Case Study

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Pampers — Relationship building using multiple channels

This campaign was designed for Proctor & Gamble by Saatchi & Saatchi

Edited by Kate Boothby

Received: 23 June 2003

Abstract

The disposable nappy market in the UK is worth a sizeable £480m per year. The Pampers marketing team faced threats to their traditional brand leadership from a new rival: Huggies. As the newer entrant, Huggies were perceived as the innovator in the marketplace and came with a larger launch plan focused on heavyweight communication, as well as product.

There was also a consumer trend of growing independence among mothers, particularly first-time mums. Their use of widely available babycare information from diverse sources opened up new opportunities for the brand to communicate through one-to-one direct marketing and internet channels.

One-to-one communication gave Pampers a chance to cut through the marketplace 'noise' and re-establish trust and loyalty with mothers. As a result Pampers has not only retained its market leadership but over the period to May 2003 has added ten share points to the brand in the UK. The programme was also awarded Bronze status in the 2002 IDM Business Performance Awards. The judges noted that this was 'a good demonstration of using below-the-line techniques to develop relationships in a predominantly above-the-line sphere'.

Keywords: interactive marketing, brand building, relationship building, personalised information, iTV

Market background

The disposable nappy market is a highly competitive one. It is also one with a high churn of users in which consumers stay for a relatively short time. Every year there are approximately 750,000 births in the UK and nappies are usually worn for about three years. This means that there are new mums constantly entering the market who are seeking to understand which is the best nappy for their baby.

In 1991 Huggies' arrival challenged Pampers' historical leadership in the disposable nappy market. By 1997 Huggies had gained 17 per cent of the market. This had almost doubled to 30 per cent by 2000. Huggies continued to gain share through a combination of competitive pricing and product news.

The benefits of Huggies were communicated heavily using TV and their Mother and Baby Club. As can be seen from Figure 1, growth pattern

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Figure 1: Share forecast in June 2001

projections suggested that Huggies could be the market leader by autumn 2001.

Consumer research and trend analysis by Pampers revealed a key opportunity: the growing independence among UK mums. Traditional reliance on advice from parents and health professionals was being replaced by the most up-to-date information from friends, the internet or print. The new communication channels this opened up for Pampers were in one-to-one communications, particularly Pampers.com and direct marketing.

One-to-one communication strategy

Pampers decided to revolutionise its one-to-one approach in addition to its traditional TV-driven campaigns. New channels were appropriated and existing ones enhanced. Pampers launched its new one-to-one communication strategy in August 2001.

The mailings are targeted using data captured by Bounty (UK). Bounty distributes sample packs to pregnant women and new mums and invites them to sign up to its database. Its packs include relevant information and incentives such as free samples and money-off coupons for leading baby care products.

Direct mail

Pampers decided to send a direct mail communication to mothers at eight key points in the mother and baby's life: three pre-birth and five post-birth. Research had revealed that mums-to-be start to form an opinion of baby brands before birth, as most mothers are keen to research and absorb information during their pregnancy.

Collectable communications

Pampers' communications are designed to bring the baby's experiences of life alive for the mother. For example, one item of interest concerned the little-known fact that babies develop favourite tastes as early as three months post-conception. A baby's swallow rate increases with varying levels of sugar in the amniotic fluid. The booklets are designed to be more contemporary than many other sources of information.

The communications include collectable booklets written by top baby care experts, built around the theme of the baby's 'senses' as they

develop. The booklets contain a wealth of information touching on most key aspects of baby care and development. Advertising and information from non-competing relevant major brands, such as baby food and toys, were included.

An innovation for Pampers was that two CDs were also sent to mothers. One CD gives mothers an insight into the sounds babies experience while still in the womb. A post-birth CD of baby massage instructions and music was also sent. Baby massage is proven to stimulate sensory development in new babies. Appropriate nappy samples and discount coupons to encourage purchase were included as well.

Online communication benefits mothers

Forty per cent of mothers are now online, so the internet represented a great opportunity for a breadth of personalised information for these mums, and with a built-in range of benefits. First of all, Pampers.com could be viewed at a time convenient for the mother — for instance, the website saw a spike in traffic in the early hours of the morning, circa 2am, when phoning a friend for useful advice is usually out of the question. Secondly, a vast library of in-depth information could be delivered in this way without being overwhelming. Parents can also opt in to receive a monthly newsletter, personalised to their baby's age, using data that updates them about the development of their baby. Again, these communications could be viewed at a time convenient for the mother and are personalised using data collected regarding the baby's age.

Pampers.com is built around three areas covering the aspects of childhood development that are of most interest to mothers: learning, playing and sharing. These areas include unique interactive elements so that the parents can see the world through a baby's eyes. The areas are structured by age. The learning centre includes information from baby care experts around the world. The play centre provides ideas for developmental games. The sharing centre provides tips for mothers divided by age and stage of development.

All website information is verified by baby care experts to ensure that it is of a high standard. The depth, diversity and reliability of information available for parents have established the Pampers website as a channel of choice for this target market.

Pampers has used the opportunity for personalisation to encourage parents to register on the website. Being able to find the information you want is critical for the success of any website, and never more so than for mothers with young children. Their free time is in short supply, and they often need to find information quickly.

The iTV future

Trend analysis has identified that this emerging channel could become the preferred interactive device in the home because it is easily accessible in the living room (Figure 2). Strikingly, by 2001 more homes had interactive TV connections than the internet. Forrester Research showed that internet connections had reached a plateau as consumers have opted for interactive TV instead. Pampers saw interactive TV as an opportunity

Interactive

Interactive TV

Figure 2: The growth of TV
Source: Zenith Interactive Solutions 2002

to extend brand leader communication in a way that added depth to baby care communication in addition to the simpler product messages on TV.

Interactive TV was used as a bridge, combining the emotional strength and visual quality of traditional TV advertising with the depth and personalisation available through the internet. Interactive TV offered the opportunity to develop consumer relationships over time. Viewers could use their TV e-mail to opt in to newsletters with information relevant to the age and stage of their child. The internet and iTV complement each other as there was only an overlap among 20 per cent of homes, and people use the services at different times of day and in different ways.

In addition to the newsletter parents were offered the chance to see themselves and their babies on TV in the baby gallery or in the video area talking about baby development issues: 'real babies, real mums, real tips'. Consumers were also offered the opportunity to give feedback and visit a frequently asked questions area.

Focus group research among mothers with babies of different ages showed that the interactive TV experience was positive and useful. Mothers particularly liked being able to contrast opinions of experts and mothers together. Feedback suggested that loyalty had improved towards the Pampers brand. Loyalty was measured using frequency and depth of contact between Pampers and mothers. The provision of free information using a choice of interactive media also provided positive feedback. Pampers' interactive TV technology won 'best use of interactive TV' in *Marketing* magazine's 2001 Connection Awards.

Results

Latest qualitative consumer research showed that there has been a turnaround in the perception of the brand and the way in which mothers relate to Pampers. Market share has risen ten points and Pampers' clear market leadership position has been strengthened (Figure 3). Consumers consistently give positive feedback on the one-to-one communication, showing that the right messages are being communicated.

Focus groups

Figure 3: UK share 2001 to May 2003