

# Boss bottled case study essay



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BOSS Bottled Refresh The “leisure” fragrance Authors: Dennis

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example22 Introduction The German fragrance market in 2009 and 2010 has

faced stagnation in value growth in line with the financial crisis but expects a

growth of 3% in 2011 (Euromonitor 2011). To gain market share and

revenues in this highly competitive market we propose a new marketing

concept to introduce a new fragrance into the BOSS Black Bottle House.

In the first part we analyze the German fragrance market, the current BOSS

Black and BOSS fashion positioning, the target group as well as competitors.

This analysis builds the fundament for the second part, in which we define

strategic goals and expose a strategy to reach the goals proposed. We

identified long-lasting and mutual profitable relationships with customers as

well as consumers as key success factors and outline steps to initiate these

relationships. Analysis The fragrance market

The fragrance market has made some changes the last years. Since a lot of people are not as well off financially as they were before, they are cutting back on certain products. Fragrances are these kinds of products. Western Europe maintained its lead in regional value size, but stagnant growth in the region in 2009 pulled down worldwide growth overall (Euromonitor, 2010). Since there is an economic crisis, consumers are less willing to treat themselves on a nice fragrance, but are more likely to purchase fragrances as a gift.

This resulted in December being the strongest month for fragrance sales, and fragrance sales became increasingly seasonal (Euromonitor, 2011). In particular premium fragrances were affected most by seasonality, since people find premium fragrance too expensive for personal use, and therefore give it as a gift with Christmas or birthdays. This seasonality perhaps protected the fragrance market for a decrease in sales, since the cosmetics market for example showed a decrease in sales between 2008 and 2009, while fragrances scored marginally well (Euromonitor, 2010).

Cosmetics tend to be bought for personal use, and therefore many consumers cut back on such purchases. In 2010 the premium fragrance market even showed a 1% increase in sales, while the mass fragrance market showed a decrease of 2%. People used cheaper body sprays as fragrance substitutes. So the increase in growth for premium brands probably is due to the fact that premium fragrances were bought as a gift instead of personal use, and mass fragrances for personal use. P&G Prestige Beaute had a very successful campaign anticipating on this gift market.

With the D&G anthology which was introduced in 2009 and show rapid growth until 2010, P&G Prestige Beaute succeeded to capture a large part of the market. D&G anthology was offered in five 20ml bottles which resulted in a very popular gift and therefore became one of the best selling fragrances. The main finding from this market analysis is that the fragrance market has shifted from a personal use- to a gift market. This has to be taken into account by BOSS when thinking about new campaigns. Current positioning BOSS is more than just fragrances.

Probably one first thinks of other products when thinking of BOSS. Therefore the BOSS fashion line will be highlighted first and then the fragrances of BOSS will be addressed too. BOSS fashion Hugo BOSS has been one of the global market leaders in the premium fashion segment for years and has consistently strengthened its market position in past years (Hugo BOSS, 2008). Besides that Hugo BOSS labels itself as a premium brand. Euromitor (2011) underpins this statement since they argue that BOSS is one of the premium brands of P&G.

Even though this report is going to focus on the fragrance market, one should acknowledge that Hugo BOSS is more than just fragrances. Clothing, sunglasses, belts, bags, wallets, watches etc. belong to their product range as well. These products are classified into different product lines called BOSS Black, BOSS Selection, BOSS Orange, BOSS Green, Hugo and BOSS Kidswear (see appendix 1). Hugo BOSS their main focus is on men, but they try to reach women with their Black, Orange and Hugo lines aswell.

Every BOSS line aims at a different target audience but all send the similar message: BOSS is Confidence, Power and Masculinity. BOSS fragrance As discussed in the previous chapter, BOSS fragrance is part of the BOSS assortment. Like the entire Hugo BOSS assortment, the fragrances are classified into different product lines: BOSS Black, BOSS Orange or Hugo. The BOSS Black line focuses on elegant business fashion, while BOSS Orange concentrates on the high-end casual wear segment. In addition, the Hugo brand improves on progressive and avant-garde style (Hugo BOSS, 2008).

Although this positioning is for Hugo BOSS' clothing lines, they can be applied to the fragrance assortment as well. The appearance of the bottles is in line with the image they want to convey. Once again the message which Hugo BOSS wants to send is: Hugo BOSS is Confidence, Power and Masculinity. One would expect that the fragrances are priced in line with their fashion line. The BOSS Black clothing line for example is more expensive than the Orange and Hugo Line. Remarkably, this is not the case with fragrances since every line approximately are just as expensive.

Competition Competition in Europe Like the women's fragrance market, the men's fragrance market can be described as highly competitive. As we know from personal experience when buying a new perfume we are always overwhelmed by the number and diversity of fragrances that exist. It would not be exaggerated to claim that there are hundreds, if not thousands of different fragrances on the market. In this paper we concentrate on the main competitors of Hugo BOSS in the men's premium fragrance market. Having a market share of 10. %, Armani was market leader in the European men's premium fragrance market in 2008, closely followed by BOSS with an

estimated market share of 10.1%. The third place of the ranking was occupied by Dior with 6.8% market share and Chanel, having a slightly lower market share of 6.1%, ended up being on the fourth place (Ipsos, 2007). The Italian Brand Armani can be characterized by three main core values, namely quality, sophistication and style. Furthermore, the main target of the brand is to promote timeless values with a global appeal.

The fragrance portfolio for men comprises several different products, including Acqua Di Gio, Armani Code, Armani Code Sport, Attitude, Armani Mania, Emporio Armani Diamonds, and Emporio Armani He. Concerning advertisement, Armani is known for its pronounced and flashy celebrity endorsement. A lot of famous and known celebrities appeared in Armani ads in the past, the most prominent being tennis legend Rafael Nadal, soccer stars like David Beckham and Cristiano Ronaldo, and admired actors like Christian Bale and Josh Hartnett ([www. Armani. com](http://www.Armani.com)). The French label Dior in contrast stands for glamour, elegance, prestige and seduction.

Beyond its prestigious and glamorous image, the label is increasingly associated with expressions like trendy, bright, flashy, colorful and nouveau riche as well. The men's fragrance portfolio consists of product names like Dior Homme, Eau Savage, Fahrenheit, Higher Energy, Dune pour homme, and Jules. According to the company's webpage "Dior's men's fragrances feature the modern elegance of Dior's men's fashions, from the most stylish, sophisticated looks to the most relaxed, sport chic look" ([www. Dior. com](http://www.Dior.com)). Typical of Dior perfumes are bold fragrances "to break with tradition" ([www. Dior. com](http://www.Dior.com)).

Dior. com). As opposed to Armani, Dior solely appointed the American actor Jude Law as the face of its latest fragrance Dior Homme and the French Actor Alain Delon as the face of Eau Savage. For the remaining fragrances Dior did not use any celebrity endorsement. Classic, elegance, timelessness and exclusivity are core values which are mostly associated with the French label Chanel. To Chanel's fragrance portfolio belong product names like Bleu de Chanel, Allure Homme, Allure Homme Sport, Allure Homme Edition Blanche, Pour Monsieur, Antaeus, Egoiste, and Platinum Egoiste.

Unlike Armani and Dior, Chanel gives clear descriptions of the target group for which every single fragrance is created on its webpage. For instance it describes Egoiste as “ an invigorating scent for the self-assured man”, Platinum Egoiste as “ a modern, masculine fragrance for the passionate, romantic man” and Pour Monsieur as “ the understated fragrance for today's civilized man” (www. Chanel. com). This might act as a useful help in the purchasing decision making process of customers who do not know yet which scent fits to their own personality.

As opposed to other competing brands Chanel does not rely on any celebrities in its advertisement of men's fragrances. Solely Alain Delon, a French actor was appointed to be the face of Eau Savage, for the other fragrances Chanel made no use of celebrity endorsement. Competition in Germany Since Germany is ment to serve as a test market, it will be useful to have a look at the main competing fragrances of Hugo BOSS in the German market as well. In 2010 the fragrance with the highest market share (namely 2. 5 %) in the German market was called ‘ Joop! Freigeist’.

The name 'Freigeist' means 'Free spirit' and the fragrance itself is comprised of an unusual union of fresh fougere (fern-like) aromas. The composition incorporates gin notes in a top, jasmine in a heart and leather and mahogany in a base. The target audience of Joop are self-confident men (and women) with a distinctive sense of style, personality, and sex appeal. The label itself stands for a modern sense of life, extravagance, and for strength coupled with emotion (Joop. com). 'Joop! Freigeist' was closely followed by the fragrance '1 Million' by Paco Rabanne which reached a market share of 2. % in Germany in 2010. On the third place in the German market in 2010 was BOSS Bottled (2% market share), closely followed by Allure Homme Sport on the fourth place with 1. 9% market share (Euromonitor International, 2011). Target segments Customer In the consumer or shopper perspective the seller of fragrances, retailers are in Procter & Gamble's perspective the direct customer. To understand different interests and needs of different customers among Procter & Gamble it is useful to divide them into intrinsic homogeneous and extrinsic heterogeneous clusters.

In this paper we propose the following clusters: beauty specialists retailers like e. g. Douglas, drug stores like e. g. DM, supermarkets like e. g. Edeka, department stores like e. g. Karstadt, airport stores like e. g. Heinemann Duty Free and online retailers like e. g. www. parfumstore. de. Procter & Gamble's main target segment among customers is defined beauty specialist retailers as they accounted for 53% of value sales in 2010 (Fragrances in Germany, Euromonitor P&G 2011) and in particular Tischler is already the biggest customer of Procter & Gamble prestige products.



Especially beauty specialist retailers are open to striking promotion activities. These activities create awareness and the image of a particular brand although the brand is not bought at the respective retailer. Shopper In Germany 49% of the perfumes sold are bought by men for themselves, another 30% are bought by the consumers partner and 16% by another woman like the mother or a friend. If it comes to decision making 57% of the perfumes are chosen by the individual user, 25% by the partner and 13% by another woman (Ipsos, 2007). Together these three groups account for 95% of the sales among men fragrances.

These numbers also show that a campaign focus on men only is not sufficient. The campaign should target primary men but have a special approach to women, as notable 38% of the fragrances used most often have been chosen by a woman. The partners influence on the male scent is continuously increasing up to the age group of 50-59 (Ipsos, 2007).

Consumer Men between 20-29 years are the target group with the greatest use of perfumes followed by the age group 30-39 (Ipsos, 2007). 84. 1% respectively 80. 4% of these age groups are wearing fragrances, 68. 5% or 64. % are regular users. They have the highest share within multiple bottle possession and the highest mean of use per week (Ipsos, 2007). The high usage and likewise the widespread usage of different perfumes in these age groups might be explained by the interplay created by the requirements of their work and social life. While men in these age groups wear perfumes at day to appear groomed at work, they as well wear them in the evening when they participate in the mating game. The values of today's men differ significantly from the ones of the previous generations.

Being sophisticated, well groomed, independent but at the same time able to spend time with the family are main drivers among the target group.

Distribution channels Tischler The perfumery chain Tischler represents one of the two core distribution channels identified above. While Tischler is the biggest customer of Procter & Gamble prestige the share of BOSS Black at Tischler is below national average indicating opportunity for improvement. Active Co-Creation might help to commit Tischler to the new BOSS fragrance and increase the satisfaction (Prahalad & Ramaswamy, 2004).

In the launch actions mentioned below a special emphasize will be taken on the needs of Tischler to improve Procter & Gamble's relationship with its largest prestige customer and increase the value and volume share for the BOSS Bottle house. A key point of difference for Tischler is the focus on service and quality. Well educated employees provide potential shoppers with additional information and distinguish the perfumery from its sometimes cheaper competitors. Others While Tischler is a premium retailer with a focus on quality and service ther distribution channels like online retailers or airport stores focus more on price and goods with purchase. These actions offer less possibility to distinguish or build stable relationships; also they will not enhance the image and perceived value of a newly launched perfume. Supermarkets and drugstores offer only a limited portfolio and are neither perceived as knowledgeable consultants nor as premium retailer. Therefore in the following proposal a spotlight will be turned on the perfumeries with a special focus on Tischler. Media Use

BOSS Bottled is advertised in a variety of different media, including both online and offline. Canadian born actor Ryan Reynolds is the main celebrity

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endorser representing the target group of young, successful men and has featured in print and TV advertisements for BOSS Bottled and BOSS Bottled Night since 2010 (aceshowbiz, 2010). The print advertisements showed Ryan Reynolds in two different settings which suited the respective scent, one in a business outfit with a bright background for BOSS Bottled and for BOSS Bottled Night he is shown in a more casual dress in a dark setting representing the night.

These appeared in men's lifestyle magazines as well as outdoor billboards, yet are not seen very often anymore. The advertisements produced for TV and cinema take place apparently in the same apartment, yet again during different times of the day; early morning pre-work setting for BOSS Bottled and at night time when coming home with a beautiful woman for BOSS Bottled Night, representing the irresistible scent of the night perfume. Online advertisement of BOSS Bottled is apparently only done under the Hugo BOSS umbrella, as there is no specific homepage for the BOSS Bottled brand, yet only subpages on www.

BOSS-fragrances. co. uk (BOSS fragrances, 2011). Furthermore, social media channels seem to be completely abandoned. Facebook and Twitter do not have an official BOSS Bottled page, yet on Facebook there is a unofficial page which already has more than 5, 000 likes although only very small content (Facebook a, 2011). However, there is one umbrella group called simply HUGO BOSS which has about 815, 000 likes, yet again, although including features about BOSS ORANGE, there are no announcements about BOSS Bottled (Facebook b, 2011).

On Twitter there are some country specific tweeters for Brazil and the UK, and a somewhat official female twitterer calling herself MISS HUGO BOSS who has nearly 10, 000 followers (Twitter, 2011). Moreover, although there is a Youtube channel called HUGOBOSSTV which contains e. g. the TV advertisement of HUGO JUST DIFFERENT, the only BOSS Bottled videos are uploaded by users such as ILoveReynoldsRyan and total roughly over 250, 000 views (Youtube, 2011).

The most apparent and frequent exposure of BOSS Bottled in advertising seems to be in retailers' brochures which advertise their product range, such as Galeria Kaufhof or Douglas as shown in the appendix; however, these do not include the actual advertisements featuring Ryan Reynolds. Strategy Strategic Goals Based on the findings in the analysis part we propose two independent strategic goals. The first goal is the successful launch of the new BOSS Bottled fragrance into the German market and aims directly onto initiating a relationship with the consumer.

The second goal is to enhance the existing relationship between Procter & Gamble and Tischler via several launch activities. The successful implementation of our suggested fragrance is based on the integration of the new perfume into the existing BOSS Bottled Product range. Therefore we developed a fragrance which fits the existing target group and their needs but on the same hand offers a new consumption occasion. With the launch of the new fragrance Procter & Gamble should not only enhance sales of the new variant but also create awareness and generate revenue for the two existing fragrances in the bottle house.

A successful market implementation is always based on a fast distribution build up and a significant awareness among the target group. These two factors will be the basis for satisfying purchase rates. We aim to increase market share from 0.5% to 0.7% of the BOSS Bottled house in the entire fragrance retail market. In the proposed media strategy the awareness of an upcoming product launch will be generated before the launch, the final product presentation will remain secret until the launch date.

This campaign aims to create awareness for the Bottled product line within the target group of 30% at the end of 2012 and an awareness for the BOSS bottled refresh within the target group of 20% at the end of 2012. The new established community will enhance the enduring exchange between the brand and the consumer. We measure success of the community by aiming for 50,000 men to subscribe in the BOSS bottled community. Initiating a dedication based, profitable, long-term relationship with potential consumers is the salient goal of all launch activities.

We propose a retention rate of 25% for the BOSS Refresh within one year after the launch. A special focus will be spotted on the successful launch of the new fragrance at Tischler, the most important and biggest customer for Procter & Gamble. The launch activation program described in the following will also target on the maintenance and improvement of the current relationship between Tischler and Procter & Gamble. A new fragrance The BOSS Bottled House consists of two already existing fragrances.

The first one being the fragrance BOSS Bottled which was launched in 1998 and the second one being called BOSS Bottled Night, launched in 2009. To

include a third fragrance fitting to the BOSS Black Day and Night range, we decided to create a new third leg scent for the BOSS Bottled House from scratch, since we are of the opinion that other already existing classic fragrances of the BOSS assortment do not perfectly match into the combination of BOSS Day and Night. The most important characteristic of the new third leg fragrance should be the fit to the Success identity of both BOSS Black Day and Night.

Although the two already existing fragrances of the BOSS Bottled House differ strongly in their scents both are targeted at dynamic and ambitious men, who are successful and know what they want. While BOSS Day was meant to extend the wearer's confidence and self-assertiveness during the day and mainly in his professional life, BOSS Night was positioned as having the ability to infuse the wearer with additional confidence that would make him feel even more irresistible and seductive at night.

Having considered those different settings of day and night and their rather prominent and dominant scent component, the idea to create a more casual and less obtrusive fragrance was born (see appendix 4). This fragrance shall suit to the needs of successful businessmen after a tough working day or week and shall be used as a light fragrance to refresh themselves now and then, especially during their leisure time, after work or during the weekend. Since the main purpose of that fragrance is to refresh oneself, we are of the opinion that the simple but expressive and catchy name " BOSS Refresh" would best fit to our new fragrance creation.

Concerning the scent of the new perfume we agreed upon a masculine, fresh fragrance with fresh top notes and warm lasting notes of peppermint and orange blossom. BOSS Refresh is a crisp and compelling masculine fragrance that evokes the dynamic vitality of nature. Scents of ocean air are mixed with peppermint, coriander, cedar, and moss in a top, orange blossom and musk in a heart and amber in a base note to create a smooth and pure, unobtrusive contemporary fragrance that is perfect for daytime wear.

The flacon will exactly have the same shape like that of the other two fragrances to indicate its complementary character to BOSS Day and Night. Rather than being transparent or black like the flacons of BOSS Day and Night both the flacon as well as the package will be polished and quicksilver-colored for BOSS Refresh. Furthermore, the fragrance comes in the common and proven sizes of 30, 50, and 100 ml and can be bought individually or in a bundle package together with the other two fragrances, all three fragrances coming in a 30 ml size.

Concerning the positioning and target group we decided to keep the current BOSS positioning and also to target the same types of men, in order to stay coherent and integrative with the BOSS Day and Night fragrance. However, a lot of emphasis should be put on the communication of the different occasions and situations the three products should be sprayed on. While BOSS Day is mainly used in the professional day-to-day life of successful businessmen, BOSS Night is rather used by the same target group during dinner in the evening or even during night when going out privately.

BOSS Refresh, in contrast, should be rather used during leisure time and that is meant to be the unique selling proposition of BOSS Refresh which completes and enriches the BOSS Bottled Portfolio. To underline the integration and coherence with BOSS Day and Night, and having all three fragrances being unified in the BOSS Bottled House, we would suggest to keep Ryan Reynolds as a celebrity endorser for all three products and show him in the three different settings of day, night, and leisure time representing the three different fragrances in the advertisement (see appendix 5).

In that way we want to make sure that the customer is likely to develop identification with Ryan Reynolds, and so promoting a feeling that just like Ryan Reynolds he as well is able to use all three fragrances on a regular basis. In all types of advertisings promoting the product the perfume should be embedded in a carefree, easy-going atmosphere. A possible example we thought of could be an advertising showing Ryan Reynolds sitting in a cabriolet on a highway or standing on a sailing boat while the sun is shining to further underline the casual and worryless atmosphere of leisure time.

#### Practical Implications

In order to reach the strategic goals of successfully launching the fragrance BOSS Refresh, as well as to strengthen sales of BOSS Night and BOSS Bottled and intensifying the relationship with Tischler, the following integrated marketing measures will be undertaken to create awareness for the products before, during and after the launch of BOSS Refresh in both online and offline environments as can be seen in the timeline attached in Appendix 4. The



prelaunch activities will focus on the two existing products and the upcoming launch, yet the new product's name and features will be kept secret.

As a first measure to boost overall sales of the BOSS Bottled portfolio and to create close relationships with consumers of the BOSS Bottled fragrances, a new website, which will be called the BOSS Community, will be set up. The clue behind this website is its exclusivity. Only people who own a BOSS Bottled fragrance can enter the user interface of the website. Therefore, a QR code for smartphone users and an alphanumeric code for normal PC users are added into the packaging of the fragrances from March 2012 onwards to ensure that the actual consumer and not the buyer gains access to the BOSS Community.

These codes are the key to the community and can only be used for one registration. Non-owners can only see a QR code on the outside of the packaging which will lead to the landing page of the community. The community allows users to share their most valued places for day, night and leisure activities in their city by tagging them with the applicable fragrance on a city map. These places can include a restaurant for business lunches, which will be tagged with a BOSS Bottled Day, a night club for BOSS Bottled Night or a day Spa for BOSS Bottled Refresh.

The tagging can be done easily on the go via a user's smartphone by geolocation or via a normal PC or laptop when at home. In addition, they can write reviews about these places which in turn will be reviewed and evaluated by other users of the website. The community will be set up by March 2012 and will offer pre-access to City Ambassadors, which will be

hand-selected by P&G. These can be employees of marketing agencies, known jetsetters, or VIP's which fit the target group's prerequisites and are familiar with a lot of different places in their respective cities.

These ambassadors will start adding content to the page so it will not appear empty on the release date. All other consumers who visit the site before the launch will see a countdown until the 1st of June 2012, the date when the new fragrance will be released at Tischler and the community will open, as well as a demo tour, showing all the features one can use after signing up. To make early visitors commit to the page, these potential users are given the option to sign up for a reminder mail which will be send to them shortly before the release date.

To further increase the buzz for the launch of the unknown product, we advise P&G to make use of the existing HUGO BOSS Facebook page and Twitter channel, as well as to add links onto the BOSS-fragrances website to reach even more potential customers that already express an interest in the brand. Another pre-launch activity is intensifying the advertisement of both existing fragrances. As already mentioned, we propose to keep Ryan Reynolds as the overall brand endorser and to extend his appearance to all three different fragrances.

We want to further educate shoppers of BOSS Bottled fragrances that one man can wear different perfumes on different occasions, and at the same time create an attachment to the BOSS Bottled portfolio, stressing that BOSS Bottled offers scents for every thinkable occasion. Therefore, one month before the launch we would increase advertising in both men and women

magazines with the already existing print ads as well as one which simply states “ The new BOSS fragrance - coming this June” and a link displaying “ visit us our website [www. BOSScommunity. om](http://www.BOSScommunity.com)” as well as a QR code. This will create additional awareness for the existing fragrances and add to the buzz we want to create for the new fragrance. Advertising in women magazines is especially important as we found out during the analysis that about 38% of perfumes are bought by either a man’s partner or another woman that is somehow attached to him. Hence, Ryan Reynolds is the perfect fit as an endorser as men want to be like him and women want to be with him. As this is in most cases not possible, at least their men can smell like him.

This can result in affective commitment and then shall evolve into positive loyalty intentions over time (Johnson, Herrmann & Huber, 2006). Additionally to the countdown on the website and the advertisement announcing the launch, we want to create awareness by using and further developing the relationship P&G established with Tischler. Three weeks prior to the release we want to put a red curtain in front of one shelf with a clock on top of it counting down the time until the 1st of June 2012. The curtain shall read “ The new BOSS fragrance - coming soon”.

This in-store display is supposed to raise attention of customers already shopping at Tischler, creating awareness and curiosity. Additionally, all other in-store ads at Tischler such as posters will have the link to the website both in writing and as a QR code so that shoppers and consumers the like are attracted the site. Furthermore, we want to make the release a major announcement in the May issue of the monthly brochure that is send to <https://assignbuster.com/boss-bottled-case-study-essay/>

Tischler's loyalty program customers and also available in stores, including an after-hours VIP event for Tischler's loyal customers.

This VIP event will be a pre-launch viewing and testing of the new product on the 31st of May 2012 in a few selected stores of Tischler in some of the major cities in Germany, such as Berlin, Hamburg, Munich, Cologne and Dusseldorf. These events will be hosted by Tischler, yet P&G representatives will be present and preferably Ryan Reynolds at one or two locations.

Tischler will profit from this as it is a specialty treatment for its customers and P&G will have the unique possibility to meet potential customers face-to-face.

Moreover, instead of paying for shelf space and the events, we offer Tischler the right to exclusively sell the new fragrance for one month. At midnight, the curtains shall be lifted and the new fragrance will be officially released. On the 1st of June, the BOSS Community will allow consumers already owning a code to register on the website. To make it as easy as possible for them to sign up, they can choose whether to create a new profile or to sign up using their Facebook account. This would decrease the hassle of signing up as well as remembering account details etc. (Danaher, Conroy, & McColl-Kennedy, 2008).

Users can reach different status levels according to the amount of input they deliver, be it comments on venues, or tagging them on city maps, as well as the ratings of their reviews. As the website lives on the input of users, it creates a feeling of co-creation between the company and the users. Since input increases status, it fuels users' hedonic motivation to be perceived as a

city-expert (Nambisan & Baron, 2007). In order to incentivize up- and cross-selling of perfumes, users are also ranked by the size of bottle they have bought and the range of BOSS Bottled fragrances in their possession.

This means, a user will be ranked higher if he bought a 100ml flacon than a user that only has the 30ml one; the required information will be delivered by the uniqueness of the QR/alphanumeric codes. Still, the 30ml user can upgrade his status when he buys another or different fragrance and adds the new code to his profile. These status upgrades will result in various discounts, starting from a reduction for a new purchase of BOSS Bottled products at Tischler to vouchers for highly recommended venues in the user's respective city. These types of relational offerings encourage customers to return to the retailer (Noble & Philips, 2004). Therefore, upgrading seems very desirable for consumers and hence fosters more sales and an active approach towards the website as well as positive word of mouth. Moreover, consumers that entered the website can choose to receive a high quality wooden fragrance bar on which they can display all three perfumes in an orderly and prestigious manner.

This bar can be obtained at Tischler stores, increasing the traffic at these stores and also the sales both for Tischler and for BOSS, as the bar will look better when filled with all three bottles. Other marketing means will start with the launch on the 1st of June as well. At first, a third print advertisement with Ryan Reynolds will be released, showing him in a relaxed atmosphere, as mentioned before. The media coverage of this ad will be disproportionately to the other two, meaning that this will be displayed more often more frequently.

This will add to the image of one man using three different fragrances in different situations of his life and increase the likelihood of men wanting to complete their BOSS Bottled experience. The print advertisements will be heavily displayed on billboards in the thirteen biggest cities in Germany, as well as advertising pillars will be manipulated to look like a BOSS Bottled Refresh flacon, as can be seen in Appendix 7 for ten days after the launch to raise overall attention in the target population. All of these advertisements will have a big note saying “ Exclusive sale at Tischler”.

Second, to further enhance usage and testing of the new and current fragrances, we advise P&G to add product samples of the other two fragrances to each product package to ensure that again the consumer and not the buyer of the product benefits from this and can test the fragrances he might not yet own. Additionally to that, a bundle of all three fragrances in 30ml bottles will be offered exclusively at Tischler. This will be done to create immediate awareness of the ensemble of the three fragrances and to specifically target the shoppers who want to buy it as a gift.

A while after the launch, we want to display BOSS Bottled fragrances in different venues which are frequented by potential consumers of BOSS products. We propose men’s locker rooms at high end sports clubs such as Holmes Place and Fitness First Platinum and Black Label, a total of 33 clubs in Germany, where men can choose to use BOSS fragrances after showering and are directly exposed to the use of the product in their everyday life. This should be started around September, so men can try the fragrances for a longer period, start feeling attached to it and then eventually buy the product or make a Christmas wish.

Evaluation and return on investment As already mentioned we propose two main strategic goals which we want to achieve with our campaign, and can be achieved via several measurements. To be able to assess whether the strategic goals are achieved, evaluation of these measurements by P&G is required. If measurements are achieved P&G should raise the bar and set more challenging goals for 2013. When goals are not achieved they should look for, and solve the problem so that the goals will be achieved, or unrealistic goals should be adjusted.

Beneath the strategic goals and their measurements will be displayed and briefly explained how they will be achieved and evaluated: Return on investment There are both monetary and non-monetary benefits that P&G gain from this marketing campaign. With the increase in market share of 0, 2% points in the 1. 887 billion fragrance market (Ipsos, 2007) for example, they gain €3, 864, 000 revenue which results in a increase in profit of €1, 545, 600 as can be seen in appendix 5. The profit is estimated on the assumption that BOSS Bottled has a profit margin of 40%, and the costs of the marketing campaign have not been taken into account.

This will be discussed later on. The non-monetary benefits are an improved relationship with Tischler and the consumers of BOSS Bottled. The costs can solely be explained in monetary terms and can be found in appendix 5 as well. The total costs consist of expenditure on building the community website, maintenance of the website, adding the QR codes to the packaging, giving away free samples to consumers, putting bottles in gyms, the Tischler in-store display and employee rewards, bar production and the online video.

These expenditures were estimated by Moritz, since he has experience with this kind of marketing activities, and information regarding expenditure on these activities is hard to find. Furthermore there will be costs concerning advertising in Men's health, Playboy and GQ; and on the outdoor advertising. We calculated the costs for P&G via the websites of these magazines and via [www.stroer.de](http://www.stroer.de), as can be seen in appendix 6. The total costs are estimated to be €1, 218, 000 which will eventually result in a profit increase of €327, 600 in the first year, representing a return on investment of 26. 9%.

Since the first year is most expensive due to high marketing expenditure, this profit is expected to increase in the next few years. Conclusion With the new BOSS Bottled Refresh, BOSS has completed its BOSS Bottled portfolio for the premium fragrance segment. For every specific setting, a different BOSS Bottled fragrance can be used. In addition to the normal “ one bottle” packaging, we advise P&G to include a “ bundle package” with three 30ml bottles to follow up on the “ fragrance as a gift” trend. Furthermore, consumers get familiar with every single BOSS Bottled fragrance which could enhance cross selling.

Moreover, the introduction of the fragrance bar will promote cross selling as well, since consumers want to fill those open spots in the bar. With ranking the customers based on the size of the bottle which is bought, we would like to promote up-selling as well. Consumers will be tempted to buy a larger fragrance bottle, which enhances sales for the BOSS Bottled line. Ryan Reynolds as an endorser for the entire product line will raise the possibility that consumers within the target audience feel related to the brand. Another



important factor of this marketing campaign is the creation of the BOSS Community with ambassadors.

Consumers can share their opinion and experience with the product and tag places which fit the BOSS Bottled fragrance. These actions, next to the other actions proposed in this report, will eventually result in the profit increase proposed in the previous chapter and enhance the relationship with both the consumer and Tischler. Therefore, we would advise P&G to use this report as the starting point for creating the new fragrance and enhanced relationships.

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Appendix 1 Hugo BOSS product lines BOSS Black BOSS Selection BOSS Orange BOSS Green Hugo BOSS Kidswear Appendix 2 Existing Advertisements Appendix 3 BOSS Bottled Refresh Appendix 3 New BOSS Bottled product line Appendix 4: Timeline JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC Community: City ambassadors upload basic information; Demotour; online Countdown Selling Contest Community & Facebook <https://assignbuster.com/boss-bottled-case-study-essay/>

Integration Free Samples Count- down Print, TV, Outdoor Print, TV, Outdoor Gym Activation LAUNCH ATL Communication

Relationship Marketing Awareness Creation QR Codes on Packages JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC Community: City ambassadors upload basic information; Demotour; online Countdown Selling Contest Community & Facebook Integration Free Samples Count- down Print, TV, Outdoor Print, TV, Outdoor Gym Activation LAUNCH ATL Communication Relationship Marketing Awareness Creation QR Codes on Packages Appendix 5: Costs and benefits Appendix 6: Stroer outdoor advertising Appendix 7: Stroer outdoor advertising example