

# United colors of benetton: the cycle of reality



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Benetton is a company that started out with a line of clothing apparel in Italy, and has since created a name for themselves throughout America and Europe as being too provocative towards its advertising campaign. With an in-house advertising consisting of ten people taking on the multiple tasks of marketing and promotional advertising, they developed a brand name for the company to introduce to the consumer by non traditional methods of advertising. Their advertising strategy was to introduce a “ shock Value” to its advertising to promote Benetton as a life style brand instead of promoting its actual line of clothing itself. This communication strategy eventually crossed too many boundaries and appeared distasteful rather than appealing to different many segments of the world consumer population (Ganesan, Thota, ” Benetton Group.

Luciano Benetton founder and chairman of United Colors of Benetton shared his business ideas with his sister Guiliana to sell apparel. Guiliana worked in a knitting factory operating a knitting machine and had the experience in producing apparel. She teamed up with Luciano and started their business by purchasing a knitting machine in 1965. Guiliana manufactured 18 colorful and vibrant sweaters and sold the apparel to local retail stores. This business to business channel of marketing caught the consumers attention almost instantly and sales began to boom. Consumers recognized the alternative line of vibrant colors of apparel.

As this turn-key business started to grow, Luciano’s brothers decided to join the business and each one had a designated department that they were in charge of. Luciano was head of the marketing department and concentrated on conventional marketing communication through newspapers and

magazines. Until the 1980s, Luciano's marketing strategies were to create brand awareness through its advertising. As the business grew, Benetton engaged in manufacturing and distribution of various products like clothing, undergarment, shoes, cosmetics and accessories, branching off into several potentially profitable markets. Benetton had also eventually licensed its brand name to manufacturers of sunglasses, stationary, cosmetics, linens, watches, and designer condoms. Benetton was growing so rapidly that they opened up their own exclusive retail store with not just their own brand, but with several different brand names. The first store opened in 1969.

As the company continued to grow, one of their primary goals was that part of their business portfolio was to be revised to meet a new market segment. Since they were doing well with the local department stores, the strategies of reaching their target market towards youths in the advertisements through conventional communications lead to sales increasing rapidly in the late 1960's and 70's. Their basic objections of advertisement was based on Luciano Benetton's philosophy and beliefs that communication should not be commissioned outside of the company, but conceived from within the heart. For twenty years Benetton has emphasized on creating advertising strategies of their United Colors brand, all the while capitalizing on brand awareness, value, sales, image, price, and public/publicity. While Benetton stores were still climbing in sales, the business as a group decided to expand their store to a broader audience in Paris where they would have to enter a new market segment. The marketing department would have to analyze the demographic area, locate their market segment, and identify target markets of a certain age, social and ethnic groups, and cultures. Revision of income

tactics, sales promotions, market positioning, and competitor analysis became mandated. These communication approaches are some of the essential strategies that Benetton had to analyze before entering into a new market.

The Benetton family decided to create a network of distributors and sub-contractors in Italy with the operation of around 2000 shops; becoming a major player in the market. Benetton also opened up stores under different brand names such as Sisley, Tomato, Merceria and 012. These brand names were eventually migrated into the Benetton name and carrying the Benetton logo. Benetton began to expand even further into an overseas market, setting up stores in the U. S., Japan, France, West Germany, Britain, Switzerland, and the Scandinavian countries. The company also added manufacturing facilities in France, Scotland, Spain, and the U. S. Channels catering to market segments have to be created and established by the marketing department, and its function is to impact the market towards the individual consumer's unfulfilled wants and needs. Benetton's marketing mix also focused on sustaining relationships with their customers, and delivering value to the consumer market.

Benetton would eventually, in the 1990's, decide to enter a new market of products. When they decided to purchased companies such as Roller Blade (In line skates), Prince Tennis (racquets), Nordica Skis (originally Kastle), racquet ball-racquet maker Ektelon and snow board brand Killer loop. This new line of products did so poorly in the market that Benetton decided to eliminate these products and sold them to other companies that were willing to purchase the brands at a specified price.

Benetton remained loyal to their core brand, yet changed the logo to the phrase “ United Colors of Benetton” contained within a dark green rectangle. Benetton started their advertising campaigns with provocative ads that related to provocative and controversial advertising techniques and themes that would, for years to come, create memorable ads that demonstrated a “ shock value” while utilizing powerful photography to grab the viewer’s attention. This type of campaign had focused on social and political issues instead of centering their marketing towards their product or image, thus the introduction of their “ shock” campaign.

In 1982 Oliviero Toscani was hired by Luciana Benetton to head the company’s advertising department. He was a prominent fashion and advertising photographer, well known within the industry. His position within the company led to the creation of a provocative and controversial advertisement campaign that rode the thin line of normalcy throughout the 1980’s and 90’s. Some of the ads touched based on some very sensitive religious, social and political beliefs, yet both he and Luciano believed that the success of the company would rely upon standing apart from the competition, hence the transition to a life style brand. Some of the ads were denounced in several countries and were viewed as either distasteful or unrighteous. The campaign began with linking the logo “ United Colors of Benetton” and its colorful collection with reality and the diverse “ colors” of its world customers. Toscani portrayed a picture of racial harmony and world peace (Ganeson, Thota 4).

Toscani started out with Benetton portraying conventional advertising methods. As the evolution continued, ads showed photographs of groups of

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young people wearing Benetton clothing. These young teenagers and kids were from culturally diverse nations. Toscani and his determination to create brand awareness with controversial ad campaigns towards conflicting messages on diverse colors of individual ethnic groups, and pushing the issue of equal rights of freedom of speech. These marketing ethics created an increase in sales of 25%.

As time went on Benetton created ads that were provocative and offended certain peoples of certain cultures, social status, race, or sex. One ad had a white and black baby with painted U. S. and USSR flags on their cheeks. Another was a white and black stallion having intercourse. Ads were running that portrayed war, bloodied soldiers, and even half-dressed adolescents. An ad that aired involving an interview with Missouri prisoners on death row led the company into a law suit. The company had to formally apologize to the families of the victims that were murdered by the prisoners involved in the ad. The shock campaign had back fired and was turning people away from Benetton. Sears discontinued their clothing line as well.

I agree with Toscani's methods of drawing attention to the company and to the brands. However, there are fine lines that were crossed that turned the ads into something offensive. Some aspects of reality is meant only for the news for morning paper. Society has become accustomed to conventional advertising.