

# Axe deodorant body spray marketing essay



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One of many strategic business unit in which Unilever owns and manages is AXE. It utilizes a number of intermediaries to get its product from the manufacture to its valued customers. Unilever realizes that proper placement and availability of the product have a great impact on sales. If the product is not being distributed to the correct target market, or if the product doesn't make it to the retailer in time, then sales will certainly be truncated and hurt profits in the end.

Unilever has chosen to use customer marketing channels (Page 343, Kotler); which is essentially going from the manufacture to the distribution centers to the retailer's distribution centers to the retail stores and finally the consumer. Unilever hires a third party company (Page 364, Kotler) ES3 to help provide a combination of warehousing, mixing, and distribution services and innovation under the roof of the Unilever distribution centers. With both of them working towards a common goal they have developed new ways to be more and more efficient as time goes by. The third parties provide transportation management; using technology to assure the trucks are completely full " in the most efficient way as well as reducing order to delivery timing for lower costs and better service levels" (ES3). Unilever also contracted them to use DimenSync™, which is an automated date service that keeps track of every aspect from A to B.

## **Direct or Indirect**

Indirect marketing channels are used to distribute AXE deodorant domestically. Meaning they use one or more intermediaries to get the product to the shelf's (Page 342, Kotler). Unilever's goal in choosing the " right" intermediary is in theory, the one who can get the product from the

factory to the consumer in the least amount of time and on time, and the cheapest.

According to an article in the Harvard review by Hue Lee; “ Top-performing supply chains possess three very different qualities: First, great supply chains are agile. They react speedily to sudden changes in demand or supply. Second, they adapt over time as market structures and strategies evolve. Third, they align the interests of all the firms in the supply network so that companies optimize the chain’s performance when they maximize their interests. Only supply chains that are agile, adaptable, and aligned provide companies with sustainable competitive advantage” (LEE).

The direct marketing channel follows this diagram from start (manufacture) to finish (customer) as follows:

Unilever does not sell directly through the web as some companies do but they do refer potential customers to use websites as another vehicle of purchasing items.

## **Types of intermediaries**

Unilever chose the best way to reach the target market by placing AXE products in grocery chains, supermarkets, department stores, and even convenience stores. The target market of AXE is specific males 15-28 years of age with distinctive physiognomies. They determined where this audience is likely to shop at using market research. Using the Where to buy page on the [axeeffect.com](http://axeeffect.com) I was able to find exact stores, locations, addresses, and even telephone numbers to each store in my immediate area that carried AXE.

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The stores below are some of the major intermediaries where AXE is stocked and sold (page 375, Kotler):

Supermarkets: Publix, Kroger, Safeway, Win Dixie, Walgreens, ETC (Major Grocery stores)

Discount stores: Wal-Mart, Kmart, Target, ETC (These are also

Department stores: Sears (Sells the gift sets of a combo pack consisting of spray and body wash)

Convenience stores: 7-11, Valero, Hess, Circle K, ETC (Major Convenience stores)

Additionally according to the National Retail Federation, retail sales are skyrocketing. In 2008 online retail sales totaled just over \$150 billion dollars (NRF). In this year alone they project online sales to peak at over \$200 billion; a huge 25% increase over a four year timespan.

C: UsersMattDownloadsiChart. jpg

It would be mindless for Unilever not to take advantage of the vast online market place and a piece of the projected \$200 billion dollar online market. They indirectly sell through many different online intermediaries.

The top online retailers that carry the AXE brand are:

Drugstore. com

Amazon. com

O. com (Overstock)

Buy. com

All in-store intermediaries listed above online stores

**Main distribution activities used:**

**AXE uses a couple distributors to help with getting the product to the shelf's as mentioned above, but this section I want to focus on the active role Unilever plays in the supply chain. Unilever relies on its own distribution centers to complete the supply chain.**

**How does such a large company keep track and handle a large portion of the supply chain themselves? They use four main departments with thousands of employees set up with an organization chart for each one. They range from small managers, managing floor employees up to the top managers who in turn report to even higher managers until the information reaches the senior corporate officers who report directly to the board of directors.**

**The four departments and what they are responsible for are:**

**Customer Service – Logistics: This department is responsible for “ solving challenges such as on-shelf availability. Roles include order management, working at the interface between warehousing and transportation, and ensuring products arrive as promised to meet customer needs” (Supply Chain\*).**

**Customer Service – Plan: This department is responsible for “ demand planning which is using market knowledge to determine potential sales. Using this data, supply planning ensures factories are able to meet these sales demands on time and in the most cost effective way possible” (SC et al 2012).**

**Supply management: This department is responsible for “optimizing the cost and quality of what we buy through the intelligent sourcing of materials, packaging and non-production items. The team explores new ways of working with suppliers and plays an important role in technology innovation” (SC et al 2012).**

**Manufacturing management: They are responsible for “constantly improving efficiencies and when needed adapting to changing demands. As a manager, you will be responsible for a team’s quality, output and costs (SC et al 2012).**

### **Unilever Distribution Centers**

Unilever distributes AXE throughout the U. S. by utilizing space in its distribution centers. The distribution centers used are located in:

Jacksonville, FL, Wilmer, TX, St. Louis, MO, and Rialto, CA. Each one is responsible for a certain area and all have at least 776, 000 sq. footage of space in each. AXE is stored at the centers and are ready to be sent out. From the distribution centers, AXE along with other Unilever products are transported across the U. S. where they eventually end up at the retail stores where demanding consumers can complete the chain by purchase them.

How does Unilever and specifically AXE organize and plan logistically the best route for the drivers whether third party or in house transportation? At each distribution center they have a program called its transportation management system. This system uses real time data and analysis to calculate the best and fastest route to take to complete the trip.

For its 18 wheelers for example it tracks each truck and has a record of what is exactly on the truck down to single units; what each retailer needs to

receive upon stopping, and uses spool timing down to the minute to see how efficiently the products are being distributed in a timely manner.

Unilever has supply chain management (Page 357, Kotler) down to a science in all three areas: inbound, out bound and reverse logistics. They have a lenient policy set up for retailer to send back the damaged products and receive a credit depending upon the situation; this would be its reverse logistics (Page 357, Kotler). The products are taken from the distribution centers and sent out to each retailer's distribution center where they in turn ship to their stores or to a distributor whom then ships directly to the stores they contract with.

### **Type of market exposure:**

AXE uses intensive distribution- A strategy where they stock their products in as many outlets as possible (Page 352, Kotler). They chose this strategy due to the type of product. It is a household item also known as a consumer-good that is used by a certain audience but a populated one, so they need the product available when and when consumers want them. They implement this type of distribution to achieve their maximum exposure while providing the customer with convenience.

AXE is found in the nation's largest retailers, supermarket, and value chains. These chains are built to provide the customer with great convenience as they can walk in and purchase just about anything common and occasionally products in one stop. Since it is not a luxury or exclusive brand it does not make sense to be use an exclusive or selective distribution. Unilever wants to place AXE in the eyes of as many consumers as possible.



## **Promotion methods used:**

Mass Selling- AXE uses mass marketing aimed at providing products and services that will appeal to the whole market. The idea is to broadcast a message that will reach the largest number of people possible. " By reaching the largest audience possible exposure to the product is maximized (Wiki)". This promotional method is the ideal one for this this level of sales. The other methods would and could not reach the amount of potential consumers that the brand deserves and needs to be profitable.

Just for comparison if Unilever wanted to use personal selling as the promotional method they would not have the 72% market share they do today in 2012. Personal selling is where sales representatives go out and does sales presentations, trade shows, incentive programs, and seminars in order to introduce and sell the product. Obviously this would be extremely expensive in terms of both time and money. This method would be used for a new, lower budget company, or one where the consumer needs to become educated in greater detail pertaining to the product in order for a sale.

Saying this AXE has a promotion mix (Page 408, Kotler) which is used as a tool in which they use to persuasively communicate what they need to, to its target audience. The tools AXE uses are the following:

Advertising: AXE advertising's strategy is definitely the strongest attribute the brand has. The commercials and ads are absolutely hilarious, creative, and ingenious as I will explain in detail later. AXE uses a complete variety of mediums to get their message (The axe effect) to potential consumers. The "Axe Effect" is one of the most famous claims in the world. This so called

effect is supposed to draw women to any male who has sprayed himself generously with the Axe deodorant. The advertisements flow smoothly and usually display the normal looking male but with an elevated sense of elevated self-esteem.

An article by Kim Bhasin gave an excellent break down of the actual true message that AXE uses: Unilever first analyzed the potential Axe user by breaking males down into five profiles (Bhasin):

Natural Talent: Athletic, smart, and confident. He doesn't need to lie to score

Marriage Material: Humble and respectful aka the nice guy

The Best Friend : He is always there for you when you need someone

The Insecure Novice: He has absolutely no clue what he's doing and wants to learn how to be in the in crowd

The Enthusiastic Novice: He has absolutely no clue what he's doing, but he's not afraid to try.

Then the marketing team determined that The Insecure Novice would be their natural target, since he needs the most help in getting women's attention. He would be easily persuaded into buying a product that could help him out. Now the ads are what really helped AXE get to where they are today. They are very sexual in nature and grab the attention of men. The ads flaunt that when AXE deodorant is used you will get the girls. Not just one at a time! - " their research showed that the ultimate male fantasy is to be irresistible to several sexy women" (Bhasin).

## **The result? Axe became the #1 male antiperspirant/deodorant brand.**

AXE advertisements never strayed from the message they wanted to convey, and they conveyed it in a perfect way to persuade its target market. The ads used humor and sexuality to gain attention. It is safe to say they mastered the art of AIDA. All the elements are satisfied and it's no wonder AXE exploded from 0% to 72% market share (of male deodorant) in only 12 years. Under current promotion objectives I will outline how they used or at least followed AIDA in their advertisements.

### **Public Relations:**

As part of their public relations duties AXE targeted their product launch of buzzed look to those who best represent the classic military-style cut, by partnering with Wounded Warriors - a nonprofit organization whose mission is to honor and empower wounded soldiers. Axe donated \$50,000 to the organization in conjunction with the launch (PR).

"Over 44,000 of our nation's armed forces have been physically wounded during the current military conflicts and hundreds of thousands more are estimated to be recovering from the invisible wounds of war," said Adam Silva, chief development officer of Wounded Warrior Project. "Axe Hair's contribution will fund programs that nurture the mind, body and spirit and help returning warriors take on their next challenges here at home (PR)."

This type of kindness is praised especially in today's greedy society. When a company takes the time out of their day to appreciate, help, or reward someone it does gain the attention of consumers. It makes them feel good

about their recent purchase and just another positive reason about the brand and who is behind it.

### **Endorsements:**

AXE will occasionally use endorsements to gain attention by using celebrities and sport stars to say a few words about the brand (Page 421, Kotler). For example: NFL quarterback Sam Bradford, 2008 Heisman Trophy winner and number one draft pick of the 2011 season Sam Bradford said this in a print ad in 2011 (PR):

“ I’m always changing up my style – my ritual is to grow my hair and to cut it off at the end of each season. This time I’m doing it the right way by working with Axe Hair who’s giving me a new buzz look,”

### **Direct mail marketing:**

AXE occasionally sends out coupons to customers who register online at [www.theaxeeffect.com](http://www.theaxeeffect.com) I personally have received a coupon this July a few weeks before my birthday offering a coupon of \$9.99 for the MSRP \$14.99 gift set they offer. This is the main way they utilize direct mail to both place the product in the front of existing customers and give them a discount to persuade them to keep buying the product.

### **Current promotion objectives:**

The current promotion objectives all have the same goal in mind of sales, but each way is a different way to reach the consumers. Mass selling is a promotion used to get the brand out there and in view for the masses to see. Its objective is simply to get the target market to acknowledge AXE body spray and learn about the axe effect that the product claims. This <https://assignbuster.com/axe-deodorant-body-spray-marketing-essay/>

works well for keeping the name alive and to continue to stay in the growth stage of the product life cycle.

The objective of the advertising campaign is to help the target market out with attracting the ladies. They want every 15-25 year old male in North America who needs help of any kind no matter your personality and character this product will help you. The advertisements follow AIDA (Kotler, Page 417):

Attention-The ads are one of the best ones I've ever seen; in fact it's why I chose to do this project on AXE.

Interest-The ad's work plain and simple they raise customer interest by focusing on the benefits of spraying yourself with AXE.

Desire-They create a desire to buy the product to gain the axe effect, but even the smell alone will certainly appeal to most people in my opinion.

Action- As far as taking action on a certain promotion they do utilize direct mail and Point of sale displays to get people to make the sale.

### **Approach used to promote product:**

AXE uses the both the pull and push, but mainly the pull marketing strategy because of its large customer base. Body spray is a small ticket item where large amounts of sales are needed to gain a fair profit. The pull strategy as defined by (Reilly) is " one that requires high spending on advertising and consumer promotion to build up consumer demand for a product." Most small companies have to use the push method in order to increase sales because advertising costs are just too expensive for a new or startup

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company. Being backed by Unilever; AXE has the initial capital to go big on the advertising. In the textbook it states “ Unilever promotes its AXE products directly to its young male market market using TV and print Ads, a brand Website, its YouTube channel, and other channels (Page 425, Kotler)”; this is the definition of using the pull approach effectively. As we all know the consumers raved about the AXE brand and product line which led to their first successes. Starting out they used this method heavily to gain more recognition starting out. Here is just a few push strategies implemented that I have personally witnessed:

TV advertising- They run TV ad’s to keep the axe effect fresh in your mind

Email campaigns- AXE brand group sends out mass emails with coupons.

Social Media- They have their ad’s on Youtube. com as well as various social media sites which are very popular today including Facebook. com, Myspace. com, the AXE YouTube channel, and Twitter.

POS- Stands or displays at Wal-Mart just before the checkout

The pull approach is more innovative as it uses newer technology to get a higher ROI.

The pull methods used are:

Sales Promotions

Consumer advertising

Customer Relationship management: Excellent customer service and interactive website help create relationships with its customers, as well as incorporating the average Joe into all the Ads.

Word of Mouth- Customer reviews and friends recommending AXE to their other friends.

### **Trade promotions used:**

These are the incentives given to retailers to attempt at either getting the product stocked or to get the best shelf space they can.

The only trade promotions I was able to find were in terms of free goods (Kotler, Page 487). They offer new retailers that decide to carry AXE 100 free mini sprays. Now they may offer the common 1 or 2/10, net 30 approaches, but I believe they consider it on a case by case basis and do not want to disclose it to the public.

### **Actual message used:**

[http://www.jaunted.com/files/6193/No\\_Axe.jpg](http://www.jaunted.com/files/6193/No_Axe.jpg)-This ad is ingenious and again gets the point across that using AXE gets will have the ladies running after you. On the otherhand if you don't use it they will run from you.

<http://www.antsmagazine.com/wp-content/uploads/2009/03/axe-effect-ad.jpg> -This one portrays a nun wearing a clothespin in order to keep the smell of AXE away from her, so she doesn't end up chasing a man and ultimately regretting it. These are my favorite type of ad where you don't understand the content of the ad right away

<http://blogs.longwood.edu/advertising3/files/2012/10/axe1.gif>

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This print ad shows that AXE objective is to get you with the ladies. It says by using the product on your chest and underarms, you will get at least two females.

AXE MARS & VENUS, Axe Body Spray, LOWE Philippines, Axe, Print, Outdoor, Ads This ad gets the message through, in which by using AXE you will be attractive even in space. In the picture Venus left its place in space to see Mars. It's a funny print Ad, and really appeals to the customers in which know what the AXE effect already is.

<http://shaesta77.files.wordpress.com/2010/10/axe-effect-shower.jpg>

"The AXE effect is now in your bathroom"- This is introducing the new shower gel that they launched back in 2008 in North America. It portrays the regular looking guy with two girls using the axe shower gel. It's a good ad because what guy do this not appeals to, I mean really...

### **Medium used:**

In conclusion, they use advertising in a slew of mediums (Page. 386, Kotler) including Television commercials, print ads in magazines, social media sites (Facebook and twitter pages), YouTube, theaxeeffect.com, and by using celebrities. The TV and print commercials account for the majority of advertising and are crucial

(Pierce) Moral of the story: if Axe isn't getting you an infinite supply of girls, you're just not spraying enough.

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