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## Building brands with competitive analysis

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#### How to cite:

Gordon, Ross; Hastings, Gerard; McDermott, Laura and Evans, Douglas (2008). Building brands with competitive analysis. In: Evans, Douglas and Hastings, Gerard eds. Public Health Branding – Applying Marketing for Social Change. Oxford: Oxford University Press, pp. 73–90.

For guidance on citations see [FAQs](#).

© [not recorded]

Version: Accepted Manuscript

Link(s) to article on publisher's website:

<http://dx.doi.org/doi:10.1093/acprof:oso/9780199237135.003.0004>

<http://ukcatalogue.oup.com/product/9780199237135.do?keyword=Public+Health+Branding+&sortBy=bestMatches>

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## Chapter 4 Building Brands with Competitive Analysis

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### Summary Points:

1. This chapter demonstrates how competitive analysis can help build brands in public health by:

- Offering customer insight
- Helping to develop strategic alliances
- Helping us deal with the competition from the hazards merchants

2. Key lessons can be generated to help inform these outcomes by using the following forms of competitive analysis:

- Case studies of commercial brands
- Internal document analysis
- Studies of the deleterious effects of commercial brands

### 6.1 Introduction

This book is about the public health sector emulating the huge success of commercial brands. This chapter focuses in on one key dimension of this brand management success: competitive analysis. It begins by discussing why competitive analysis is helpful in brand management, not just in commerce, but also in public health. It then goes on to discuss three ways of analysing the competition: case studies; internal document analysis and studies of harmful marketing. Finally, key lessons are drawn.

### 6.2 Competing as well as copying

Competition is a crucial driver of the whole business process; it focuses minds and optimises performance. It also provides a vital management tool. Analysing the competition helps a company to get its bearings, position itself in the market and adjust its course as circumstances change.

What is true for business in general is equally true for the more proscribed task of brand management. McDonalds examines competing brands like Burger King and KFC to help define and hone its brand positioning; the Adidas brand manager will plot her brand's trajectory against that of Nike and Converse. This cross referencing also jumps sectors, as with the ad executive who described Marlboro Lights as the 'Diet Coke of cigarettes' (TBWA 1997). In this guise competitive analysis provides an invaluable way of mapping consumer perceptions; we can all immediately understand what that ad executive meant.

These consumer perceptions underpin brand strategy, and they are just as important in public health as in business.

Brand competition can also be more direct and aggressive; with little love being lost between the protagonists. The new Coke fiasco (see Chapter 1), for instance, was driven by the company's neurosis about Pepsi's success. Pepsi has responded by stoking the fire with its ongoing 'Pepsi Challenge' campaign, an overt attack on Coke's position as brand leader. This introduces a slightly uncomfortable notion for us in public health: are our brands really going to engage in this kind of combative competition with one another? You could speculate whether it is a matter of Truth versus Verb? Let us hope not; and it certainly need not be so. Even in the free market competitors can become collaborators: the Star Alliance for example brings together a clutch of airlines that might at first glance be thought to be fierce rivals. The Alliance, however, is the product of intelligent competitive analysis which has convinced each participant that cooperation is more rewarding than competition.

Similar alliances can be useful in public health. Tobacco control for instance is being advanced by a panoply of public health brands, from cancer charities to advocacy groups. To do this groups need to understand each other, where they fit in the consumers' mind and that the whole can sometimes be greater than the sum of the parts.

A more combative form of competition does emerge when we consider what WHO dubbed the 'hazard merchants', and especially big tobacco. Few in public health would advocate a strategic alliance with Philip Morris.

Commercial brand managers certainly pay close attention to competition from outside the market, and take muscular action when necessary - and branding can play a key part in the ensuing battle. Not that they always succeed. A few years ago Shell Oil got a severe mauling from Greenpeace, when they tried to dispose of their Brent Spar oil rig by sinking it off the Scottish coast. Although the UK Government supported the company's actions and subsequent analysis suggested that science was on their side, the oil company had to back down. It had become a battle for hearts as well as minds and Greenpeace had a far more trusted and reliable reputation than Shell. Its brand won the day.

The fast food, alcohol and tobacco industries, amongst others, look on public health with the same caution and focus as the oil industry now looks on environmental pressure groups. If we are to meet their gaze with confidence, we need our own brands just like Greenpeace. This may lead to confrontation, but not necessarily. Philip Morris may be a partner too far, but competitive analysis might throw up opportunities for working with pharmaceutical companies or sections of the food industry.

In summary, whilst at first glance competition may seem a rather inappropriate construct for a discipline like public health, which is built on notions of consensus and caring, it can in reality bring four key strengths to our brand building efforts. First, it helps us to understand our customers better and thereby ensure an improved fit between our brands and their lives. Second it enables us to develop successful strategic alliances to give our

brands better leverage. Finally it helps us deal with the competition from the hazard merchants by i) informing counter marketing campaigns that will undermine their brands and ii) where necessary, challenging them directly.

### **6.3 Competitive Analysis in Practice**

This chapter will now examine three approaches to analysing the competition:

- a) Case studies of commercial brands in the tobacco and alcohol markets - discussing their effects on health and society and showing how critical marketing can provide a tool for providing solutions.
- b) Analysis of companies' internal documents – examining documents that have been used in fields such as tobacco control to inform research and decision making surrounding marketing.
- c) Studies of the deleterious effects of commercial branding – primary research into the behavioural effects of commercial branding in areas such as tobacco, alcohol and food marketing.

In each case we summarise the key benefits and lessons these analyses can bring to public health branding.

#### **6.3.1 Case studies**

Case studies are useful because they allow us to examine who the competition is, what they are doing and what strategies and techniques they use that might be useful if transferred to public health branding. More fundamentally, the information case studies can provide help us to understand our customers better. Here we examine case studies of commercial brands in the tobacco and alcohol markets: Marlboro and Camel in the tobacco industry and Budweiser and WKD in the alcohol industry. We will examine their brand strategies and key learning points for public health branding.

#### **Tobacco**

##### *Marlboro*

Marlboro is a brand of cigarette made by Altria (formerly Philip Morris) and is the world's best selling international cigarette brand (Altria 2004). Marlboro is named after Great Marlborough Street, the location of its original London factory. The brand dates back over 100 years to 1902 when Philip Morris, a London based cigarette manufacturer created a subsidiary to sell several of its brands including Marlboro. In the 1920s Marlboro was advertised as a woman's cigarette using the slogan "Mild as May." However the brand faltered during and immediately after World War II and was temporarily removed from the market. In the 1950s Marlboro was reintroduced with marketing that tapped into the popularity of the romanticized cowboy and was able to increase sales by 5000%.

This was the period in which the Marlboro Man was introduced, a brand image that is regarded as one of the biggest marketing icons. USA Today listed the Marlboro Man as number one on their list of Imaginary Luminaries, the 101 most influential people who never lived. Essentially Marlboro was transformed from a feminine brand into a masculine one by the use of advertising featuring rugged cowboys at nature with only a cigarette. The success of the campaign and the use of the Marlboro Man helped Marlboro become one of the world's leading tobacco brands. Marlboro has also been very effective in delivering tangible benefits. It has been shown that Marlboro cigarettes had ammonia compounds added to them which increase the potency of the nicotine in them without measurably increasing the quantity. Pharmacologists contend that the quicker the nicotine absorption, the more satisfying and reinforcing is its psychological and addictive effect (Kluger 1996).

The size and impact of the Marlboro brand was very clearly demonstrated by the events of Marlboro Friday on 2nd April 1993. Philip Morris announced a 20% price cut to their Marlboro cigarettes to fight back against low price competitors that were eating into their market share. As a result shares in major household brands such as Heinz and Coca-Cola along with the owner of Marlboro - Philip Morris - nosedived. The price cut was interpreted as an admission of defeat from the brand, that marketing and branding was ineffective and that price promotion was the way forward. The events were subsequently described as signifying the death of the brand. However this view proved wrong as Marlboro and branding in general recovered to once again become dominant once Marlboro realised their mistake and reversed their decision to discount.

Marlboro has also had an enduring association with sport, especially motor racing. It had a long a successful sponsorship of the McLaren Formula 1 racing team until 1996 which won many championships and offered a huge level of brand exposure around the world. Marlboro also sponsored the Ferrari team which was for a time known as Scuderia Ferrari Marlboro. The brand has also sponsored Indy Car racing in the US, World Rally Championship teams and races and also motorcycling events. All these branding activities have provided Marlboro a high level of worldwide exposure and brand recognition.

### *Camel*

Camel is a brand of cigarettes introduced by US company R.J. Reynolds Tobacco (RJR), the world's second largest tobacco firm in 1913. The Camel name and imagery was chosen as during the early twentieth century travels to faraway places were in vogue and viewed as exotic and desirable and a camel symbolised that effectively. The brand was promoted in advance prior to launch using teaser advertising campaigns stating that "the Camels are coming" a play on a traditional Scottish folk song "the Campbell's are coming". The promotion strategy, once the brand was on sale, included the use of a circus camel 'Old Joe' which would go through town distributing free cigarettes. The brand's strapline which was used for several decades was "I'd walk a mile for a Camel". The brand enjoyed strong sales throughout much of the twentieth century, and was supplied to soldiers during World War II becoming one of the three dominating brands on the market

after the war along with Lucky Strike and Chesterfield. Endorsement by personalities such as US newscaster Edward Murrow who smoked up to four packs per day contributed to the brand's popularity. In a similar way to Marlboro, Camel established itself as a masculine brand using rugged, outdoor imagery with a distinct logo, packaging and style. The town of Winston-Salem where RJR was founded was nicknamed "Camel City" at one time, a reflection of the brand's popularity.

Camel also used brand stretching by launching Camel boots and Camel clothing. On occasions this has been used to circumvent tobacco ad bans. For example in Norway in 1975 following a tobacco ad ban, adverts for Camel boots appeared in the print media.

Like Marlboro, the Camel brand sponsored motor racing events in the form of the International Motor Sports Association racing series titled Camel GT, as well as sponsoring the Lotus Formula 1 team in the late 1980s. Camel also sponsored the Honda team in the AMA Superbike competition, and the Camel Trophy off-road race between 1980 and 2000.

In the 1950s the Joe Camel figure was created as a brand mascot, however it was not until the figure was rediscovered in the 1980s that it became more widely used. Joe Camel was a cartoon type character that featured in print media advertising and prior to 1987 appeared in animated TV adverts – essentially cartoons.

The branding activity pursued by Camel has helped it maintain its position as one of the world's leading cigarette brands. Like Marlboro, the Camel brand has been carefully designed and maintained over the years using strong promotional campaigns with imagery, and appeals to values that identify the product to consumers.

### *Key lessons*

#### *(i) Longevity*

Marlboro and Camel have both been around for 100 years or more and have continuously maintained and developed brand image allowing them to build up a relationship between the brand and its customers over a long period of time. This enables such brands to build up a degree of trust; they are well established, well known, are familiar and have built up a relationship with their customers. Continuity is the key here; long standing commercial brands have been doing it for years and will keep on doing it. Successful brands are the result of decades of careful effort and design. Contrast this with the situation in the public sector in which reorganisation, retrenchment and political change often result in re-branding or brands appearing and disappearing with regularity. Take the UK approach to health promotion as an example, in Scotland the body responsible for health promotion has been re-branded four times in the last 20 years, preventing an established brand from being formed over a period of time which can help brand recognition and customer loyalty. However in New Zealand the Health Sponsorship Council was established in 1993 and has built brands and relationships with its audiences. What we can learn from commercial brands is that longevity is vital.

*(ii) Subtlety*

The two tobacco brands are used with great subtlety. The link with masculinity, for instance is achieved through imagery and association with appropriate sports. The issue is not forced nor is their image undermined. And yet their methods are very powerful. Marlboro was so successful in changing from a woman's cigarette in the 1920s that the brands sales increased 5000% in the 1950s as it pursued a masculine image. Importantly this use of subtlety is about respecting your customer and not patronising them with paternalistic or unsophisticated branding. This is an important lesson that needs to be taken on board in the field of public health.

*(iii) Delivering Tangible Benefits.*

Strong brands deliver tangible benefits. As noted in chapter 1, any good brand should facilitate recognition, make a promise and *deliver satisfaction*. The last point is vital as promise without delivery is extremely damaging. The tobacco brands examined in our case studies have been successful in adhering to this process by ensuring that the product is always consistent and reliable. Marlboro even used ammonia technology to increase the potency of the nicotine in their cigarettes thereby delivering satisfaction to their customers. In the public health sphere this is an important lesson. You may establish a public health brand with a major promotional drive behind it gaining recognition and making promises about the services you can offer but if the framework is not in place to effectively deliver the services or product then you cannot deliver customer satisfaction and the brand will be badly damaged.

## **Alcohol**

*Budweiser*

Budweiser which is often referred to as Bud is a global beer brand owned by the US Anheuser-Busch Company based in St Louis. The brand was introduced in 1876 in the US but has since expanded to many markets around the world allowing Budweiser and Bud Light to become the number one and two beer brands in the world generating \$3.4 billion in profits for Anheuser-Busch (Anheuser-Busch 2004). Major expansion markets for Budweiser include China, Mexico, Argentina, Finland and Russia demonstrating that Budweiser is a truly global brand. The brand's strapline is currently 'Budweiser King of Beers' and the brand name is one of the most recognised in the world.

Budweiser has been marketed strongly for over 100 years. In the early 1900s the company commissioned popular music tunes promoting the brand that were recorded by early phonograph companies. Several advertising campaigns for the brand have entered the popular culture in the US, the UK and other markets. One particularly memorable campaign was the "Whassup" campaign which made use of viral marketing. Prior to any

ads appearing, mobile phone text messages were sent to a database of key customers giving them advance information about the campaign. Once these had appeared, the slogan was then sent out so that it could be passed on by the receivers to their friends. This was supported by a website offering interactive activities, including further opportunities to forward the slogan, messages and characters from the adverts to friends using both email and text messaging. The campaign was very successful - Whassup?! became a popular catch-phrase in many languages and a musical version of the ad made it into the UK chart listings.

Another campaign featured three animated cartoon like frogs named by their different croaks 'Bud', 'Weis' and 'Er' which was also very successful in promoting the brand and strengthening its presence in popular culture.

Budweiser is heavily involved in sports sponsorship being a major sponsor of the FIFA World Cup, the FA Premier League as well as being beer sponsor of a number of clubs in the league. The brand was also headline sponsor of the British Basketball League in the 1990s and is official partner and sponsor of a number of sporting franchises in the US. This has resulted in the Budweiser brand becoming synonymous with sports especially, association football.

#### *WKD*

Launched in 1996, WKD is vodka based drink operating in the FAB (Flavoured Alcoholic Beverage) market, and is owned by Beverage Brands UK Ltd, a relatively small player compared to Diageo and Bacardi-Martini who dominate the market. However the WKD brand has been strongly marketed in the UK recently and the brand has used many new and innovative ways in which to market itself. WKD is one of the top five selling FABs and in 2004 the brand's marketing budget was approximately £25m (The Grocer 2004).

The brand range includes WKD Original, available in three formats: Vodka Blue, Vodka Iron Brew and Vodka Silver; and WKD 40 a shot based drink. WKD, which is positioned in the youth targeted FAB market, has been marketed in such a way as to have particular resonance with young people. The brand name WKD, a play on the word wicked, is a commonly used term amongst young people to express approval, and is a component of fashionable 'street' language.

WKD has been marketed using innovative advertising in the conventional media using language and situations identifiable to the young, new media and viral marketing, and sponsoring activities and events associated with young people. This activity has been backed by aggressive pricing; the product is cheaper than many of its competitors.

The WKD brand has been promoted in a major TV advertising campaign featuring adverts in which people play tricks on their friends, with the adverts encouraging consumers to get in touch with their WKD (wicked) side and ending with the caption; "Have you got a WKD side?" The substitution of the word wicked with the brand name



WKD is a marketing technique becoming increasingly common. Therefore whilst the brand name itself identifies with the language of young people, the use of the word WKD in the TV adverts utilises another meaning of the word in such a way as to appeal to youth.

WKD has also been advertised in an extensive poster campaign using billboards across the UK, particularly in student towns, and in premises such as student unions, complementing WKD sponsored student tours. The brand has also used flyposting, in particular to advertise web micro sites or competitions.

Beverage Brands has used sponsorship of events associated with its target consumer group as a way to market WKD. The brand sponsors scoreboards at a number of English Premiership football grounds and has previously sponsored diverse sports such as yachting and ice hockey. WKD was also one of the sponsors of the UK television channel ITV's coverage of the Euro 2004 football championships and has sponsored dance music events, and a range of student events in pubs around the UK. Again, in sponsoring such events, WKD is associating with activities enjoyed by young people and is building a brand name that identifies with the fashionable and cool.

The WKD brand has a sophisticated website which includes a number of features such as video games, events advertising, competitions and a VIP members section.

The WKD brand has also used viral marketing - the website offers an email postcard service, and a "windup service" allowing users to send bogus letters by email to their friends. WKD has made use of mobile phone text messaging to run text and win competitions for the brand.

In the field of product development WKD has endeavoured to keep things fresh by releasing new variations of the product. In 2002 WKD 40, a shot based variant of WKD with a 40 % ABV, was launched in Iron Brew and Blue variants. In 2003 WKD Original Vodka Silver was launched to complement the two existing WKD Original drinks, giving a wider range of choice of flavours. WKD Original was also launched in large 70 cl bottles in 2001 in an effort to boost sales in the off licence trade (International Product Alert 2001).

WKD has been marketed aggressively towards the 18-25 years age group and has been the subject of a large marketing budget for a number of years. Aggressive pricing and innovative marketing techniques such as extensive use of viral marketing, sponsorship of sport and student events, and clever media advertising have enable WKD to build a brand that appeals to young people and especially young males as well as the typical female drinkers of FABs. As a result, WKD has been able to increase market share at the expense of competitors despite an overall decline in sales of FABs.

*Key lessons*

*(i) Innovative use of new media.*

The use of innovative marketing techniques such as embracing new media; websites, mobile phone text messaging and viral marketing are channels of communication that can be harnessed and used in the public sector. The new media channels used by Budweiser and WKD tend to be used most widely by younger people who embrace such technologies willingly. Furthermore new media is much more interactive and democratic (consumers can actually influence and often control content), than traditional marketing channels. Clearly the lesson here is that in public health branding there is a requirement to embrace innovative new media channels to be able to reach audiences and be accessible.

*(ii) Culturally Relevant.*

Budweiser and WKD have been very successful in developing their brands in such a way as to ingratiate the brand into popular culture through the use of marketing campaigns that resonate with young people. This involves taking the brand beyond a mere product but developing it as a feature of contemporary culture which is a technique that can be used in the public sector also. Alcohol brands in particular have been effective in appealing to a youth audience through involvement with youth culture such as sports, music and fashion. Alcohol sponsorship is a significant channel of marketing activity for the alcohol industry with music festivals and venues, sports teams and competitions and a whole range of cultural events being sponsored by alcohol brands. This enables the brands to fit in with youth culture getting to where young people are at. The use of new media channels complements this process and allows brands to become culturally relevant and accessible.

*(iii) Co-ownership of the brand*

The third lesson we can extrapolate from examining the case studies of Budweiser and WKD is the importance of branding and how it instils a sense of co-ownership with consumers. Many of the popular commercial brands we see around us are such a part of life for consumers that many identify with their favourite brands as matching their self image. At a societal level brands are often used by people to tell other people about themselves, who they are, what they stand for and so on (Murphy 1987). Therefore branding is important in people's lives and the commercial sector has been very effective in creating this state of affairs by making their brands culturally relevant. For example WKD has created an innovative and culturally relevant marketing campaign for its products using language, media and cultural references which a young audience will relate to. For some consumers the WKD brand almost acts as a badge. Similarly the Budweiser 'Whassup' campaign was so successful and far reaching that it became a part of the cultural lexicon in several countries. Much of this branding activity is underpinned

by extensive and ongoing consumer research which enables commercial brands to understand the lifestyles of their customers and enables them to construct the brand around their lives. In the field of public health - by recognising that branding is important in people's lives we can better construct brands that will be relevant to the lives of our consumers enabling them to better identify with them.

### **6.3.2 Internal Document Analysis.**

Another way in which we can conduct competitive analysis is by examining internal documents from the commercial sector. This helps us to scrutinise the marketing practices of products that may have a harmful effect on society and can illustrate mal-practice. It can also help to inform counter marketing strategies. There is a wide range of documents that can be analysed such as contact reports between clients and marketing agencies, client briefs, media briefs, media schedules, marketing budgets and market research reports. Normally litigation or government intervention is required to obtain such documents, for example in the UK internal industry documents have been requested by the House of Commons Health Select Committee. However initially in the case of tobacco industry documents some material was leaked by whistleblowers. Qualitative analysis of these documents is normally conducted around key themes (Silverman 1995) and this process has been used to analyse industry documents in the areas of tobacco, food and pharmaceuticals (Hastings & MacFadyen 2000, McDermott & Angus 2003, Devlin et al 2005).

Analysis of industry documents has perhaps been most widely used to examine tobacco marketing and research reports have been used as a tool for tobacco control. Documentary analysis of the tobacco industries actions has generated much controversy and interest, Blanke comments that, "By exposing, in tobacco executives' own words, the dishonest and starkly cynical nature of their statements and actions, the documents deprive the industry of credibility, undercut its current arguments and focus the debate on its own behaviour." (Blanke 2002).

Documentation analysis has been used extensively in the field of tobacco control to inform research and decision making surrounding tobacco marketing, and by examining tobacco industry documents to assess how their products are marketed to consumers. For example various studies have demonstrated that the tobacco industry targeted young people with their marketing strategies (Anderson et al 2006, Cummings et al 2002, Pollay 2000). Several studies have shown that tobacco companies sought to avoid regulation and undermine government policy or tobacco control efforts, voluntary regulation codes were treated with cynicism, an clear link between branding and consumption was established, their use of all marketing channels and even showed some companies low regard for their customers (describing one segment as 'slobs') (Glantz et al 1995, Carter et al 2002, Hastings & MacFadyen 2000).

In tobacco control, analysis of internal industry documents has been used in several ways – all of which address the competition. Findings have been used to inform media

advocacy, litigation and public inquiries, international organisations' investigations (e.g. the World Health Organisation, the Framework Convention on Tobacco Control) and regulation and legislation. Indeed the importance of the tobacco industry documents for informing public health strategy have been discussed (Bero 2003).

Documentary analysis has also been used to examine internal communications in the food industry. Analysis conducted at the request of the House of Commons Health Select Committee examined internal documents from the food industry in the UK to determine whether marketing communications and strategies were adhering to regulation and codes of practice. The research found evidence that brands aimed to increase consumption of unhealthy foods, encouraged 'pester power' - where marketing strategies manipulate children to pester parents or their family members to purchase unrequired goods or services, and used sophisticated marketing strategies and techniques and a high level of understanding of children to target them with their marketing activity (McDermott & Angus 2003).

In recent years, the marketing practices of the pharmaceutical industry have also been subject to scrutiny and criticism. In the UK, the House of Commons Health Select Committee commissioned a study of internal marketing documents that it had obtained from five UK pharmaceutical companies (Devlin et al 2005). A qualitative analysis was undertaken on the documents to examine whether the marketing of PO (prescription only) medicines to health professionals contravened the specifications outlined in the Association of the British Pharmaceutical's self regulated Code of Practice.

The research highlighted considerable concerns about how the current Code of Practice was working. It showed that on occasions the marketing of PO medicines transgressed the Code. For example, the general public and patients *are* seen as deliberate targets for marketing, campaigns targeting health professionals used emotional drivers, irrational constructs and branding strategies that are far removed from the Code's requirement for communications to be "*accurate, balanced, fair, objective and unambiguous*" are utilised, public relations and paid 'key opinion leaders' are used to counter bad publicity and brand marketing is disguised and the need for new brands is artificially created prior to their launch. The findings from this analysis will be used to inform development of the regulatory codes surrounding pharmaceutical marketing.

Internal document analysis can tell us some interesting and important things about branding. First of all it can help expose bad practice and the hypocrisy of anti-health brands like Marlboro. Secondly, as in the case with the pharma documents, it helps to illustrate how crucial branding can be even when rigorous, scientific decisions are being made by highly trained professionals (ie doctors prescribing). This shows that emotional decision making matters; we all need to feel reassured and confident about our choices. Finally the role of branding in pharma also provides an opportunity to highlight the contrast in research approaches involved in new drug production (RCTs and positivism) versus brand building (ethnography and exploration). This is particularly relevant to the public health field given the tendency for an RCT based, positivist research approach. The lessons we can learn by using document analysis can also help us to inform counter

marketing strategies and regulation.

### **6.3.3 Studies of the deleterious effects of commercial branding.**

The final strand to competitive analysis we examine is by studying the deleterious effects of commercial branding. We have already demonstrated that branding is a major component of commercial marketing and is successful. However there is also research evidence that suggests that some of this activity can have a harmful effect on individuals and society. Studies on the effects of commercial marketing belong to the critical marketing paradigm. The impact of commercial branding, and wider marketing, on health and societal welfare has been well researched and documented by social marketers (Gordon et al 2007). Critical studies of the effects of commercial marketing on behaviour have been carried out in the areas of tobacco, food and alcohol marketing. This activity forms an important strand of the critical marketing debate – and through this kind of critical examination social marketing provides a tool for identifying solutions. Here we examine how studies of tobacco and alcohol marketing have contributed to the critical marketing debate by constructing an evidence base that can be used to inform decision making, regulation and legislation.

#### *(i) Tobacco Marketing*

Branding is one of the key marketing strategies employed by the tobacco industry to promote their product and has been since tobacco brands first appeared. There is a well established evidence base linking tobacco marketing to behaviour: including awareness of and involvement with tobacco brands, brand choice and smoking behaviour (Smee 1992, MacFadyen et al 2001, Lovato et al 2003). Research has been widely published on the effects of general tobacco marketing including branding on behaviour but there is also brand specific evidence of an effect. Hafez and Ling (2005) conducted analysis of tobacco industry documents to assess the impact of Marlboro's global branding strategy on young people. It was found that Philip Morris conducted research throughout the world on young people which focused on lifestyles, brand studies and marketing effectiveness. The research identified core similarities in the lifestyles and needs of young consumers worldwide including: independence, hedonism, freedom and comfort. Philip Morris adopted a global marketing strategy which branded Marlboro using this information to position it as a product which would appeal to young adults. A standardised brand identity and advertising messages were used to target the shared values of and appeals to young people around the world (Hafez & Ling 2005). Furthermore tobacco industry research documents have emerged which have gone some way to explain how Marlboro changed their cigarettes to make them more addictive and help them dominate the market.

There is also research that indicates the impact the branding activity of Camel cigarettes has had. Research published in the Journal of the American Medical Association in 1991 on brand logo recognition amongst children aged 3 to 6 years old found that Joe Camel was more easily recognisable than Mickey Mouse, Bugs Bunny or Barbie. Approximately 30% of 3 year old children correctly matched Joe Camel with a picture of a cigarette with a figure of 91.3% of 6 year olds managing to make the match (Fischer et al 1991). The American Medical Association requested that RJR withdraw the campaign

but the request was initially refused. However due to further pressure the Joe Camel campaign was eventually withdrawn in 1997 and replaced with a supposedly more adult campaign featuring beautiful and exotic women. Research carried out in Turkey on the recognition of cigarette brand names and logos amongst primary school children indicated that Camel was the most recognizable logo and Marlboro the most recognisable brand name (Emri et al 1998).

The importance of branding the tobacco industry is now magnified given the introduction of wide restrictions on other forms of tobacco marketing. Rather than witness the death knell of tobacco marketing, many companies have used branding as a tool with which to continually market tobacco products. Indeed many tobacco companies including Philip Morris and RJR have used 'brand stretching', the diversification of the brand to non-tobacco merchandise and services to circumvent restrictions on tobacco promotion. Examples include Camel boots and clothing, Marlboro cigarette lighters and the Marlboro Classics range of clothing. Brand stretching has been found to have an effect, research has shown that schoolchildren who are exposed to clothing resulting from brand stretching are four more times likely to smoke than other children with 32% of those surveyed owning at least one branded item (Bonn 1997). Recent research carried out in the UK has indicated that despite the ban on most forms of tobacco marketing, there is still a strong influence from branding on adolescent attitudes towards smoking and intention to smoke (Grant et al 2007).

*(ii) Alcohol Marketing*

Turning now to alcohol marketing we find that, as in the tobacco industry, branding is one of the key pillars of the marketing mix. In many markets, such as those comprising young people, it is a key dimension of the marketer's offering. As a result brand names like Budweiser, Bacardi or Smirnoff have acquired enormous value. This is ever truer given changes in the alcohol industry itself over the last 20 years which has witnessed mergers and consolidation of the market with a number of key global brands emerging. The focus on multi-national brands supported by huge marketing budgets has resulted in changes in the way alcohol is marketed. In the UK alone the alcohol industry spends over £800m per year in marketing its products (Euromonitor 2004). Alcohol is now marketed using the full range of channels available in the marketing mix, and there is a growing trend for expenditure to shift away from the traditional channels of direct advertising in the print and broadcast media to 'below the line' activities such as sponsorship, special promotions, viral marketing the use of new media such as websites and mobile phone communications and experiential marketing (Hastings et al 2005). This activity is so extensive that it is argued that alcohol brands have become a part of the entertainment, cultural and sporting milieu (Caswell 2004).

There is considerable debate over the effect of alcohol marketing including branding on drinking behaviour. The evidence on alcohol marketing and consumption comprises two types of evidence: i) econometric studies that have used time series data to examine the relationship between aggregated alcohol consumption and supply variables such as advertising expenditure (Calfee and Scheraga 1994; Duffy 1990; Lee and Tremblay

1992) and ii) consumer studies examining the relationship between drinking behaviour and psychological effects such as recognition, appreciation and rewards derived from alcohol advertisements (Aitken et al 1988). Though both types of studies have demonstrated links between alcohol advertising and behaviour, doubt remains over the strength and comprehensiveness of the evidence base, certainly in the minds of policy-makers, consider this statement in the Alcohol Harm Reduction Strategy for England: "There is no clear case on the effect of advertising on behaviour. One recent study suggests that such an effect may exist, but is contradicted by others which find no such case. So the evidence is not sufficiently strong to suggest that measures such as a ban on advertising or tightening existing restrictions about scheduling should be imposed by regulation." Prime Minister's Strategy Unit (2004, p. 32).

However recent longitudinal research into the effects of alcohol marketing on youth drinking have established a causal link (Stacy et al 2004, Ellickson et al 2004, Snyder et al 2006) and further research is ongoing in the UK and New Zealand which will add to the evidence base.

In terms of the effects of alcohol branding as a specific element of marketing there is some research evidence that has suggested it has an effect on attitudes and behaviour. *Aitken et al.* conducted a study on young people's perceptions of and responses to alcohol advertisements and found that respondents were aware of brand imagery and found it appealing (Aitken et al 1988). Another study found that levels of awareness of beer advertising is linked to greater knowledge of brands, increasingly positive beliefs about drinking and higher intentions to drink as an adult (Grube & Wallack 1994). Criticism has been levelled at Anheuser-Busch for the use of cartoon-like characters that generate the attention of children for deliberately targeting young people in an effort to develop brand loyalty at a young age. Research carried out in the US in 1996 found that the Budweiser Frogs were more recognizable to children aged 9-11 years than the Power Rangers, Tony the Tiger or Smokey the Bear (Lieber 1996). There are also concerns over alcohol brands and sports sponsorship with research indicating that sports with large numbers of youth participation or spectators are often sponsored by alcohol brands, leading to calls for greater regulation (Maher et al 2006).

Again the importance of critical social marketing research in informing regulation and decision making is demonstrated here especially when considering the statement of the UK government above. By evaluating the impact of commercial alcohol marketing on drinking behaviour and also offering insights into how alcohol is marketed, such critical studies provide valuable information and findings that can assist in developing policy and regulation that could restrict alcohol's deleterious effects on society.

Many of these studies carried out by social marketers have moved beyond establishing effect on behaviour but have informed decision making and regulation, for example much of the work published in the UK (see MacFadyen et al 2001) informed the UK government's decision to implement an advertising ban on tobacco products. Therefore critical marketing has played an important part in addressing the effects of tobacco branding on behaviour by informing regulation and tobacco control policy. Studies that

have examined the impact of tobacco marketing on behaviour have helped build a considerable evidence base that has been used to guide policy and regulation (Hastings & MacFadyen 2000, MacFadyen 2001, Pollay 2000, Cummings et al 2002, Lovato et al 2003). Social marketing has an important part to play in the critical marketing paradigm as it offers an understanding of both the commercial and social sectors, and of the good and the bad that marketing can bring to society (Hastings & Saren 2003). By exposing the malevolent side of tobacco marketing, such as targeting youth, the findings of critical social marketing research have led to advertising or wider marketing bans being introduced in the UK, Finland, Brazil and New Zealand amongst others. Furthermore, critical marketing has also influenced the first ever international agreement to limit marketing activity - the Framework Convention on Tobacco Control (WHO 2003). This demonstrates how critical marketing research can move towards solutions by creating an evidence base that informs regulation and decision making.

However it is important that the correct regulatory solutions are found once an evidence base has been established. For example many of the advertising bans that have been introduced such as on tobacco marketing focus on the paraphernalia of branding (advertising) rather than its essence (the brands themselves).

There is also a need to engage in media advocacy and debate around the implications from research findings and the subsequent regulatory or policy response to them. Achieving the desired outcomes for public health in this process, winning the debate and engendering policy change can be made easier if you have the support of a strong and relevant brand. For example it is easier to attack the big tobacco companies with the CRUK (Cancer Research UK) brand behind you than without, and the BMA (British Medical Association) has an immediate advantage because they are well established brands and people already trust them.

#### **6.4 Conclusion.**

This chapter demonstrates that competitive analysis is a valuable tool that can be used to inform public health branding strategies by offering customer insight, helping to develop strategic alliances and dealing with the competition from the hazard merchants. By using the analysis techniques described key lessons can be extrapolated that can help achieve these outcomes.

The case studies generated some key lessons for public health branding. The importance of longevity was illustrated. It helps us think beyond discrete, short-term changes in behaviour towards generational approaches that involve forming meaningful, trusting and lasting relationships with our target audience(s). Many successful commercial brands have been around for a long time – Lucky Strike for 136 years, Coca-Cola for 115 years, Smirnoff for 83 years and McDonald's for 67 years.

We have learned that subtlety is a useful lesson we can take from examining commercial branding. Commercial brands are very effective at creating a brand identity through subtle means using mediums such as advertising or sponsorship to achieve this. In public



health we too must respect the customer, use subtlety and not insult the intelligence of our audience nor appear paternalistic.

The vital importance of delivering tangible benefits has been highlighted as one of the key lessons we can take from competitive analysis of commercial brands. Many commercial brands are very effective at delivering customer satisfaction whether through consistency of product, great customer service or like Marlboro product development.

Furthermore the value of the innovative use of new media has been discussed. Commercial brands such as Budweiser and WKD have used innovative channels of communication such as viral marketing and websites to reach consumers which have proved very effective. These channels are also more interactive and democratic and have great appeal for younger consumers. The innovative use of new media in public health branding offers a good way of reaching end users more effectively.

Commercial organisations are often very successful at making sure that their brands are culturally relevant. Using contemporary cultural references and associating with cultural events and activities such as music, sport and fashion are very effective branding techniques. This enables brands to fit in with culture getting to where people are at, especially amongst youth audiences.

Commercial brands are also successful at creating a sense of co-ownership of the brand for consumers. Values, lifestyle choices and cultural references identified and used in the branding strategies of Marlboro and WKD such as independence, freedom and irreverent humour have been used to model these brands around their customers' lives. This helps the brands build more effective and lasting relationships with their customers.

We can also see the value of creating strategic alliances from examining the commercial world which can be very effective in progressing a public health agenda such as in tobacco control. Strategic alliances to share research and learning and create advocacy groups are often a very effective use of resources.

Internal document analysis helps to expose bad commercial branding practice and highlight hypocrisy of brands that are potentially damaging to public health. Furthermore document analysis reinforces how crucial branding is in any corporate strategy. This form of analysis also illustrates the differences in approach towards research found in the commercial sector (ethnographic and exploratory) compared to that in public health (RCTs and positivism).

Finally studies on the deleterious effects of commercial marketing help inform regulation, decision making and litigation by building up a scientific evidence base. It highlights where branding is having an adverse impact on health and society thus informing regulation and similar efforts to offset these negative effects. The ability of such research to inform regulation and decision making has been established and demonstrated (Hastings & Soren 2003, Gordon et al 2007).

These lessons generated by competitive analysis, using the techniques discussed in this chapter can bring four key strengths to public health branding. First it offers customer insight and thereby ensures an improved fit between our brands and their lives. Second it enables us to develop successful strategic alliances to give our brands better leverage. Finally it helps us deal with the competition from the hazard merchants by i) informing counter marketing campaigns that will undermine their brands and ii) where necessary, challenge them directly. Therefore competitive analysis is a key tool for building competitive public health brands.

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