to agree with Yoon, implying to innovation in general, and category creation more specifically, what most call "first-mover advantage", a notion that can be in many aspects extended to category market pioneering.

Aaker (2008, p.211-212) believes that product pioneers tend to earn more than the average, and attributes such superior performance to the first-mover advantage. According to him, moving first would often inhibit competitors from expanding in a timely manner, as well as leave them unable to respond, allowing the innovator to create customer loyalty based on the exposure and experience with its product or service, while perhaps even creating a switching barrier for the satisfied customers later on.

Out of these product pioneer advantages, it can be said that leaving competitors unable to respond is not a market pioneer advantage in the studied scenario, given that the focus of the present work lays on launching in new markets product categories that already exist in other countries where the company is already a player. In such a scenario, it is more likely that the firm that is about to be a market pioneer already has established competitors in other markets, whom could decide to be early followers in this new market.

Nevertheless, being the first company in a given market allows for the chance of actively building how the (sub)category is perceived in it:

As new entrants come in, there will be different offerings in the new category or subcategory, so the leader has an opportunity to manage the perceptions of the

category while simultaneously linking itself to the category as the leading brand, one with authenticity and ability to deliver. (AAKER, 2007, p.213).

Kotler and Keller (2009, p.280) state that, although not inevitably, market pioneers should be able to:

- Benefit from a higher early user recall of the pioneer's brand name (if the product satisfies them);
- Benefit from the possibility to establish the attributes the product class should possess [in that particular market];
- Aim at the middle of the market and therefore capture more users;
- Benefit from producer advantages, such as economies of scale, technological leadership, patents, ownership of scarce assets, and other barriers to entry;

To Robinson and Fornell (1985, p.306), in terms of market dominance, there would be three ways in which a market pioneer would be able to achieve higher market share: 1) with relative direct costs held constant, by leading to long-lived marketing mix advantages; 2) through direct cost savings (producer advantages talked of above); and 3) thanks to relative consumer information advantages by way of product experience or familiarity.

In his article, Schmalensee (1980) concludes there are many advantages to being a market pioneer, but without ever considering the enter costs of educating consumers, once he assumes them to be perfectly informed about the launched product itself (apart from its real quality), as well as about the category to which it belongs. The author also accepts no persuasive or informative advertising has to be made. Although Schmalensee's article was important at its time, it is now impossible to neglect the financial and operational weights of reaching, educating and persuading the consumer, who is, now more than ever, bombarded with a daily avalanche of information about the most various types of products.

True market pioneers (which are often confused with current market leaders) often do not survive – perhaps because they entered before the technology was in place or because they got blown away by larger competitors – and to capture a first-mover advantage it is important to hit the market first, but also to invest to build a position (AAKER, 2008, p.211-

212). Moreover, although many authors were eager to prove the existence of first-mover advantages, especially during the 1980s and 1990s, other authors do not hesitate in pointing disadvantages to being a market pioneer.

### **3.4.2. Pioneering disadvantages**

Golder and Tellis (1993) criticize previous works that state that market pioneers are usually market leaders, pointing out that those are often biased by including in their samples only survivors (the market pioneer failure rate found by the authors was as high as 47%), and by relying solely on self-reports offered by such survivors to classify who the pioneers were. The authors enumerate (p.160) seven reasons why pioneers may be in disadvantage when compared to those entering later. They are:

1. Free-rider effects (when a late entrant can acquire the same technology owned by a pioneer at a lower cost);
2. Shifts in technology that allow for good opportunities for late entrants;
3. Shifts in consumers' tastes and needs;
4. Incumbent inertia (which deter a pioneer from making the investments necessary to remain a market leader);
5. Improper positioning initially made by the pioneer (allowing for late entrants to 'steal' an 'ideal positioning');
6. Changing resource requirements; and
7. Insufficient investments by the pioneer (who is unwilling to commit the resources necessary to succeed in new markets).

Although the free-rider effects Golder and Tellis refer to is the one caused by a new technology being acquired by a follower at a lower cost, it is possible to extrapolate and think that, given the high investment needed to communicate a new category to the consumer, being an early follower or a late entrant may give competitors the chance to wait for the market pioneer to invest in educating their public, entering the market only when the efforts

of building a category are already undertaken and communication investments need only be made aiming at brand differentiation. On the other hand, in the scenario posed in the present dissertation, shifts in technology will be felt globally by both the market pioneer and its competitors, once they are already established elsewhere.

The above stated disadvantages should certainly lead firms to think twice before venturing into new markets in a pioneering position. Nevertheless, however small the probability of long-term market dominance is, the payoff when it occurs may be large enough to compensate for the risks, and hence pioneering new markets is potentially very rewarding, although expensive and risky, and many firms choose to follow this path. In addition to that, “by definition all pioneers have the opportunity to collect monopoly profits for some period” (GOLDER & TELLIS, 1993, p.158, 168), which further encourages market pioneering.

It is thereafter possible to conclude that, if in one hand, “to come in later makes sense if the firm can bring superior technology, quality, or brand strength” (KOTLER & KELLER, 2009, p.280), on the other, “if pioneers have advantages in supplies, costs, information, product quality, product line breadth, distribution, and long-term market share, firms may benefit from early entry.” (GOLDER & TELLIS, 1993, p.158).

Now that the reasons why firms do or do not attempt to assume a market pioneering position have been analyzed, it is time to delve into the subject of marketing communications and its importance to new product (sub)category launches, before further deepening onto the factors influencing marketing communication messages used by firms entering new geographical markets.

### **3.5. Marketing communications**

#### **3.5.1. Importance to new category launches**

In the words of David Aaker (2007, p.213), “when a new product category or subcategory emerges, the innovators need to be aware that their challenge is not only to create an offering and a brand, but also to manage the perception of the new category or subcategory.” This is so because a new business (here understood as one that offers a

discontinuous type of innovation to the market, regardless of the company producing it) changes what people are buying, and “an entirely new activity begins, by definition, with low cognitive legitimacy.” (ALDRICH & FIOL, 1994, p.649).

This means that, the less information or evidence there is available, the more consumers need to trust the producing company about the product they are buying. As the amount of available information accumulates, consumers start to increasingly count on patterns of reliability and reputation. Trust is, thus, “a critical first-level determinant of the success of founding entrepreneurs”, once – and this is especially true when there is no brand or line extensions involved – in such stage “there is an absence of information and evidence regarding their new activity.” (ALDRICH & FIOL, 1994, p.650).

Entrepreneurs in emerging fields would confront a ‘legitimacy challenge’ at two levels: at the micro-level of the firm and at the macro-level of the field, the first referring to the legitimation of the new venture and, the second, to the legitimation of the new market in which they operate (NAVIS & GLYNN, 2009, p.2). Once the focus of the present study lays on the legitimation of the new category or subcategory in which a firm will operate, less attention will be drawn to the first type of legitimation, and knowledge will be build based on the efforts of already established enterprises.

Thanks to the need of legitimacy and absence of trust encountered in the early stages of category creation (in the phase previous to take-off), it is important that pioneers in such industries build their reputation “as a reality, as something that naturally should be taken for granted by others”, and, therefore, “a new vocabulary must be coined, new labels manufactured, and beliefs engendered in an industry with no natural history.” (ALDRICH & FIOL, 1994, p.657).

To legitimate a new field, and hence also a new product category or subcategory, it is necessary to persuade audiences that the activities performed by the actors within it are “desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions.” (NAVIS & GLYNN, 2009, p.2).

Marketing communication seems, then, to be an essential tool in order to reach consumers and actively build a field, as well as to support individuals’ search for information:

People seek information to use in a rational process of choice. Consumers have large amounts of information available to them from many different sources like



experience, retailers, word of mouth, advertising, observation, press comments and experience. Most of the stimuli to which individuals are exposed are 'self-selected'. Generally, individuals seek information that they think will help them achieve their goals. (SACHDEVA & BAWA, 2009, p.154).

Despite the recurring emphasis put on the importance of marketing activities for the launch of new products and new fields, according to the results of a McKinsey survey conducted in 2010, no more than 39% of managers believe that their companies are good at commercializing new products and services, and another 40% state that their enterprise does not actually hold an established strategy for commercialization decision making, conducting them in an *ad hoc* manner (MCKINSEY QUARTERLY, 2010a).

In the article *Why most product launches fail*, published by Joan Schneider and Julie Hall (2011) in the Harvard Business Review, the authors, who are partners in a firm specialized in product launches, enumerate the reasons for new product failure. According to them, the biggest problem encountered leading to bad results in market launches is a poor go-to-market preparation, an assertion that is in line with the statement that "it has been shown repeatedly that a major cause of new product failure is inadequate marketing." (CALANTONE, SCHMIDT & SONG, 1996, p.344).

Out of Schneider and Hall's '40 ways to crash a product launch' list presented in the article (see ANNEX B for the full list), three are related to a badly planned budget, five to a weak communication strategy, one to deficient extensions and four to unclear product or category definitions. This last issue is also considered in the article one of the five big flaws a company can incur into when launching a new product, being listed as "flaw 4: the product defines a new category and requires substantial consumer education – but does not get it." Out of such flaw, the highlighted lesson to be learned is that "if consumers can't quickly grasp how to use your product, it's toast." (SCHNEIDER & HALL, 2011).

The marketing communication aspect of a new product and, most specifically, new category or subcategory launch is, hence, of large utility, and of central importance in the present work, but before explaining what has been said about communication strategies in new product launches, and specifically about the message contained in their advertising, it is important to clarify some definitions.

### 3.5.2. Defining marketing communications

According to Keegan (1999, p. 458), marketing communications – which together with price, place and product accounts for the fourth of marketing’s ‘Ps’, ‘promotion’ – “refers to all forms of communication used by organizations to inform, remind, explain, persuade, and influence the attitudes and buying behavior of customers and other persons”, and its primary purpose is to “tell customers about the benefits and values that a product or service offers.”

To that, Kotler and Keller (2009, p.470) add that marketing communications “can tell or show consumers how and why a product is used, by what kind of person, and where and when.” The authors divide the marketing communications mix in what they label as eight major modes of communication (2009, p.472): 1) advertising; 2) sales promotion; 3) events and experiences; 4) public relations and publicity; 5) direct marketing; 6) interactive marketing; 7) word-of-mouth marketing; and 8) personal selling. Advertising is defined in their best seller *Marketing Management* (2009, p.470) as “any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor.”

With a broader definition, Keegan (1999, p.458) defines advertising as “any sponsored, paid message placed in a mass medium”, and states that “global advertising is the use of the same advertising appeals, messages, art, copy, photographs, stories, and video segments in multiple-country markets.”

Going deeper into the meaning of advertising, in a rather philosophical article Theodore Levitt defends that “advertising is the least harmful form of propaganda – precisely because it is so conspicuously in the service of its source, the sponsor.” According to him, advertising is

effective on behalf of the product precisely because the sponsor exists to assure the customer of the reliability and credibility of his or her promise, because the sponsor is visibly, eagerly, and reliably there to stand behind the product, to give customers the assurance they need to buy in the first place. (LEVITT, 1993).

When it comes to commercializing products in the global arena, although marketers may identify opportunities for global advertising campaigns – which is to say, to

use the same campaign worldwide –, local adaptation or distinct local campaigns may also be required to a certain extent (KEEGAN, 1999, p.474), and even a complete new product might need to be developed. Moreover,

to pursue geographic expansion effectively, a framework for considering alternatives is required. When a company has a product/market base, it can select from five strategic alternatives to extend this base into other geographical markets, or it can create a new product designed for global markets. (KEEGAN, 1999, p. 397).

		Product		
		Do not change product	Adapt product	Develop new product
Communi- cations	Do not change communications	Straight extension	Product adaption	Product invention
	Adapt communications	Communication adaption	Dual adaption	

**Figure 8 – Five international product and communication strategies**

Source: Kotler and Keller, 2009, p.611

Further explaining the strategic alternatives Keegan mentions, depicted in *figure 8* above, it can be said that (KOTLER & KELLER, 2009, p.611-613):

- Straight extension happens when a company introduces the product in a new market without any change in neither the communication used nor in the product itself. This is the case of Jack Daniel’s in Brazil (see *figure 9* for a print ad ran in the country);
- Product adaption refers to the strategy of altering the product to meet local conditions or preferences, but without changing the communication strategy pursued worldwide. This is the case, for instance, of Oral-B toothbrushes: although commercialized in various Latin American countries with the exact same

advertising campaigns, the sizes produced for the Brazilian market are smaller than the average, while the ones produced for the Mexican one are larger;

- Communication adaption happens when marketing communication programs are adapted to each location, while the product is kept the same. It is important to notice that adapting the communication aspect of the marketing, however, does not mean an absence of general guidelines like brand visuals;
- Dual adaption occurs when both product and communications are adapted. Examples of this type of initiative are given by Unilever's OMO and Comfort brands, which launched, respectively, a soap (*figure 10*) and a fabric softener (*figure 11*) specifically developed for the Brazilian 'tanquinho' (a semi-automatic washing machine without centrifugation process, owned by lower income families);
- Product invention consists of creating something new, both in terms of product and communication. An example of a product invention is given by the Gillette Body Razor, developed by the brand specifically for the Arabian Peninsula and now sold to other locations.

In order to launch a new product category in a new geographical market, a company may choose among any of these previously mentioned product and communication strategies. Apart from the scenario in which such company creates a new product (product invention) which is new both to the company and to the market – which is not necessarily an innovation in global terms –, all of the other four strategies can be used the scenario of the product being new to the market but not to the firm, given it has never been sold in that geography.



**Figure 9 – Jack Daniel's ad: straight extension**

Source: Revista VIP, São Paulo, v. 300, March 2010.



**Figure 10 – OMO Multição Tanquinho: dual adaption**

Source: PDV News, 2012



*Figure 11 – Comfort Tanquinho: dual adaption*

Source: PDV News, 2012

### **3.5.3. Advertising as a key activity**

In the case of new products, be them new to the world or to a specific market – and it can expect that this is even more so to products that define new categories or subcategories – the firm that wishes to introduce them does not only have to carefully design them to reflect to consumer’s preferences, but also has to craft well-thought-out marketing strategies for launches, knowing that “one of the more important marketing activities to accompany the product’s introduction is advertising.” (HORSKY & SIMON, 1983, p.1).

To such products, advertising can be of significant help, since it fulfills “its primary role of communicating product news”, and having in mind that “new-product advertising primarily influences trial, which may lead to repeat purchases, its effectiveness is likely to be long term.” (ABRAHAM & LODISH, 1990). In the case of discontinuous innovations, it is through advertising that “the producer informs the innovators [consumers] that the product exists and makes claims about its quality.” (HORSKY & SIMON, 1983, p.2).

It is said that, apart from forecasting the eventual number of adopters of a new product, as well as the timing of the peak of sales, a firm can also partially control, through its level of advertising, the shape of the sales function of such new product. It has also been stated that the optimal advertising policy for most new products would be to start with a high advertising outlay, which should then be reduced gradually as the product moves through its life-cycle (HORSKY & SIMON, 1983, p.14).

Other authors (NAKASHIMI, 1973; KENNEDY, 2008; KOTLER & KELLER, 2009) also corroborate with the idea that firms are able to shape a new product's and product category's life-cycle curve and induce a faster take-off thanks to an increase in the number of trials. "The inhabitants of a new organizational environment have both a material interest and a very real say in its construction." (KENNEDY, 2008, p.290).

Nakashini (1973, p.242), points out to the fact that "the retail distribution of a new product normally builds up gradually during the introductory period; promotional activities tend to come in spurts and waves; special price discounts may be given for a limited period to entice trials." To the author, the repeat purchase rate by those who tried the new product could also be changed by marketing activities.

This emphasized importance of marketing activities during a new launch partially explains why, during the introduction stage of a product, the promotional expenditures – advertising included – undertaken by companies tend to be at their highest ratio to sales, once a large effort is said to usually be made to inform potential consumers, induce product trial, and secure distribution in retail outlets (KOTLER & KELLER, 2009, p.280).

According to Chandy et al. (2001, p.411), consumers in young markets are not likely to have extensive information about the product in their prior memory, and only few customers are expected to be aware of the new product and its differentiating attributes. Once prior knowledge is limited, "consumers are likely to be more motivated to process information about the product from ads when the product and ad represent novel stimuli" and, because effects of word of mouth are at such point not yet established, "consumers may be uncertain about product quality and features."

In this given scenario, advertising is a key source of product information:

In young markets, consumers' lack of product knowledge, limited prior experience, and limited communication by word of mouth can make the choice of the product

risky. This perceived risk, coupled with the inherent novelty of the product and the ad, enhances consumers' motivation to process information about the product. (CHANDY et. al., 2001, p.401).

When it comes to advertising new brands versus advertising established ones, it is said that “59% of new-product advertising tests showed a positive impact on sales, compared with only 46% of the tests for established brands”, and “when advertising showed a significant effect on a new product, the increase in sales averaged 21% across all new-product tests” (ABRAHAM & LODISH, 1990), clearly highlighting the importance of careful advertising in the initial stages of product introduction to generate product take-off.

When it comes to the types of media used to advertise, results from a McKinsey & Company survey show that, although more than 80% of the respondents alleged a perceived declining efficacy of television, radio, and print advertising, which has been pushing them to experiment with new media (e.g. internet banner ads, ad paid search, product placements in video games, and cell phones, among others) and that their spending on such type of media has increased significantly over the past three years (figure 12), television is nevertheless still the most widely used vehicle. That happens because, “although marketers agree that the world is changing, many apparently aren't in a position to abandon the tried-and-true approaches, because the available alternatives lack the scale to fully achieve the marketers' brand priorities” (CRAWFORD, GORDON & MULDER, 2007), and hence the focus of the case studies presented next will be cast primarily upon the messages conveyed in traditional media.

When the topic is the content of the message used in the ad, Chandy et al. (2001, p.399) argue that “a change in the ad used has a stronger effect on sales than changes in advertising intensity alone”, stating that “different cues work differently in younger markets than in older ones because of intrinsic differences in consumers' motivation and ability to process information in those markets”, and lastly asserting that “knowledge of these differences can help marketers design ads that are tailored to the age of individual markets.”

While in the pretrial stage the consumer becomes aware of a new product and looks for additional information regarding it in order to decide whether or not to try it, a consumer's first purchase, the trial, allows him or her to decide whether to accept or reject the new product on the basis of use experience (NAKASHINI, 1973, p.243). Before trial, however, advertising is essential, which is why significant amounts of money are spent by



companies to communicate product positioning in the hopes of appealing to the wants and situational requirements of particular market segments.

At the consumer level this would, according to Cohen and Basu (1987, p.455), translate “into a judgment of a product’s category membership”, the outcome of this process being not only the particular identification of a product, but also “the increased salience of information relevant to that category (and the corresponding suppression of information relevant to other categories) together with the category-based inferences that result.”

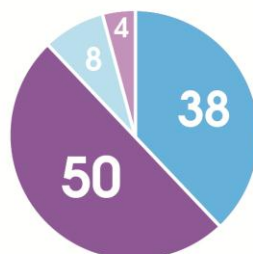
Following the observations of Alves, Piazza and Andreassi (2003), it can be pointed out that, when a new paradigm starts being offered, it is important that the company proposing the innovation knows how to use the tools and arguments necessary to convince its target consumer to change the current product being utilized. The authors state that the reasons offered to adopt an innovation can come from various sources, including educational ad campaigns ran by the enterprise. What is essential, they say, is that the consumer feels safe and motivated to adopt the new product, and this can be aided by a well-developed marketing strategy created after thorough market research to understand the consumer.

#### How consumer goods companies are coping with complexity

% of respondents who say that given share of marketing budget is spent on new or nontraditional marketing vehicles<sup>1</sup>

Share of marketing budget

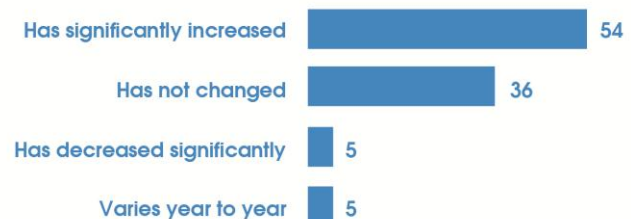
< 10% 10-20% 21-30% 31-40%



Weighted average = 12.9% of budget

Spending on new or nontraditional marketing vehicles in past 3 years

% of respondents



<sup>1</sup> For example, Internet banner ads and paid search (for a fee, companies can get top listing in Internet search engine results when specific search terms are entered), marketing through video games, cell phones.

**Figure 12 – Nontraditional media usage**

Source: Crawford, Gordon and Mulder, 2007

Finally, it is important to keep an eye on competitors, especially in the case of the launch of a market innovation that is already being sold elsewhere both by the company launching it in the new geographical market and its competitors established in other markets:

While a firm may enjoy a monopolistic position in the introduction stage of its new product, competitors will eventually enter. Potential competition may in fact be enough to force the firm (even though it has monopoly power at the introductory period) to behave as if competition already existed in the introductory stage. (HORSKY & SIMON, 1983, p.16).

According to Navis and Glynn (2009, p.39), “field legitimation can result from entrepreneurial efforts of market building; as well, field legitimation is a critical antecedent to firm’s differentiated position within it.” This could, thus, generate a tension, in early stages of field legitimation, between the need for isomorphic conformity (identity sameness) necessary for field legitimation and the organizational deviation (identity distinctiveness) necessary for firm positioning within the new category. “In new fields the challenge becomes: how do new firms claim differences from, and sameness with, other members of a field, when the field itself is not yet established or legitimate.” (NAVIS & GLYNN, 2009, p.3).

Departing from this and other implications discussed previously, the next section will present a series of propositions regarding the central research theme, which will, then, be put to test in the case studies developed in the section that follows it.

## 4. PROPOSITIONS

Following the extensive literature review presented, below follows the development of five propositions regarding the central theme of the study, which are to be analyzed in section 5 (*Case studies: evaluating the propositions*).

### 4.1. Field versus brand differentiation

As discussed in subsection 3.5 (*Marketing communications*), entrepreneurs in emerging fields confront a legitimacy challenge both at the micro-level of the firm and at the macro-level of the field. When a new product category or subcategory emerges, the firm launching it needs to be aware that its challenge is not only to create an offering and a brand, but also to manage the perception of the new (sub)category (AAKER, 2008, p.213). In new fields, therefore, the challenge becomes: how do new firms claim differences from, and sameness with, other members of a field, when the field itself is not yet established or legitimate.” (NAVIS & GLYNN, 2009, p.3). As a consequence:

During the earliest period of field emergence, firms and audiences focus on legitimating the field as a market category, emphasizing firm similarities while downplaying differences; with field legitimation, the focus shifts to the distinctiveness of identities that differentiate firms within the field. (NAVIS & GLYNN, 2009, p.4).

That is what has been previously discussed as the tension, in early stages of field legitimation, between the need for isomorphic conformity (identity sameness), which is necessary for field legitimation, and the organizational deviation (identity distinctiveness), necessary for firm positioning within the new category. It is said that “field legitimation is a critical antecedent to firm’s differentiated position within it” (NAVIS & GLYNN, 2009, p.3) and, in Kennedy’s words (2008, p.270), “early entrants benefit from inviting coverage that makes a few – but not too many – links to other entrants, thus helping audiences perceive an emerging category” but, as the market matures, “reference to rivals become unhelpful.”

It is, therefore, possible to formulate the following proposition:

*Proposition 1 – In early stages of a new product (sub)category launch, the advertising messages conveyed to the broader audiences will try to legitimate the (sub)category itself first, instead of only presenting a particular brand to the consumer, a step that will be taken in a later stage.*

As discussed in subsection 3.3 (*New product category creation*), legitimacy is not the single factor influencing whether an industry successfully growth, other factors important to it being the state of the economy, the latent demand for the product or service, competitive pressures, and the general skills of the new venture. The next subsection is devoted to creating a proposition that relates to the competition portion of it.

#### **4.2. An eye on the competition and the advantage of pioneering**

As previously discussed, communicating a new category to the consumer is an expensive endeavor, and one that might prevent firms from wishing to be market pioneers. As discussed in subsection 3.4.2 (*Pioneering disadvantages*), early followers and late entrants might benefit from the free-rider possibility of profiting from the market pioneer's initial investment to educate the public, while deliberately deciding to enter the market only when the efforts of building a category are already undertaken and communication investments need only be made aiming at brand differentiation.

Moreover, “potential competition may in fact be enough to force the firm (even though it has monopoly power at the introductory period) to behave as if competition already existed in the introductory stage.” (HORSKY & SIMON, 1983, p.16). That situation is expected to be specifically true to companies launching in a new geographical market a new product category or subcategory that is already being sold in another market where competition already exists.

Also, established industries in the new market that feel threatened by the launch may be able to “change the terms on which resources are available to emerging industries, either by questioning their efficacy or their conformity to the established order” (ALDRICH & FIOL, 1994, p. 656), forcing the new entrant to adapt the communication cues to its new product and category.

Nevertheless, being a market pioneer, as discussed on subsection 3.4.1 (*Pioneering advantages*), enables the firm to respond to such pressures by managing the perceptions of the category while simultaneously linking itself to the category as its leading brand, and one with authenticity and ability to deliver, in an effort to establish the attributes the product class should possess in that particular market.

Hence, it is possible to formulate the following proposition:

*Proposition 2 – Although, as postulated in Proposition 1, in the earliest stage of a product category launch, the advertising messages conveyed to consumers are expected to be category rather than brand focused, competitive pressures can force companies to run messages that are more brand specific than would be ideal for category building in order to position themselves strongly and retain the market pioneering advantages sought when entering the market.*

*Proposition 3 – Due to competitive pressures, be them exerted by local competitors or by the menace of new entrants already established in other geographies, the company launching the new product (sub)category in a given geographical market can be forced to reposition the (sub)category and/or its brand post launch.*

### **4.3. Advertising cues: appeals, sources and messages**

As also shown in subsection 3.5 (*Marketing communications*), different communication cues are said (CHANDY et al., 2001, p.399-400) to work better in different

market ages, “because of intrinsic differences in consumers’ motivation and ability to process information in those markets”, and the “knowledge of these differences can help marketers design ads that are tailored to the age of individual markets.” Based on this particular notion, it is possible to derive that diverse advertising cues should be used in the distinct stages of a product’s life-cycle:

“In young markets, consumers’ lack of product knowledge, limited prior experience, and limited communication by word of mouth can make the choice of the product risky. This perceived risk, coupled with the inherent novelty of the product and the ad, enhances consumers’ motivation to process information about the product.” (CHANDY et. al., 2001, p.401).

This idea is in line with Sachdeva and Bawa’s (2009, p.154) statement that “consumers when confronted with uncertainty seek information for its reduction. And when consumers are certain they will not seek information.” According to Chandy et al. (2001, p.411), this situation should make consumers “particularly responsive to argument focused appeals, expert sources, and negatively framed messages.”

This leads to the proposition presented below:

*Proposition 4 – On a pre-take-off phase, companies should make use of argument focused appeals, expert sources and negatively framed messages.*

Nevertheless, this would imply that the firm has previous knowledge on the subject, and may not be empirically verifiable for new ventures without market knowledge. This shall be irrelevant for this work once the focus here is laid on experienced multinational enterprises.

Moreover, it is also said that communicating several different features in a single ad leads the consumer to perceive a subcategory, whereas dispersing the features across multiple ads leads to the perception of a different brand within an existing category (SUJAN & BETTMAN, 1989, p.465), which leads to the proposition presented below:

*Proposition 5 – On a pre-take-off phase of product launch, companies focus on advertising more than one product feature.*

Nevertheless, as is true for Proposition 4, this would imply that the firm has previous knowledge on the subject, and may not always be empirically verifiable. Finally, it is said that companies launching a new product categories or subcategories “cannot base initial trust-building strategies on objective external evidence.” (ALDRICH & FIOL, 1994, p. 651). However, given that the focus of the present study is cast upon launching in new geographies product categories or subcategories that are already commercialized in different markets, it may be that their strategies to build trust are based on objective external evidence. Hence, if a company chooses or not to use such a strategy, depends more on a choice than on a possibility.

## 5. CASE STUDIES: EVALUATING THE PROPOSITIONS

### 5.1. Case One: washer-dryers in Brazil

In Brazil, the penetration of full-automatic washing machines is as low as 25%, while the penetration of semi-automatic washing machines (the previously mentioned ‘tanquinhos’) is of 23%. This indicates that the home laundry appliances category in the country is far from being saturated, there still being room both for its growth and development and for the consequent further growth and development of laundry detergents in this market (EUROMONITOR INTERNATIONAL, 2012a; EUROMONITOR INTERNATIONAL, 2012d).

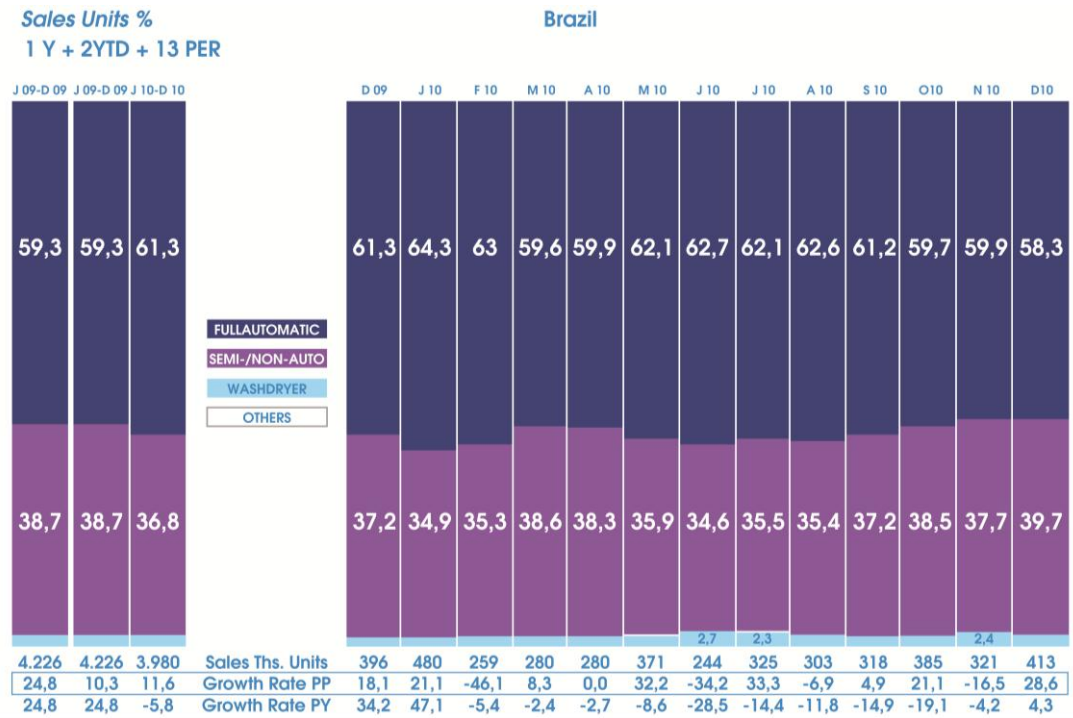
Thanks to a reduction made in December 2011 by the Brazilian government of the Industrialized Product Tax on both semi-automatic and full-automatic washing machines (to 0% and from 20% to 10%, respectively), which was held until June 2012, prices of both types of washing machines have then declined. This reduction, together with a rising disposable income in the country and with discounts promoted by retailers, led to a positive growth in the category sales in 2011 (EUROMONITOR INTERNATIONAL, 2012a; EUROMONITOR INTERNATIONAL, 2012d).

There can be said to be two distinguishable trends in the Brazilian market for washing machines: the growth in penetration of machines in general, and a tendency of consumer sophistication in relation to the products bought, including upgrading from semi to full-automatic machines and the increasing preference of higher-end products by middle and high income consumers. The sales of value added products therefore are “expected to be maintained in the near future, as consumers, notably women, will demand higher-quality and more convenient products to clean their clothes.” (EUROMONITOR INTERNATIONAL, 2012d).

Nevertheless, as seen in *figure 13* below, a large percentage of the machines sold in Brazil is still of semi or non-automatic types, and the penetration of sophisticated products like the combo (washer-dryer) machine is low. Moreover, as seen on *figure 14*, less than 4% of the machines sold are front-loaders – which are the most common type of machines sold in



developed markets, and in Brazil generally targeted to higher income consumers, thanks to their higher price. Finally, among the full-automatic front-load machines, it is clear that LG is the leading brand (figure 15).



**Figure 13 – Types of washing machines sold in Brazil**

Source: GFK Group, 2010

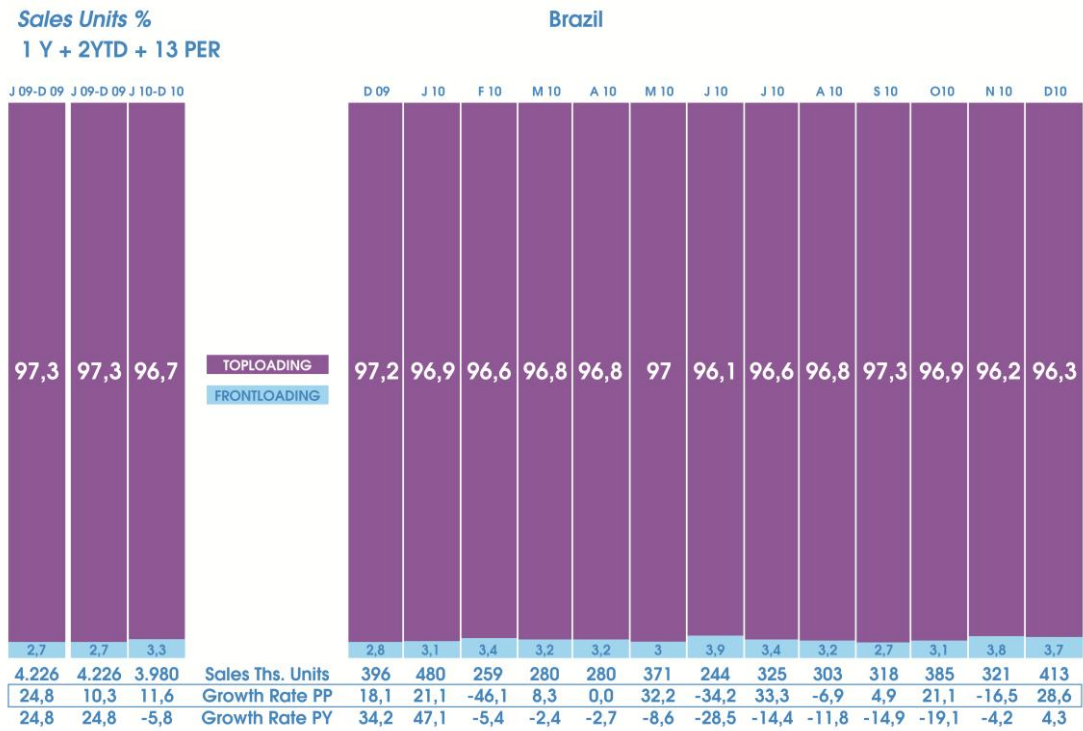


Figure 14 – Types of washing machines sold in Brazil: TL versus FL

Source: GFK Group, 2010

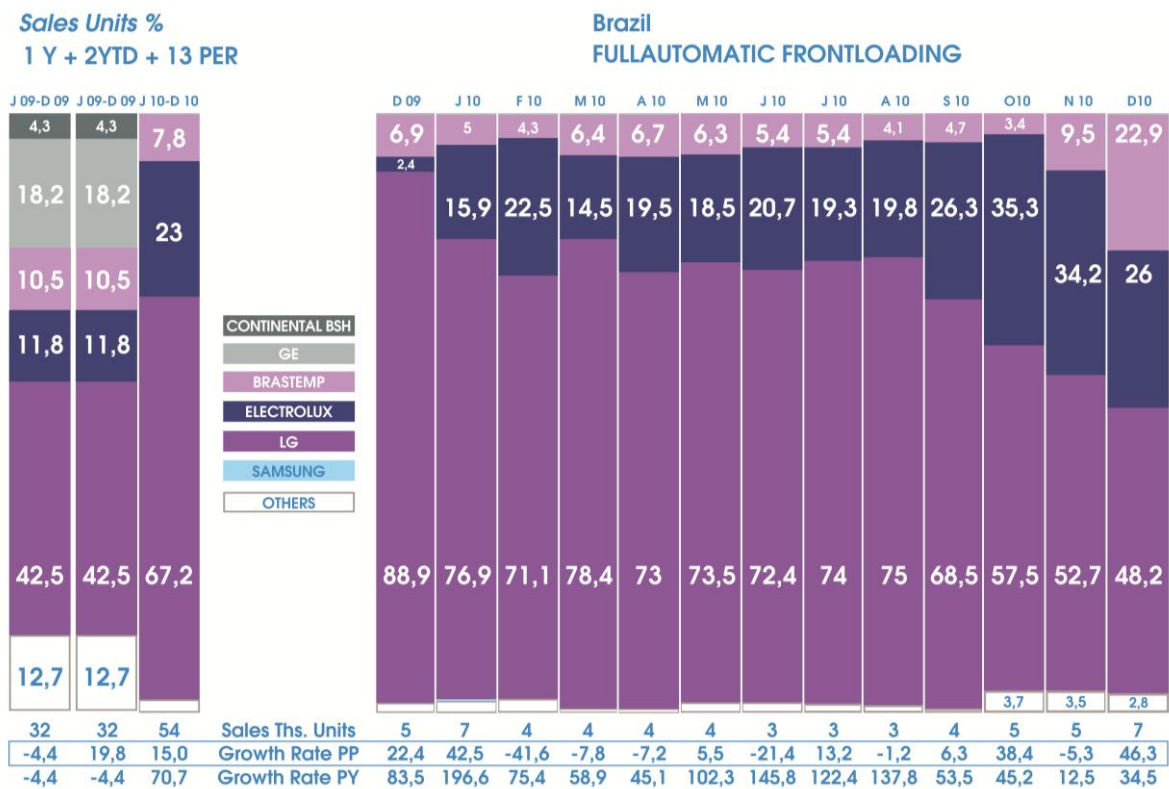


Figure 15 – Full-automatic frontloading brand shares

Source: GFK Group, 2010

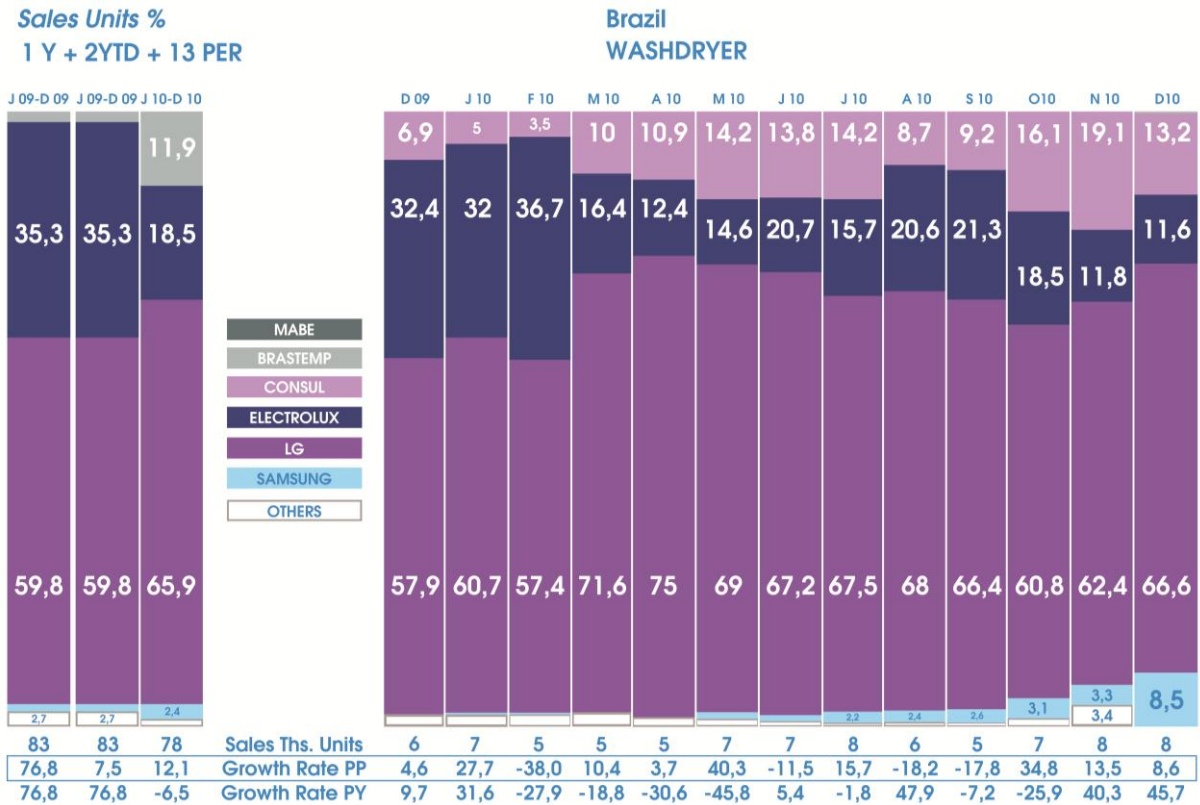
According to a report issued by Euromonitor International (2012a), despite the scenario described above, due to declining prices, growing purchasing power and limited space in households, Brazilian consumers are more interested in automatic washer-dryers. Also according to the report, manufacturers have increased their investments on promoting this type of machines, which can be observed in product launches, promotions at points-of-sale and retail discounting. The development of the washer-dryer category can be seen in *table 2*, while brand shares can be assessed on *figure 16*.

**Table 2 – Sales of home laundry appliances by category (volume, 2006-2011)**

'000 units

	2006	2007	2008	2009	2010	2011
Built-in Home Laundry Appliances	-	-	-	-	-	-
Freestanding Home Laundry Appliances	3,655.6	4,253.7	4,973.6	5,993.4	5,678.3	6,678.2
Automatic Tumble Dryers	45.6	51.2	59.9	66.5	74.2	81.5
- Built-in Tumble Dryers	-	-	-	-	-	-
- Freestanding Tumble Dryers	45.6	51.2	59.9	66.5	74.2	81.5
Automatic Washer Dryers	2.7	5.1	6.6	8.4	10.6	13.0
- Built-in Washer Dryers	-	-	-	-	-	-
- Freestanding Washer Dryers	2.7	5.1	6.6	8.4	10.6	13.0
Automatic Washing Machines	1,715.1	1,970.6	2,274.1	2,756.2	2,816.8	3,523.9
- Built-in Automatic Washing Machines	-	-	-	-	-	-
- Freestanding Automatic Washing Machines	1,715.1	1,970.6	2,274.1	2,756.2	2,816.8	3,523.9
Semi-Automatic Washing Machines	1,882.2	2,215.3	2,620.7	3,147.5	2,760.4	3,041.9
Other Home Laundry Appliances	10.1	11.5	13.2	14.8	16.3	17.9
- Other Built-in Home Laundry Appliances	-	-	-	-	-	-
- Other Freestanding Home Laundry Appliances	10.1	11.5	13.2	14.8	16.3	17.9
Home Laundry Appliances	3,655.6	4,253.7	4,973.6	5,993.4	5,678.3	6,678.2

Source: Euromonitor International, 2012a



**Figure 16 – Washer-dryer brand shares**

Source: GfK International, 2010

The main brands driving the increase in sales of front-loaders, specially the washer-dryer type, in the Brazilian market, are LG and Samsung. The two South Korean players have been the ones investing the most in educating the Brazilian consumer about these types of machines, while Brastemp and Consul, both belonging to Whirlpool, have been holding back to the top-loaders, once most of their products sold in the country are of this type, with the brands being market leaders.

However, LG’s efforts seem to be starting to generate a sales take-off on the front loader washer-dryer subcategory, and although the company only held a 1% volume share within home laundry appliances in 2011, it saw a 44% increase in its retail volume sales. Thanks to that, the company announced an investment of US\$115 million in a new facility in São Paulo State as a strategy to increase its sales in Brazil through cost and price reduction. Samsung, on its turn, announced an investment of R\$300 million in a new unit in another city in the same state to produce refrigeration appliances and automatic washer dryers from 2013, in an attempt similar of its competitor’s (EUROMONITOR INTERNATIONAL, 2012a).

### 5.1.1. Front-loading washer-dryer: propositions evaluation

Before the proposition evaluation for this specific subcategory can take place, it is important to highlight that for many categories in developing economies, white goods included, “the retail aisle is where the market action is – it’s where the customers make purchasing decisions”, and successful retailers and manufacturers should have figured out that “a store must be much more than a source of basic necessities and a target for aspirations; it must be a center of knowledge and learning.” (D’ANDREA, MARCOTTE & MORRISON, 2010).

For that reason, for the washing machines category analysis, not only print ads and TV commercials will be used, but also events and in-store marketing will be taken into consideration.

*Proposition 1 – In early stages of a new product (sub)category launch, the advertising messages conveyed to the broader audiences will try to legitimate the (sub)category itself first, instead of only presenting a particular brand to the consumer, a step that will be taken in a later stage: OBSERVABLE*

All of the analyzed ads and actions conducted by LG (ANNEXES C to J) were highly explanatory about the subcategory (front-loading washer-dryer machine), and strongly highlighted its features and benefits. None of them, however, created any comparison of the brand against its most direct competitor, Samsung, which has very similar products. It can be thus inferred that the other South Korean brand can end up benefiting from the marketing and PR activities undertaken by LG, even though the brand tries, in a minor extent (ANNEX E), to advertise it is the only one with certain specific functions.

*Proposition 2 – Although, as postulated in Proposition 1, in the earliest stage of a product category launch, the advertising messages conveyed to consumers are expected to be category rather than brand focused, competitive pressures can force companies to run messages that are more brand specific than would be ideal for category building in order to position*

*themselves strongly and retain the market pioneering advantages sought when entering the market: NOT OBSERVABLE*

As specified above, although LG and Samsung have very similar products, the former does not seem to have a clear intention, based on the material collected, of comparing itself or differentiating itself from the later. Perhaps, however, this is also due to the fact that it is a product that has a technological aspect to it, and differentiation would require a previous consumer understanding related to the product's multiple features. The efforts of differentiation, therefore, seem to have been made in the point of sales, with LG investing heavily in product visibility, as shown in in ANNEX H, which compares point-of-sales displays of LG and Samsung.

*Proposition 3 – Due to competitive pressures, be them exerted by local competitors or by the menace of new entrants already established in other geographies, the company launching the new product (sub)category in a given geographical market can be forced to reposition the (sub)category and/or its brand post launch: NOT OBSERVABLE*

Once the washing machine category is a very competitive one, with the market being dominated by Whirlpool, competitive pressures have been imposed upon LG *a priori*, and the menace of Brastemp, Whirlpool's leading brand, entering the washer-dryer market was always a constant. Nevertheless, LG does not seem to have changed its positioning of a value-added product with highly technological attributes throughout the years, rendering *Proposition 3* not observable in the case at hand.

*Proposition 4 – On a pre-take-off phase, companies should make use of argument focused appeals, expert sources and negatively framed messages. MOSTLY OBSERVABLE*

When it comes to argument focused appeals, it is more than clear this is the main focus of LG's advertising and PR activities. Be it on ads (ANNEXES C, D and J), on

brochures available at the point-of-sales (ANNEX I) or in point-of-sales communication in general (ANNEX H), the main focus of the campaigns ran by the company to launch the front-loading wash-dryer to the Brazilian market is based on solidly explained arguments.

In order to produce an expert source that is tangible to consumers, LG has partnered with Brazilian clothing chain Ellus (targeted to high-end consumers) and actor Malvino Salvador to create an event in which the actor promoted the company's washing machine by showing that even fine clothes are safe from damage when washed in LG's machines (ANNEXES F and G), thus creating the idea of two expert sources in one: the actor, who is supposed to wear fine clothes, and the Ellus brand, which produces high-end products. The action took place in one of Ellus' stores in the famous Oscar Freire street, in São Paulo City (LG BLOG, 2011).

None of the materials analyzed, however, showed the usage of negatively framed messages in them: they emphasize the benefits of the product sold, but do not explicitly expose the bad results that could be attained in case the subcategory is not adopted.

*Proposition 5 – On a pre-take-off phase of product launch, companies focus on advertising more than one product feature: OBSERVABLE*

As previously pointed out, the usage of argument focused appeals is widespread in the pieces analyzed, apart only from the TV commercial presented in ANNEX D. Expanding that analysis, it is possible to notice that these arguments usually do not come alone, and multiple features of the product are presented in each of the ads (ANNEXES C, D, E and J), as well as on point-of-sales materials (ANNEXES H and I).

### **5.1.2. Partial conclusion: front-loading washer-dryers**

Although *Proposition 2* and *Proposition 3* were not observable in the presented case due to the competitive scenario linked to the washing machine category, other propositions were observable in it, with the exception laying on the negatively framed message part of *Proposition 4*.

## 5.2. Case two: liquid detergents in Brazil, a re-launched subcategory

As consumers in many emerging markets become increasingly sophisticated, they are making demands for higher quality detergents with improved functionality and convenience, which boosts the sales of liquid detergents. Adding to that, retailers, keen to save shelf space, are also opting for tightly-packaged liquid varieties of detergents and, as a result, growth rates of the subcategory are expected to be very healthy, with Euromonitor International (2010a) predicting that, between 2009 and 2014, Latin America will see its historical greatest volume growth in liquid detergents with a CAGR of nearly 13%.

In Brazil, the previously mentioned increasing incomes amongst lower and middle income groups, have been boosting sales of laundry care products, with consumers not only increasing their consumption, but also opting for value-added products, “including eco-friendly formulae and packaging, liquid and concentrated versions of detergents, innovative formulations and new fragrances”, leading manufactures to invest widely in new product launches (EUROMONITOR INTERNATIONAL, 2012d).

Despite the good tide for laundry care manufacturers, it is important to notice that “Brazil's new generation of young, middle-class consumers is receptive to innovation, but not necessarily at the expense of familiarity or heritage”, and “Brazilians have long been used to powder as their laundry detergent of choice”, with Unilever’s OMO dominating sales for years (EUROMONITOR INTERNATIONAL, 2010b).

Liquid laundry detergents have, nevertheless, been growing in popularity, and, until 2009, P&G’s Ariel (the brand to re-launch, in 2008, the subcategory) and Ace held a virtual duopoly of Brazil's liquid laundry detergent market. Their success has, however, led other players to re-think their strategy for a segment many considered unworkable in Brazil. This was so because, in 1999, a liquid version of Unilever's OMO, had been launched in the country, being withdrawn from retail shelves in 2004 because the subcategory failed to take-off. By then, “liquid detergents were widely perceived as too niche, with consumers identifying them as ultra-specific to dark garments”, and it ended up being “purchased as an addition to powder and not as an alternative.” (EUROMONITOR INTERNATIONAL, 2010b).



**Table 3 – Sales of laundry detergents by subcategory**

R\$ million

	2006	2007	2008	2009	2010	2011
Automatic Detergents	3.364,5	3.319,1	3.395,3	3.529,7	3.848,4	4.216,1
- Powder Detergents	3.364,5	3.319,1	3.367,2	3.453,4	3.690,6	3.904,7
- Detergent Tablets	-	-	-	-	-	-
-Liquid Detergents	-	-	28,1	76,3	157,7	311,4
Other Detergents	1.486,5	1.598,0	1.895,5	1.905,5	2.009,4	2.078,7
- Bar Detergents	1.316,3	1.415,7	1.706,2	1.714,4	1.806,1	1.863,9
- Hand Wash Detergents	76,5	84,1	86,8	88,0	93,9	99,4
- Fine Fabric Detergents	93,7	98,2	102,5	103,1	109,4	115,3
Laundry Detergents	4.851,0	4.917,0	5.290,9	5.435,2	5.857,8	6.294,8

Source: Euromonitor Internacional, 2012d

In 2011, three years after the liquid detergent subcategory re-launch, it experienced a growth of 97% in value (*Table 4*), while the concentrated liquid detergents saw their value sales rise in 497%. The concentrated liquid detergent, however, is not being sold by Procter & Gamble, but by Unilever: due to Ariel and Ace's success, which led P&G to record shares (*Table 5*) in 2011 in the detergent category always dominated by OMO, the later was pushed, in 2010, to return to the shelves, this time being positioned as a concentrated liquid detergent, and advertised as a superior form within the subcategory (EUROMONITOR INTERNATIONAL, 2012d).

But what did P&G do in 2008 that Unilver could not in 1999? Other than a good timing within the Brazilian economic scenario, in order to introduce its product P&G invested in advertising campaigns on television and magazines, using “advertising campaigns which highlighted the fact that liquid detergents do not leave stains on clothing like powder detergents during the washing cycle”, (EUROMONITOR INTERNATIONAL, 2012d) a strategy considered ambitious, as this could have had negative impact over the sales of Ariel's powder version. To ensure take-off, Ariel Líquido continued to receive strong investment in advertising, and now both Ariel, OMO, and the later launched competitors seem to be in a better track, with “a growing consumer understanding of liquid detergent's multi-tasking laundry profile.” (EUROMONITOR INTERNATIONAL, 2010b).

**Table 4 – Sales of laundry detergents by subcategory: % value growth**

*% current value growth*

	2010/11	2006-11 CAGR	2006/11 Total
Automatic Detergents	9,6	4,6	25,3
- Powder Detergents	5,8	3,0	16,1
- Detergent Tablets	-	-	-
- Liquid Detergents	97,4	-	-
Other Detergents	3,4	6,9	39,8
- Bar Detergents	3,2	7,2	41,6
- Hand Wash Detergents	5,9	5,4	30,0
- Fine Fabric Detergents	5,4	4,2	23,1
Laundry Detergents	7,5	5,3	29,8

Source: Euromonitor Internacional, 2012d

**Table 5 – Detergent Brand Shares in Brazil**

% retail value rsp

Brand	Company	2008	2009	2010	2011
Omo	Unilever Brasil Ltda	29.2	29.5	31.2	30.9
Ypê	Química Amparo Ltda	13.1	14.0	14.0	13.7
Brilhante	Unilever Brasil Ltda	8.7	8.6	8.5	8.3
Surf	Unilever Brasil Ltda	5.8	5.5	5.4	5.4
Ariel	Procter & Gamble do Brasil SA	2.2	3.3	4.2	5.1
Ace	Procter & Gamble do Brasil SA	3.8	3.6	3.6	3.6
Minuano	Flora Produtos de Limpeza Ltda	3.0	3.3	3.3	3.2
Minerva	Unilever Brasil Ltda	2.3	2.3	2.3	2.2
Bombril	Bombril SA	2.0	1.9	1.8	1.7
Razzo	Razzo Ltda	1.4	1.4	1.5	1.4
Ala	Unilever Brasil Ltda	1.6	1.6	1.5	1.4
Rio	Gtex Brasil Ltda	-	-	1.2	1.2
UFE	Gtex Brasil Ltda	-	-	1.2	1.1
Assim	Flora Produtos de Limpeza Ltda	-	-	-	1.0
Ruth	Gtex Brasil Ltda	-	-	0.9	0.9
Pronto	Bombril SA	1.0	0.9	0.9	0.9
Roma	Ceras Johnson Ltda	0.4	0.4	0.4	0.3
Sim	Flora Produtos de Limpeza Ltda	-	-	-	0.3
Ola	Colgate-Palmolive Indústria e Comércio Ltda	0.3	0.3	0.3	0.3
Coquel	K & M Indústria Química Ltda	0.3	0.3	0.3	0.3
Woolite	Reckitt Benckiser Ltda	0.3	0.3	0.3	0.3
Urca	Gtex Brasil Ltda	-	-	0.2	0.2
Assim	Hypermarcas SA	1.2	1.1	1.1	-
Sim	Hypermarcas SA	0.4	0.4	0.4	-
Rio	Rosatex Produtos Químicos Ltda	1.1	1.2	-	-
UFE	Rosatex Produtos Químicos Ltda	1.0	1.2	-	-
Ruth	Rosatex Produtos Químicos Ltda	0.8	0.9	-	-
Urca	Rosatex Produtos Químicos Ltda	0.2	0.2	-	-
Assim	Assolan Industrial Ltda	-	-	-	-
Assolan	Hypermarcas SA	-	-	-	-
Private Label	Private Label	3.2	3.5	3.6	3.7
Others		16.8	14.2	12.1	12.6
Total		100.0	100.0	100.0	100.0

Source: Euromonitor Internacional, 2012d

### 5.2.1. Liquid detergents: propositions evaluation

*Proposition 1 – In early stages of a new product (sub)category launch, the advertising messages conveyed to the broader audiences will try to legitimate the (sub)category itself first, instead of only presenting a particular brand to the consumer, a step that will be taken in a later stage: OBSERVABLE*

As seen in the ads used by Ariel Líquido (Ariel's liquid version) in Brazil from 2008 (its first launch year) to 2012 to the final consumer (ANNEXES L to P), there is a recurring emphasis on the benefits of liquid detergents in general, comparing them to a less efficient powder detergent. The claims made in the ads include saying that liquid detergents penetrate better into the clothes, remove more stains, and do not leave residues like powder detergents. As said before, this was a bold strategy from P&G, once it also sells the powder version of Ariel.

Although the brand (Ariel) is present in all of the ads, only in the 2010 ad (ANNEX N), which can be said to belong to a phase of brand legitimation already, there is an specific urge for consumers to change their powder detergent to Ariel Líquido. There can, therefore, be said that the initial emphasis was certainly larger on the subcategory than on the brand.

*Proposition 2 – Although, as postulated in Proposition 1, in the earliest stage of a product category launch, the advertising messages conveyed to consumers are expected to be category rather than brand focused, competitive pressures can force companies to run messages that are more brand specific than would be ideal for category building in order to position themselves strongly and retain the market pioneering advantages sought when entering the market: NOT OBSERVABLE*

As described above, although the announcer, Procter & Gamble, did include suggestions to its brand in its ads, the largest part of what was announced had to do with selling the liquid detergent subcategory itself, with Ariel being positioned right in the center

of it. This can also be considered a bold move of the brand, once Unilever's OMO was always a potential new entrant in the subcategory.

*Proposition 3 – Due to competitive pressures, be them exerted by local competitors or by the menace of new entrants already established in other geographies, the company launching the new product (sub)category in a given geographical market can be forced to reposition the (sub)category and/or its brand post launch: NOT OBSERVABLE*

As opposed to being led to reposition when Unilever launched its liquid version of OMO, in 2010, P&G kept Ariel in the middle of the liquid spectrum, while its competitor went to a niche within it: the concentrated version of liquid detergents. Although OMO at first tried to advertise the benefits of liquid detergents in general (ANNEX Q), it soon moved to a strategy of differentiating itself from the already established Ariel Líquido brand, by advertising the benefits of a 'sub-subcategory' (ANNEXES R and T), and even placing it as a strong stain remover (ANNEX T).

*Proposition 3* is, thus, not observable, once the brand to launch the subcategory was not the one to be forced to change to a different positioning, and hence benefiting from two of the market pioneer advantages pointed out in subsection 3.4.1: benefiting from the possibility to establish the attributes the product class should possess and aim at the middle of the market and therefore capture more users. However, looking from a different angle and knowing that OMO was the one launching liquid detergents for the first time, in 1999, when it unsuccessfully had to be taken out of the market, *Proposition 3* becomes observable from this brand's point of view.

*Proposition 4 – On a pre-take-off phase, companies make use of argument focused appeals, expert sources and negatively framed messages: MOSTLY OBSERVABLE*

When it came to argument focused appeals, it was universally true that the advertisings analyzed followed the pattern of an argument focused line of reasoning. Both Ariel Líquido and OMO Líquido Super Concentrado used rational arguments (e.g. dilutes

easily, removes more stains, there is no need to add stain removers, leaves no residues) to persuade the consumer to change from powder versions.

Since there is no real expert source when it comes to detergent choice, it can be considered that the experts used are the ‘real’ women who wash their families’ clothes. In this sense, it can be said that this was true for most ads, with P&G using celebrity women (ANNEXES N and O) and both P&G and Unilever using older women (ANNEXES N, S and T), to symbolize ‘experts’ in washing clothes: the experienced housewives.

When it came to negatively framed messages, however, the result was a bit different: most of the ads analyzed focused on the benefits of the product usage, rather than on the problems that may arise from the usage of a different sort of product. This was not true, however, for the ads in which P&G states that, if the consumer keeps using powder, their shirts will be full of residues (ANNEX O and ANNEX P, which depicts a free sample of both powder and liquid detergent put on a magazine and that emphasizes that powder leaves residues). Furthermore, although it was not possible to get the whole campaign of Ariel, it is known that it largely used such negatively framed ads which pointed to the fact that, if consumers kept using powder detergent, their clothes would be filled with residues. Once, however, these ads are not herein available, they were not taken into consideration in the final weight, and this part of the proposition was considered not to be observable.

*Proposition 5 – On a pre-take-off phase of product launch, companies focus on advertising more than one product feature: OBSERVABLE*

All of the ads analyzed, both of Ariel Líquido and OMO Líquido Super Concentrado, advertised multiple benefits arising from the usage products in each piece. Among the features advertised were the liquidness and formula, which allow for better dilution, better stain removal, less product needed for an efficient cleaning, and no residues after washing, among others.

### **5.2.2. Partial conclusion: liquid detergents**

Although not all of the propositions were empirically observable for the liquid detergent subcategory launch in Brazil, it can be said that the general tone of the ads analyzed was in line with the patterns of (sub)category launch formerly studied in the present dissertation. Discrepancies rose mainly due to the competitive scenario observed, which led *Proposition 2* and *Proposition 3* not to be observable.

### **5.3. Case three: non-chlorine bleach in Brazil**

Reckitt and Benckiser's Vanish brand was launched in Brazil in 2000, as the first non-chlorine bleach available in that market and, thus, the first of a subcategory that has been developing across the years. Although non-chlorine bleach is expected to continue to see increased sales in Brazil in the years to come, it can be said to be less versatile than its mother category, chlorine bleach: its usage is restricted to laundry care while the latter, which is likely to maintain its long term lead in the country, can be used for multi-purposes around the house and counts with a lower market price (EUROMONITOR INTERNATIONAL, 2012b).

Nevertheless, the non-chlorine bleach subcategory, and Vanish in particular, seems to be a success case in the country, and its value added strategy has been rising unit prices of the bleach category in Brazil: it has helped lead a 13% increase in the current value terms of the category in the country, which reached R\$978 million in 2011 (EUROMONITOR INTERNATIONAL, 2012b).

Today, Vanish has a large portfolio in the country, which includes its very popular stain removers: Reckitt Benckiser has also been of central importance to the development of the pre-treater and stain remover subcategories in Brazil, having invested in educational campaigns also for those lines of products (EUROMONITOR INTERNATIONAL, 2012d). Nevertheless, Vanish still experiences strong growth in its bleach sales due to its positioning in a subcategory which is perceived by consumers as less harmful than the original (EUROMONITOR INTERNATIONAL, 2012b).

Given the success achieved by Vanish, as well as the widespread use of bleach in clothes' washing in the country, and the rising disposable income of Brazilian consumers, other manufacturers have been investing in non-chlorine bleach products. A proof of this is that the leading bleach company in the country, Indústria Anhembi – which, by 2011, held a 31% value share in the category – recently introduced a non-chlorine bleach under the brand Q'Boa Oxi to the market (EUROMONITOR INTERNATIONAL, 2012b).

### 5.3.1. Non-chlorine bleaches: propositions evaluation

*Proposition 1 – In early stages of a new product (sub)category launch, the advertising messages conveyed to the broader audiences will try to legitimate the (sub)category itself first, instead of only presenting a particular brand to the consumer, a step that will be taken in a later stage: NOT OBSERVABLE*

In the case at hand, the brand (Vanish) is presented as the subcategory itself, legitimating both the non-chlorine version of bleaches and the Vanish brand simultaneously. This is observable in all of the TV commercials analyzed (ANNEXES U to DD), in which the motto “it is not bleach, it is Vanish!” is used repeatedly. The opposition is, thus, made between the mother category itself (bleaches) and the subcategory (non-chlorine bleaches) being defined by the advertiser as Vanish itself, which “is not a regular bleach”.

*Proposition 2 – Although, as postulated in Proposition 1, in the earliest stage of a product category launch, the advertising messages conveyed to consumers are expected to be category rather than brand focused, competitive pressures can force companies to run messages that are more brand specific than would be ideal for category building in order to position themselves strongly and retain the market pioneering advantages sought when entering the market: OBSERVABLE*



Once bleach is a category with high usage among Brazilian consumers which is dominated by a clear competitor, and since Vanish was a completely new brand to the market – as opposed to what was seen in the cases of LG and Ariel –, the strategy used by Reckitt Benckiser from the beginning has been that of defining the brand as the subcategory itself, as explained above. Also, the company has emphasized in its commercials the superiority of the new subcategory versus its mother category, as seen in all of the ads analyzed (ANNEXES U to DD). This includes both showing characters trying to avoid regular bleach (ANNEXES U and V) and characters telling about the downsides of using it (ANNEXES X, Z, AA and BB).

*Proposition 3 – Due to competitive pressures, be them exerted by local competitors or by the menace of new entrants already established in other geographies, the company launching the new product (sub)category in a given geographical market can be forced to reposition the (sub)category and/or its brand post launch: NOT OBSERVABLE*

The competitive scenario faced by Vanish includes its major competitors having, so far, been focusing on the mother category, bleaches in general, and not on non-chlorine versions of it. It hasn't, therefore, been necessary for Reckitt to reposition Vanish, nor adopt a different market strategy. However, now that the major player in the market, Indústria Anhembi, has decided to launch a non-chlorine version of its product, Vanish may need to rethink its positioning. This, however, is irrelevant for the present study, once the initial launch has occurred more than ten years ago.

*Proposition 4 – On a pre-take-off phase, companies make use of argument focused appeals, expert sources and negatively framed messages: MOSTLY OBSERVABLE*

As opposed to purely emotional appeals, Vanish has used, from the beginning, argument focused reasoning to sell its product. The TV commercials studied give clear reasons why the consumer should buy Vanish instead of regular bleach: 'it cleans without destroying the clothes', 'it is efficient in stain removal', and 'it can be used in both white and color clothes'.

As is true for liquid detergents, there are no real expert sources for the bleach category that would not bring a language too technical for the regular consumer. The expert sources used are, therefore, housewives, mostly presented as mothers or grandmothers (ANNEXES U to AA), but also as professionals who work with substances that are likely to stain fabric (ANNEXES BB to DD).

Although in the TV commercials analyzed no negatively framed message is properly made (e.g. “if you do not use this product, your clothes will be ruined”), the negatively framed proposition is constantly used in a non-verbalized manner: when a character interjects “No! It’s bleach!” when the other is about to use Vanish into the clothes, the message implicitly conveyed is “Do not use it! It will ruin my clothes!”. Thereafter, it can be said that, although they are not explicitly used, the negatively framed messages are somewhat present throughout the Vanish commercials analyzed, since their focus is many times not laid upon the benefits of Vanish, but on the harm it avoids. Nevertheless, for the purpose of the present qualifications, this parcel of the proposition will be considered not observable.

*Proposition 5 – On a pre-take-off phase of product launch, companies should focus on advertising more than one product feature: OBSERVABLE*

The arguments described before as being used in the TV commercials analyzed (cleaning without destroying the clothes, efficient in stain removal, possibility of use in both white and color clothes) are usually seen paired, and features like being a non-chlorine bleach and a great stain remover are therefore seen in most of the samples.

### **5.3.2. Partial conclusion: non-chlorine bleaches**

Given the competitive scenario of the bleach category in Brazil and the fact that Vanish was a new brand in the market, *Proposition 1* and *Proposition 3* could not be observed

in the launch of Vanish non-chlorine bleach. Nevertheless, all other three propositions could be observed for the subcategory.

#### 5.4. Case study takeaways

The observable results for the five propositions on each of the three cases are presented on *table 6* below, from which it is possible to derive the following takeaways:

- *Proposition 1* was observable in the cases of advertising of both washer-dryer machines and liquid detergents, but not in the case of non-chlorine bleaches. This difference can be said to be due to the strategic choice made by Reckitt Benckiser of positioning Vanish as the non-chlorine bleach subcategory itself, also in order to strongly position its yet unknown brand. It is most likely that this choice was made in an effort to strongly manage the perceptions of the category while simultaneously linking itself to it as the leading brand, and hence fully profiting from its market pioneer position. Nevertheless, it may also have to do with the fact that the subcategory in question does not deeply change the way the consumer uses the product category it derives from when washing clothes, thus being considered more attached to that category;
- *Proposition 2* has varying results for each of the categories, an outcome which was previously expected, once it postulates about brand's reactions to competitors' moves. Moreover, *Proposition 1* and *Proposition 2* are mutually exclusive, as could be observed in all three cases presented. In a case in which *Proposition 2* is not observable given there are no competitive pressures that lead to the legitimization of brand before the legitimization of category, *Proposition 1* is expected to be true;
- *Proposition 3* was not observable in any of the cases presented. Nevertheless, this does not discard its validity, given it was only expected to be true if the competitive scenario faced by the pioneering companies forced them to reposition. In a hypothetical scenario, this would be true, for instance, if Brastemp, Whirlpool's market leading brand in Brazil when it comes to full automatic washing machines,

decided to invest heavily in the washer-dryer category. In such a scenario, Brastemp, due to its strong connection to the Brazilian consumer, could shift the new subcategory's perceptions in terms of both price and standard features, and force LG to reposition. If that happened, LG could, among other things, start claiming to be more technology driven or to have a better design, which would justify its higher price or distinct features;

In this case, the worst type of competition that could arise, according to Porter (2008, p.85-86) would be a price war. To him, the degree to which rivalry drives down an industry's profit potential depends both on the intensity of competition and on its basis (price or other). However, although "competition on dimensions other than price – on product features, support services, delivery time, or brand image, for instance – [are] less likely to erode profitability because [they] improve customer value", it is important to notice that "when all or many competitors aim to meet the same needs or compete on the same attributes, the result is zero-sum competition", meaning that, in case a more robust competitor like Brastemp strongly claimed the central attributes being advertised by a weaker pioneer such as LG, this pioneer should better reposition after launch in order to keep its profitability.

- *Proposition 4* was mostly observable in all of the cases. This proposition versed about usage of three main elements: argument focused appeals, expert sources and negatively framed messages – while the first two were true in all cases, the last was only semi-observable for liquid detergents and non-chlorine bleach, although not in the full negative mode, and hence considered not observable in all three cases;

This probably indicates that companies, most likely following the Brazilian market's cultural aspect of avoiding conflict, refrain from clearly confronting competitors when advertising. As pointed out by Hofstede (2012), in Brazil "conflicts are avoided in private and work life and consensus at the end is important." In a study conducted by Naveen Donthu (1998, p.118) about the receptiveness of comparative advertising – which is widely used in the United States – across various countries, it was made clear that, although this type of ad generates a higher recall than non-comparative versions, it is not well received in countries where it has not been widely used, Brazil being one of such examples offered. Perhaps this particular notion has prevented companies to use negatively framed messages in Brazil, once this type of message would necessarily

be opposing the new category to the older one, and might have been offensive to the country's consumers;

- *Proposition 5* was observable in all of the three cases, with companies having made an effort to explain more than one feature and benefit of the new subcategory being presented to the consumer in each of the ads. This also emphasizes that these categories have not been launched with a primarily emotional appeal, which is in line with the results obtained in *Proposition 4*;

Having in mind the previously presented arguments of Sachdeva and Bawa (2009, p.154) – who state that, when confronted with a new product category launch, consumers seek information to reduce the uncertainty inherent to it –, and of Chandy et al. (2001, p.401) – who argue that advertising is a key source of information about new products and that consumers are particularly motivated to process this information in early stages of product category introduction order to diminish the risk related to buying it –, it can be said that advertising multiple features in pre take-off advertising is a rather important move for companies. This is so because, as previously discussed, consumers are, in this phase, more attentive to what the pioneer has to say, given their yet low emotional attachment to the category and wish to create a new mental framework to understand it.

**Table 6 – Proposition Evaluation Summary**

	Proposition 1	Proposition 2	Proposition 3	Proposition 4	Proposition 5
Case 1: Washer-Dryer	Observable	Not Observable	Not Observable	Mostly Observable	Observable
Case 2: Liquid Detergent	Observable	Not Observable	Not Observable	Mostly Observable	Observable
Case 3: Non-Chlorine Bleach	Not Observable	Observable	Not Observable	Mostly Observable	Observable

Source: elaborated by the author

## 6. CONCLUSIONS, MANAGERIAL IMPLICATIONS AND LIMITATIONS

### 6.1. Conclusions and further research

So, what can be said about the communication messages used in advertisements ran by multinational companies in the early stages of product category or subcategory introductions in a geographical market to which it is entirely new? From the literature review developed and the analyses conducted, it is possible to derive the below described conclusions, which are not to be herein exhaustively discussed, but rather pointed out to maybe be used as the starting point for new research endeavors:

1. The way advertising is conducted partially depends on the competitive scenario observed in the mother product category, when it comes to a new subcategory, and on the competitive scenario of possible entrants and substitute categories, when it comes to a new category;
2. Therefore, although some companies may prefer to focus on brand legitimation and differentiation from the very beginning, this is most likely only occurring when: i) it comes to the launch of a subcategory rather than that of a category, given the distance between mother category and new subcategory is small; or ii) when the competitive pressures faced are such that the brand introducing the new (sub)category has to legitimate itself right from the start, a scenario that can be aggravated in case no brand or line extensions are used, but rather a new brand is introduced;
3. When the conditions placed in conclusion 2 are not observable, the initial focus of the launching firm will be laid upon the legitimation of the (sub)category in hand, with the time frame need to complete this legitimation and start focusing on brand legitimation varying from one (sub)category to another;
4. To advertise new categories and subcategories, multinational companies tend to use expert sources, as well as multiple arguments in their ads, pointing out to many

distinct features of the new product and (sub)category in order to inform and educate the consumers;

5. As pointed out by the low usage of negatively framed messages in Brazil despite evidence of the contrary in India (SACHDEVA & BAWA, 2009), local cultural factors do influence the way well-informed companies conduct their advertising in new geographies; and
6. Finally, as evidenced by the success of Ariel Líquido in launching liquid detergents in Brazil only four years after powder detergent market leader OMO had to withdraw from shelves due to its inability to forge product take-off, timing is of significant importance in new product (sub)category launches, which are influenced not only by cultural, but also by economical and infrastructural variants of the geography chosen.

## 6.2. Managerial implications

Based on the above presented case study takeaways and deriving conclusions, it is possible to suggest the following market communication guidelines for companies looking to be market pioneers, with the four steps being summarized in *figure 17*:

1. Before any marketing and, most specifically, communication campaign decision can be made, it is essential that the firm willing to pioneer assesses the general environment of the market in which it intends to enter. If its macroeconomic conditions are not favorable for the new (sub)category, there is no TV commercial or print advertising brilliant enough to make sales take-off. These conditions can be as varying as population income, cultural biases or even governmental restrictions, among others;
2. After these conditions have been assessed and the firm believes they are favorable, it is time to assess the competitive scenario: for both new

categories and new subcategories, this includes the bargaining power of buyers and suppliers, possible substitute categories and possible new entrants. For subcategories it additionally includes the rivalry within in its mother category;

3. Once the competitive scenario has also been assessed, it is essential that the firm is prepared to spend money in advertising the new (sub)category and educating its consumers. A strong market introduction requires not only having a good product, an appropriate price and a good distribution strategy: it also requires a solid capability to take all of these through, as well as a robust communication plan;
4. If the firm is ready to launch the new (sub)category and has enough resources (monetary and intellectual) to do it, it is time to further develop its strategies and tactics. When it comes to communications, the following are the takeaways of this work:
  - The firm shall not be afraid to position itself in the center of the new (sub)category, in an attempt to dictate its features and to capture a larger amount of consumers;
  - It should look to legitimate the (sub)category before fully legitimating its own brand, to avoid creating a general misunderstanding about what the (sub)category which may lead to failure;
  - The pioneering company should beware that the above mentioned legitimation time varies from one category to another, and should closely monitor it;
  - If there is an eminent menace of substitutes and new entrants, the firm has to aim at a strong brand positioning and hence legitimation from the beginning, although being careful to make the category be understood to consumers;
  - In the case of subcategories, companies should act likewise if competition is too strong in the mother category;
  - Also, if the distance to a new subcategory's mother category is too small, the pioneering company should position its brand as the subcategory itself, in an attempt to create distinctiveness and try to avoid the category leader to enter the newly created subcategory;



- In its advertisings, the company should emphasize more than one feature and more than one benefit at a time, so that consumers see a reason to buy the new (sub)category and can clearly distinguish it from other categories;
- If it is not a niche product category, mass media should be used, once it reaches the average consumer more broadly, offering information about the new (sub)category to more people at a time. Nevertheless, the rising importance of new media should not be ignored;
- Advertising in market pioneering cases requires cultural sensitivity, and companies shall find out, beforehand, if the tactics used in their older markets (e.g. negative framing) also work in the new one;
- The usage of argument focused appeals and expert sources seems to be generally adequate, once the consumer has no emotional connection with the new (sub)category and is still trying to conceptualize it in his/her mind;
- Finally, the company has to have a communications' backup plan in order to reposition in case competitors shoot back.



***Figure 17 - Managerial steps for new category launch in new geographical markets***

Source: elaborated by the author

### **6.3. Work limitations**

As every work, the present study also has limitations to it. Firstly and foremost, the unavailability of a world-encompassing advertising database which would allow for a statistically relevant analysis of category and subcategory launches across multiple regions forced the choice of a reduced amount of cases seen in the Brazilian market only. However enlightening these cases might be, their restriction to the Brazilian market may generate

locally bound biases, which are pointed out in the assumptions above, and their reduced number may restrict their generalization. Also, the difficulty of finding older ads was prohibitive when it came to assessing the launch of a category itself, and the cases chosen only depicted subcategories.

Nevertheless, the present work is of great value as a further step in the study of new category and subcategory launches when it comes to collecting different theories, formulating propositions and testing them in light of real and recent cases in emerging markets, especially given the current scenario in which multinational companies depend everyday more on their ability not only of producing innovation, but also on that of selling existing products in developing economies to which they might be new.

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## ANNEXES

## ANNEX A – Different PLC Curves

Type of PLC Curve	Introduction	Growth	Maturity	Decline
Classical	Slow sales growth	Very rapid increase in sales	Slow increase, plateau, slight decline	Consistent decrease in sales
I. Cycle-Recycle	Same as classical	Same as classical	Decline, then a recycle	Same as classical
II. Cycle-Half Recycle	Same as classical	Same as classical	Decline, then a half recycle	Consistent increase in sales
III. Increasing Sales	Same as classical or rapid penetration	Rapid, but steady increase	Continued consistent increase	Continued steady increase
IV. Decreasing Sales	Same as high plateau, but followed by a slight decrease	Rapid, but steady decrease	Continued consistent decrease	Continued steady decrease until relatively low level is reached
V. Growth Maturity	Same as classical	Same as classical	Steady growth over relatively long period of time	Slower growth, then a plateau
VI. Innovative Maturity	Same as classical	Same as classical	Short spurts of rapid growth, followed by consistent levels of sales	Same as growth maturity
VII. Growth-Decline-Plateau	Same as classical	Same as classical	Same as classical	Relatively rapid decline, followed by plateau in sales
VIII. Rapid Penetration	Relatively short or nonexistent introduction	More rapid increase than classical	Same as classical	Same as classical
IX. High and Low Plateau	Relatively high (low) initial sales level	Little period-to-period change in sales	Little period-to-period change in sales	Little period-to-period change in sales
X. Stable Maturity	Same as classical	Same as classical	Little period-to-period change in sales	Plateau, followed by a slight decline

Source: Swan & Rink (1982)

## ANNEX B – 40 ways to crash a product launch

### **Pre-Launch Phase**

1. No market research on the product or the market has been done.
2. Most of the budget was used to create the product; little is left for launching, marketing, and selling it.
3. The product is interesting but lacks a precise market.
4. The product's key differentiators and advantages are not easily articulated.
5. The product defines a new category, so consumers or customers will need considerable education before it can be sold.
6. The sales force doesn't believe in the product and isn't committed to selling it.
7. Because the target audience is unclear, the marketing campaign is unfocused.
8. Distribution takes longer than expected and lags behind the launch.
9. Sales channels are not educated about the product and thus slow to put it on shelves.
10. The product lacks formal independent testing to support claims.
11. The marketing campaign is developed in-house by the manufacturer and lacks objectivity.
12. The product is untested by consumers; only the company can assert its benefits.
13. The website is the primary place to order, but the product description is unclear and the site isn't fully functional.

### **Launch Phase**

14. The product is launched too hastily and doesn't work reliably.
15. The launch is aimed at the wrong target audience.
16. Supplies of the product are insufficient to satisfy orders.
17. The product is launched too late for its key selling season.
18. The product doesn't fit into *any* key selling season.
19. The manufacturer's claims can't be backed up.
20. A governing body (the FTC, the FDA) pulls the product, citing false claims.

21. The product is given a limited “trial at retail” but without public relations, marketing, or promotion to “turn” it.
22. The product is launched without influencers to promote its efficacy.
23. The launch budget is insufficient to “pull” the product off the shelf.
24. The product has no trained spokesperson to educate the media.
25. Management launches the marketing campaign before distribution is complete.
26. Management has promised the board and stockholders an instant hit without considering how much time is needed to educate consumers about the product.
27. The ad campaign is untested and ineffective.
28. The launch campaign depends solely on PR to sell the product.
29. The company spends the entire marketing/advertising budget at launch, so no funds are left to sustain the campaign.
30. Company executives underestimate the value of Twitter and Facebook.
31. Retailers are given no incentives to feature the product.
32. All marketing dollars go to advertising and public relations, none to social media.
33. Line extensions aren’t test-marketed as thoroughly as the original product, so they fail.
34. The product is launched to capitalize on a fad that soon fizzles.
35. The product design is unique but confuses consumers, who don’t understand how the product works.
36. The spokesperson is a bad fit with the product, creating a discordant message.
37. The product is priced too high for mass adoption.
38. Consumers are unclear about what demographic the product is geared toward.
39. The product is manufactured offshore; quality control issues result in negative consumer feedback and product returns.
40. The ad campaign is launched before the sales force is fully briefed, so customers know more than salespeople about the product.

Source: Schneider & Hall (2011)

ANNEX C – LG Washer-Dryer Ad, 2008

**Home Care collection**  
LG

Lava e Seca Steam Art Dios.  
A única com função  
"bem-estar da família".

Fotos ilustrativas. SAC: 009 5400 para capitais e regiões metropolitanas e 0800 707 5454 para demais localidades.

12 kg      10.5 kg      10.5 e 8.5 kg


- Função Steam: sistema de lavagem com água e vapor que esteriliza suas roupas em temperatura de até 100°C
- Performance de lavagem 20% superior: economia de água e energia
- Programas exclusivos de lavagem como Allergy Care, Baby Care e Steam Refresh
- Remove vincos e retira odores

**LG**  
Life's Good  
www.lge.com.br




49.1.1 - LG - RE / Istitú - Mai/2008 - Arquivo da Propaganda - 493730

Source: Arquivo da Propaganda




## ANNEX D – LG Front-loader TV Commercial, 2009




## ARQUIVO DA PROPAGANDA


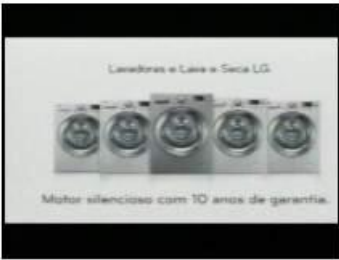





(MÚSICA) LOCUTOR: O que você vai precisar mudar nos próximos anos? O lugar?

Um hábito? Ou não vai precisar mudar nada? Nova geração de Lavadoras LG.



Tecnologia de amanhã, na sua vida hoje.

(11) 5585-3834 - [www.arquivo.com.br](http://www.arquivo.com.br)

49.1.1 - LG - TV/Record/Domingo Espetacular - São Paulo/SP - 30" - 25/10/2009 - T379206

Source: Arquivo da Propaganda

## ANNEX E – LG Washer-Dryer Ad, 2009

Deixe suas roupas  
sempre novas.

LG WD-1250ERD(A)

**Experimente o poder do vapor com a Lava&Seca  
LG Steam**

Com design inovador, a Steam da LG é mais do que uma lavadora. Ela também seca suas roupas. É a única com os programas exclusivos Allergy Care e Baby Care e apresenta uma performance de lavagem 20% superior, além de fazer a esterilização das roupas a 100°C. A Steam LG também remove vincos e odores em 20 minutos com a sua função Steam Refresh, e trabalha com dois sistemas de lavagem: água e vapor.



ANNEX F – LG-Ellus Event, 2011



source: LG Blog, 2011

ANNEX G – LG-Ellus Event, 2011 (source: LG Blog, 2011)



Source: LG Blog, 2011

ANNEX H – LG versus Samsung Point-Of Sales, 2010



Source: personal archive



ANNEX I – LG brochure, 2010 (Part 1)

### SUSTENTABILIDADE

Economize seu dinheiro e preserve a natureza com a tecnologia Direct Drive Front Load LG.

**Economize o consumo de água**  
Economiza até 50% de água se comparado ao modelo Top Load\*.

Condições: água quente  
Frequência de Lavagem: 4 vezes por semana

Top Load 9 kg: 37000 Unidades (€)

Front Load 9 kg: 19200 Unidades (€)

**Economiza o consumo da força motora**  
Utilizando menos água, a lavadora Front Load LG economiza até 40% de energia\*.

Frequência de Lavagem: 4 vezes por semana

Top Load 9 kg: 348 Unidades (kW)

Front Load 9 kg: 212 Unidades (kW)

\* Para maiores informações consulte o site do Inmetro: [www.inmetro.gov.br/consumidor/habeis.asp](http://www.inmetro.gov.br/consumidor/habeis.asp)

### CONVENIÊNCIA

Aproveite seu espaço, tempo e dinheiro com as lavadoras Front Load LG. Fáceis de usar e com diversos programas que vão facilitar a sua vida, estão disponíveis também em versões 2 em 1 lava e seca.

- Economia de Tempo**  
Opera os processos de lavagem e secagem automaticamente. Portanto, você não precisa ficar de olho na máquina entre os estágios de lavagem e secagem.
- Economia de Espaço**  
Lavadora e Secadora ocupando apenas uma unidade de espaço.
- Economia de Dinheiro**  
Duas máquinas pelo preço de uma.

2 em 1, Lavadora e Secadora

- Sistema de Circulação d'água**  
Proporciona melhor performance de lavagem e enxágue, e reduz o consumo de água.

← Aquecedor  
↑ Dissolve o sabão

### EFICIÊNCIA NO ESPAÇO

PEQUENA POR FORA, GRANDE POR DENTRO

As lavadoras LG oferecem maior capacidade de lavagem com um tamanho externo compacto, resultando em excelente relação capacidade x espaço ocupado. Podem ser instaladas em qualquer ambiente, inclusive embutidas.

- Mesma capacidade, mas com um tamanho externo menor.

Top Load 9 kg: Espaço muito menor devido ao agitador.

Front Load 9 kg: Capacidade realmente maior devido ao agitador.

- Mesmo tamanho externo, mas com uma capacidade maior.

Front Load 5 kg Conventional: A profundidade do tambor com Direct Drive aumentou mais de 70 mm.

Front Load 10 kg (Prime)

- Instalação Embutida

Source: personal archive

ANNEX I – LG brochure, 2010 (Part 2)

### MOTOR DIRECT DRIVE

A tecnologia Direct Drive da LG oferece uma durabilidade maior com menos ruído e melhor eficiência energética. Além disso, possibilita a LG oferecer 10 anos de garantia no motor.

- Vibração excessiva
- Ruído desagradável
- Pouca durabilidade

Motor Convencional

Motor Direct Drive

- Alta performance de lavagem
- Economia de energia
- Menos ruído e vibração
- Maior durabilidade: 10 anos de garantia

MOTOR LG INVERTER DIRECT DRIVE

### ALTA PERFORMANCE DE LAVAGEM

#### Tecnologia Front Load LG

As lavadoras LG utilizam a tecnologia Front Load LG, com abertura frontal e sistema de lavagem por tombamento em que a água e sabão penetram através das fibras dos tecidos, proporcionando uma alta performance de limpeza.

#### Sistema Multitemperatura LG.

Eleve a temperatura de lavagem até um ponto ideal para remoção de todos os tipos de manchas.

- Multi Temp**  
O sistema Multitemperatura da lavadora Front Load aumenta a performance da lavagem sem danificar os tecidos.  
Aquecimento da água até chegar num ponto ideal da temperatura.
- Programa Roupa de Bebê**  
A alta temperatura de lavagem (60°C) mata todos os germes e bactérias. Além disso, a opção de enxágue com a água quente (40°C) reduz a quantidade de restos de sabão.

### NÃO DANIFICA AS ROUPAS

As lavadoras LG oferecem uma vida mais longa às suas roupas graças ao seu sistema de lavagem Front Load que não danifica os tecidos pois não utiliza o agitador presente nas lavadoras Top Load convencionais.

- Lavadora de Roupas Front Load (abertura frontal).

- Lavadora de Roupas Top Load (abertura superior).

Nas lavadoras Top Load convencionais é o agitador que lava as roupas pelo atrito, e após algumas lavagens esse processo pode danificar os tecidos.

Source: personal archive

ANNEX I – LG brochure, 2010 (Part 3)



**NOVA GERAÇÃO DE LAVADORAS E LAVA E SECA LG**

**DESIGN E TECNOLOGIA INOVADORA**



MAIS PARA SUA VIDA




**Lavadora e Secadora 13Kg, Titanium**



**DISCOVERY**

**WD-13436RD 127V**  
**WD-13436RDA 220V**

- Lavagem 13kg / Secagem 8kg
- 2 em 1, Lavadora e Secadora
- Motor Direct Drive
- 9 programas
- 10 opções especiais
- Cor Titanium
- Dimensões (LxAxP) 686x983x767 mm



**Lavadora 8.5Kg e 10 kg, Branca**



**PRIME**

8,5 kg      10 kg

**WD-1403FD 127V**    **WD-1409FD 127V**  
**WD-1403FDA 220V**    **WD-1409FDA 220V**

- Lavadora 8,5 / 10Kg
- Motor Direct Drive
- 9 programas
- 10 opções especiais
- Cor Branca
- Dimensões 815 kg (LxAxP) 600x850x550 mm
- 10 kg (LxAxP) 600x850x40 mm



**Lavadora e Secadora 11Kg, Prata**



**ELF**

**WD-12596RD 127V**  
**WD-12596RDA 220V**

- Lavagem 11kg / Secagem 7kg
- 2 em 1, Lavadora e Secadora
- Motor Direct Drive
- 9 programas
- 10 opções especiais
- Cor Prata
- Dimensões (LxAxP) 635x925x740mm



**Lavadora e Secadora 11Kg, Branca**



**ELF**

**WD-12596RWA 127V**  
**WD-12596RDA 220V**

- Lavagem 11kg / Secagem 7kg
- 2 em 1, Lavadora e Secadora
- Motor Direct Drive
- 9 programas
- 10 opções especiais
- Cor Branca
- Dimensões (LxAxP) 635x925x740mm



Source: personal archive


ANNEX I – LG brochure, 2010 (Part 4)

**Lavadora e Secadora 10Kg, Prata**

**PRIME**

**WD-1409RD5 127V  
WD-1409RDA5 220V**

- Lavagem 10kg / Secagem 7kg
- 2 em 1 Lavadora e Secadora
- Motor Direct Drive
- 9 programas
- 10 opções especiais
- Cor Prata/Branca
- Dimensões (LxVxP) 600x850x640 mm



**Lavadora e Secadora 10Kg, Branca**

**PRIME**

**WD-1409RD 127V  
WD-1409RDA 220V**

- Lavagem 10kg / Secagem 7kg
- 2 em 1 Lavadora e Secadora
- Motor Direct Drive
- 9 programas
- 10 opções especiais
- Cor Prata/Branca
- Dimensões (LxVxP) 600x850x640 mm




**Lavadora e Secadora 8.5Kg, Prata**

**PRIME**

**WD-1403RD5 127V  
WD-1403RDA5 220V**

- Lavagem 8,5kg / Secagem 5kg
- 2 em 1 Lavadora e Secadora
- Motor Direct Drive
- 9 programas
- 10 opções especiais
- Cor Prata/Branca
- Dimensões (LxVxP) 600x850x550 mm



**Lavadora e Secadora 8.5Kg, Branca**

**PRIME**

**WD-1403RD 127V  
WD-1403RDA 220V**

- Lavagem 8,5kg / Secagem 5kg
- 2 em 1 Lavadora e Secadora
- Motor Direct Drive
- 9 programas
- 10 opções especiais
- Cor Prata/Branca
- Dimensões (LxVxP) 600x850x550 mm



**LG** SAC serviço de atendimento ao consumidor  
**4004 5400** Capitão Salles Maranhão  
**0800 707 5454** Duvidas localizadas  
[WWW.LG.COM.BR](http://www.lg.com.br)

**EM CASO DE DÚVIDA, CONSULTE O NOSSO SAC**



O Programa de Relacionamento da LG  
 Cadastre-se [lg.com.br/mylg](http://lg.com.br/mylg)

## ANNEX J – LG Washer-Dryer Ad, 2012

SÓ FALTA PASSAR.  
MAS JÁ ESTAMOS ENSINANDO.



Lavadora e Secadora de Roupas

- Grande capacidade: 12 kg
- Operação silenciosa
- 13 opções especiais de lavagem



NÃO DÊ TRABALHO PARA SUA MÃE.  
DÊ LINHA BRANCA NO DIA DAS MÃES.



[www.lge.com.br](http://www.lge.com.br)

Source: [cargocollective.com/rogerioschneider](http://cargocollective.com/rogerioschneider)

ANNEX L – Ariel Líquido TV Commercial, 2008



## ARQUIVO DA PROPAGANDA





**LOCUTOR:** Descubra o novo Ariel Líquido Max, uma revolução na hora de lavar suas



## Arquivo da Propaganda





roupas. Por ser líquido, remove 50% mais manchas e penetra melhor entre as fibras. Pra





conseguir uma limpeza impecável, descubra o novo Ariel Líquido Max.

(11) 5585-3834 - [www.arquivo.com.br](http://www.arquivo.com.br)

38.1.1 - Ariel - TV/Globo/A Grande Família - São Paulo/SP - 15" - 11/09/2008 - T309842

## ANNEX M – Ariel Líquido TV Commercial, 2009

 **ARQUIVO DA PROPAGANDA**



**LOCUTOR:** Bem vindo ao mundo de Ariel Líquido. Penetra melhor, remove mais



manchas que o sabão em pó, não deixa resíduos e uma tampinha já basta. Suas roupas

**ESPM**



vão sair da água como novas. Ariel Líquido. A evolução do jeito de lavar roupas.

(11) 5585-3834 - [www.arquivo.com.br](http://www.arquivo.com.br)

38.1.1 - Ariel - TV/Record/Programa do Gugu - São Paulo/SP - 15" - 18/10/2009 - T377743

Source: Arquivo da Propaganda

## ANNEX N – Ariel Líquido Ad, 2010

📁 Arquivo da Propaganda - 38.1.1 - Ariel - RE/Nova - 09/03/2010 - R585775

**Troque o sabão em pó por Ariel Líquido!**

Marta, jogadora de futebol

ESPM

10 MARTA

Dona Tereza, mãe da Marta

**A evolução é líquida!**

- Não deixa resíduos na roupa
- Penetra melhor nas fibras
- Dissolve facilmente
- Remove manchas difíceis ao ser aplicado diretamente sobre as mesmas
- 1 tampinha já basta

*A evolução do jeito de lavar roupa*




Source: Arquivo da Propaganda



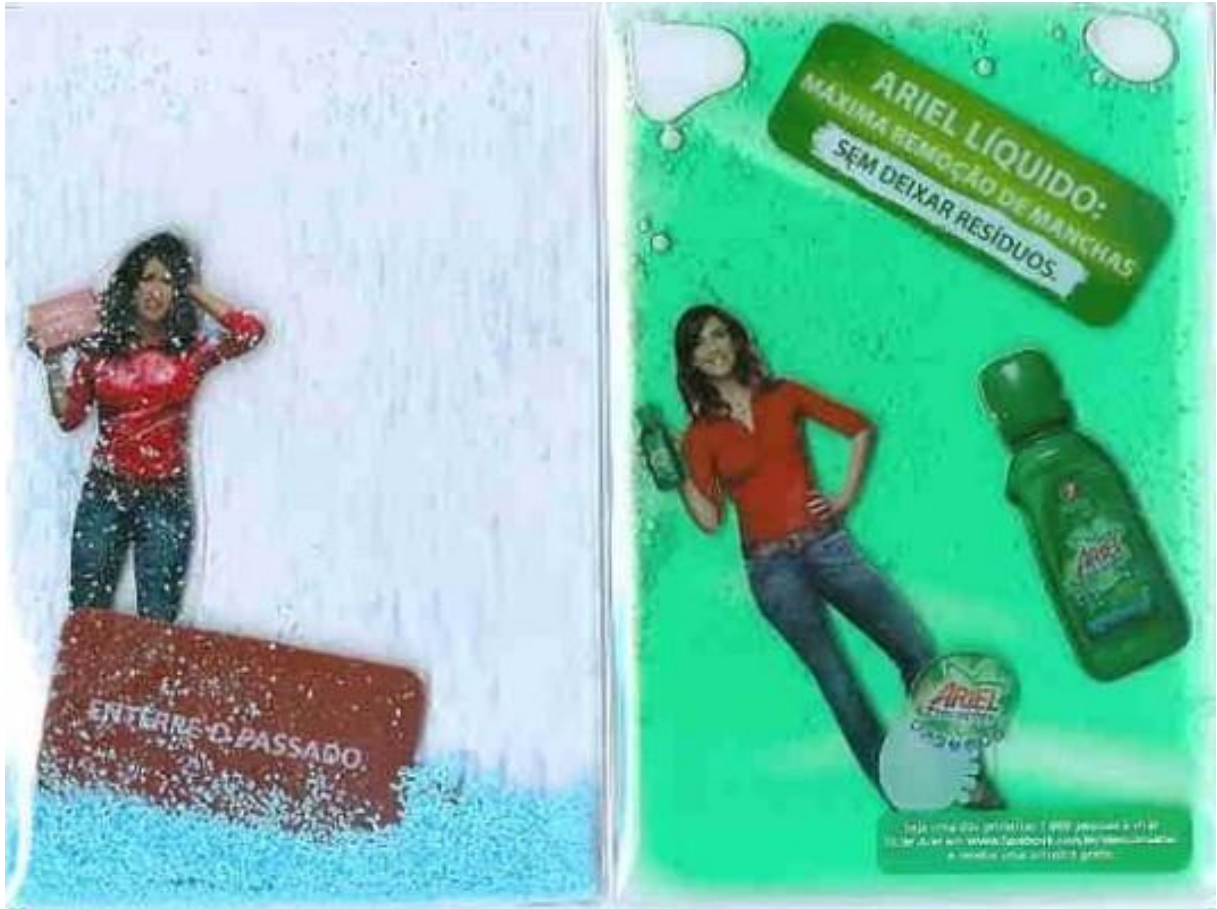
ANNEX O – Ariel Líquido Ad, 2010



Arquivo da Propaganda - 38.1.1 - Ariel - RE/SuperVarejo - 26/11/2010 - R623217

Source: Arquivo da Propaganda

ANNEX P – Ariel Líquido Free Sample, 2010



Source: <http://promoview.com.br>

ANNEX Q – OMO Líquido Super Concentrado Ad, 2010

porque se sujar faz bem

# CHEGOU OMO LÍQUIDO SUPER CONCENTRADO

Limpa melhor\* que detergente em pó + tira-manchas.

Arquivo da Propaganda  
clipping exclusivo para  
ESPM

630 ml = DETERGENTE EM PÓ 1 kg + DETERGENTE EM PÓ 1 kg + TIRA-MANCHAS 540 g

**OMO**  
LÍQUIDO  
SUPER CONCENTRADO


A NOVA GERAÇÃO DA LIMPEZA.  
www.omo.com.br

Arquivo da Propaganda - 38.1.1 - Omo - JO/Revista O Globo - Rio de Janeiro/RJ - 05/12/2010 - J1367578




sempre utilizar uma medida de 400 ml para 1 kg de roupa.\*

Source: Arquivo da Propaganda




ANNEX R – OMO Líquido Super Concentrado TV Commercial, 2010






## Arquivo da Propaganda

**LOCUTOR:** Os sabões líquidos são muito diferentes. Os líquidos comuns são diluídos em água. Enquanto OMO é super concentrado. OMO é o único que vem com o poder de um tira-manchas. Limpa mais e remove manchas difíceis. Por isso, não

compare tamanho. Compare o resultado. OMO Líquido Concentrado, pode confiar! É






OMO.



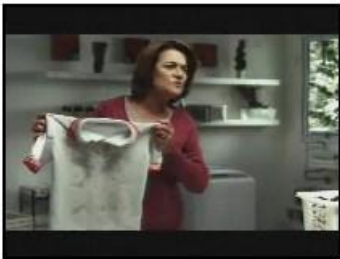
(11) 5585-3834 - [www.arquivo.com.br](http://www.arquivo.com.br)

38.1.1 - Omo - TV/Rede TV/Manhã Maior - São Paulo/SP - 30" - 12/11/2010 - T458470




## ANNEX S – OMO Líquido Super Concentrado TV Commercial, 2011






## ARQUIVO DA PROPAGANDA

**VOZ INFANTIL:** Vem vovó. **VOZ FEMININA (1):** Ah, eu tô grande. (MENINO COMEÇA A MEXER NA BICICLETA COMO SE FOSSE UM MECÂNICO E SUJA TODA A CAMISETA DE GRAXA) Ah, sujou toda a camiseta de óleo graxa. **VOZ**

**FEMININA (2):** Você vai precisar de uma coisa melhor que líquido comum. **LOCUTOR:** Omo é concentrado, por isso tem 3 vezes mais agentes de limpeza. Basta um pouquinho sobre as manchas para remover melhor até as mais difíceis como graxa.






**VOZ FEMININA (1):** Tá sem nenhuma mancha. (O MENINO CHAMA A VÓ PARA ANDAR NA BICICLETA, ELE ESTÁ COM A CAMISETA BRANQUINHA) **VOZ INFANTIL:** Vovó! **LOCUTOR:** Omo super concentrado. Imbatível.




(11) 5585-3834 - [www.arquivo.com.br](http://www.arquivo.com.br)

38.1.1 - Unilever/Omo - TV/SBT/SBT Brasil - São Paulo/SP - 30" - 16/08/2011 - T525651




## ANNEX T – OMO Líquido Super Concentrado TV Commercial, 2012






## ARQUIVO DA PROPAGANDA

**LOCUTORA:** Como você tira mancha de graxa? **VOZ FEMININA (1):** Graxa de bicicleta é a pior. **VOZ FEMININA (2):** Põe no sabão, não sai. **VOZ FEMININA (3):** Tirar mancha de graxa de bicicleta? Praticamente impossível. **VOZ FEMININA (4):**

Produto que tira mancha de graxa? **VOZ FEMININA (5):** Só acredito vendo, né. **LOCUTOR:** Omo mostra. Omo é super concentrado, por isso tem 3 vezes mais agentes de limpeza. Basta apenas um pouquinho sobre as manchas pra remover até as

mais difíceis, como graxa. **VOZ FEMININA (6):** Omo Líquido. Fez um milagre. **VOZ FEMININA (7):** "Amém! " Não vou precisar rezar mais. **LOCUTOR:** Omo Super Concentrado. Imbatível!

(11) 5585-3834 - [www.arquivo.com.br](http://www.arquivo.com.br)

38.1.1 - Unilever/Omo - TV/Globo/Big Brother Brasil - São Paulo/SP - 30" - 10/01/2012 - T556594

## ANNEX U – Vanish Non-Chlorine Bleach TV Commercial, 2000

 **ARQUIVO DA PROPAGANDA**





*clipping exclusivo para*

**VOZ FEMININA (1):** Ai, mãe! Olha a roupinha nova do Rafa, tá toda manchada. Estragou tudo! **VOZ FEMININA (2):** Calma, filha! Eu tenho a solução. **VOZ FEMININA (1):** Não, é alvejante! **VOZ FEMININA (2):** Não é alvejante comum, é Vanish. Pode ser usado em roupas brancas e coloridas. **LOCUTOR:**





Coloque um pouco de Vanish direto na mancha e meio copo na máquina de lavar. **VOZ FEMININA (2):** Tudo isso é resultado de Vanish. **VOZ FEMININA (1):**







Nossa, tá limpa mesmo! **LOCUTOR:** Chegou Vanish. O alvejante sem cloro que é seguro para roupas brancas e as coloridas.


PABX: (11) 5585-3834 - Internet: [www.arquivo.com.br](http://www.arquivo.com.br)

44.2 - Vanish - TV / Você Decide / Globo / SP - 30" - Jul/2000 - 132750


## ANNEX V – Vanish Non-Chlorine Bleach TV Commercial, 2001

 **ARQUIVO da PROPAGANDA**





**VOZ FEMININA (1):** Mãe, olha a roupinha nova do Rafa! Toda manchada. **VOZ FEMININA (2):** Eu tenho a solução. **VOZ FEMININA (1):** Não, é alvejante! **VOZ FEMININA (2):** Não é alvejante comum, é Vanish! **LOCUTOR:** Vanish, o




Coloque um pouco de Vanish sobre a mancha e não esqueça de lavar o tecido.




alvejante que tira manchas das roupas brancas e coloridas. Experimente também

*clipping exclusivo para*



Vanish pó!



Vanish Pó - ativo para lavagem de roupas.

**ESPM**

PABX: (11) 5585-3834 - Internet: [www.arquivo.com.br](http://www.arquivo.com.br)

44.2 - Vanish - TV / Estrela-Guia / Globo / SP - 15" - Jun/2001 - 140755



## ANNEX X – Vanish Non-Chlorine Bleach TV Commercial, 2001



## ARQUIVO da PROPAGANDA





**LOCUTOR:** A vida com Vanish. **CHRISTIANE MEYER:** Mas eu sempre falo assim, eu queria ter gêmeos que ia ser mais fácil, eles rolam na grama, é areia, a roupa fica com aquela mancha e o Vanish ajuda com isso, né? E não estraga a





roupa, a água sanitária é cloro puro, né? Então uma roupa colorida como é hoje, ela não ia f ser colorida, o tecido fica... vai desgastando com o tempo. Eu não me

*clipping exclusivo para*



# ESPM





Tira o cloro da sua vida.  
Tira as manchas da sua roupa.

**LOCUTOR:** Vanish. Tira o cloro da sua vida. Tira as manchas da sua roupa.

PABX: (11) 5585-3834 - Internet: [www.arquivo.com.br](http://www.arquivo.com.br)

44.2 - Vanish - TV / A Padroeira / Globo / RJ - 30" - Jul/2001 - 141761

## ANNEX Z – Vanish Non-Chlorine Bleach TV Commercial, 2001


**ARQUIVO DA PROPAGANDA**





**LOCUTOR:** A vida com Vanish. **FÁTIMA PAREDES PENAZZO:** Nossa senhora! Porque hoje eu sei a cara da sujeira, ainda bem que chegou na hora certa pra me ajudar o Vanish. Porque eles chegam irreconhecíveis... eu tenho que





preservar bem as roupinhas dos meus filhos e a água sanitária acaba estragando muito. Porque acaba amarelando a roupa e o Vanish não. É um alvejante seguro,





mantém a cor legal e a textura da roupa. Chegou a solução! **LOCUTOR:** Vanish. Tira o cloro da sua vida, tira as manchas da sua roupa.

PABX: (11) 5585-3834 - Internet: [www.arquivo.com.br](http://www.arquivo.com.br)

44.2 - Vanish - TV / A Padroeira / Globo / RJ - 30" - Out/2001 - 144150

## ANNEX AA – Vanish Non-Chlorine Bleach TV Commercial, 2002



## ARQUIVO DA PROPAGANDA





**VOZ FEMININA (1):** Como se tira essas manchas difíceis de tecidos brancos? **VOZ FEMININA (2):** Antes a gente usava água sanitária, mas pode estragar os tecidos. Agora a gente usa Vanish. **VOZ FEMININA (1):** Vanish é bom em tecidos coloridos, mas nas roupas brancas? **VOZ FEMININA (2):** É Vanish deixa os brancos mais

*clipping exclusivo para*





brancos. **VOZ FEMININA (1):** Olha como ele tira essas manchas difíceis! **LOCUTOR:** Vanish remove as manchas mais difíceis e deixa o branco mais branco. Mas sem esgarçar o tecido, é seguro porque não tem cloro. **VOZ FEMININA (1):**





Ficou muito mais branco. **VOZ MASCULINA:** Que ótimo! **VOZ FEMININA (1):** Graças a Vanish. **LOCUTOR:** Vanish eficiente na remoção de roupas brancas e coloridas.

(11) 5585-3834 - [www.arquivo.com.br](http://www.arquivo.com.br)


44.2 - Vanish - TV/Espérance/Globo/São Paulo/SP - 30" - Out/2002 - 156430

## ANNEX BB – Vanish Non-Chlorine Bleach TV Commercial, 2003



## ARQUIVO DA PROPAGANDA





**VOZ FEMININA (1):** Como se tira manchas difíceis de tecidos brancos? **VOZ FEMININA (2):** A gente usava água sanitária, mas pode estragar os tecidos. Agora a gente usa Vanish. **LOCUTOR:** Vanish faz isso sem desgatar. É seguro por que não tem





cloro. **VOZ FEMININA (1):** Ficou muito mais branco. **LOCUTOR:** Vanish. Eficiente





na remoção de manchas de roupas brancas e coloridas.

(11) 5585-3834 - [www.arquivo.com.br](http://www.arquivo.com.br)

44.2 - Vanish - TV/Big Brother Brasil/Globo/São Paulo/SP - 15" - Mar/2003 - 161070

ANNEX CC – Vanish Non-Chlorine Bleach TV Commercial, 2004



## ARQUIVO DA PROPAGANDA





**VOZ FEMININA (1):** Como se tira essas manchas difíceis dos tecidos? **VOZ FEMININA (2):** A gente usava água sanitária, agora usa Vanish. **LOCUTOR:**

clipping exclusivo para





Encontre o poder de Vanish também em Resolv e Karpex. Deixe a onda rosa invadir a





sua casa. Nova linha Vanish. O poder da remoção de sujeiras e manchas difíceis.

(11) 5585-3834 - [www.arquivo.com.br](http://www.arquivo.com.br)

44.2/44.1.1 - Vanish - TV/Meu Cuidado/SBT/São Paulo/SP - 15" - Abr/2004 - 180096

## ANNEX DD – Vanish Non-Chlorine Bleach TV Commercial, 2004



## ARQUIVO da PROPAGANDA





(CENAS EM SALÃO DE BELEZA) VOZ FEMININA (1): Como se tira essas manchas difíceis dos tecidos? VOZ FEMININA (2): A gente usava água sanitária, agora usa Vanish. Um alvejante seguro porque não tem cloro. LOCUTOR: Vanish





elimina as manchas mais difíceis sem desgastar o tecido. (CENAS EM CASA) VOZ FEMININA (1): Ficou muito mais branco. Graças a Vanish! LOCUTOR: Encontre o poder de Vanish também em Resolv, o pré-lavagem mais vendido do Brasil. E a





eficiência de Vanish em Karpex. Para limpeza de tapetes e carpetes. Deixe a onda rosa invadir a sua casa. Nova linha Vanish. O poder da remoção de sujeiras e manchas difíceis.

(11) 5585-3834 - [www.arquivo.com.br](http://www.arquivo.com.br)

44.2/44.1.1 - Vanish - TV/Meu Cunhado/SBT/São Paulo/SP - 30" - Abr/2004 - 180097

Source: Arquivo da Propaganda