

Altoids Mini Media Plan 2019
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Situation Analysis

Altoids are 100 years old, but age is just a number. Altoids parent company, Wm. Wrigley, the world's #1 maker of chewing gum, has been chewing up the competition with its brands for over 100 years. However, the Altoid brand still faces challenges of its own today.

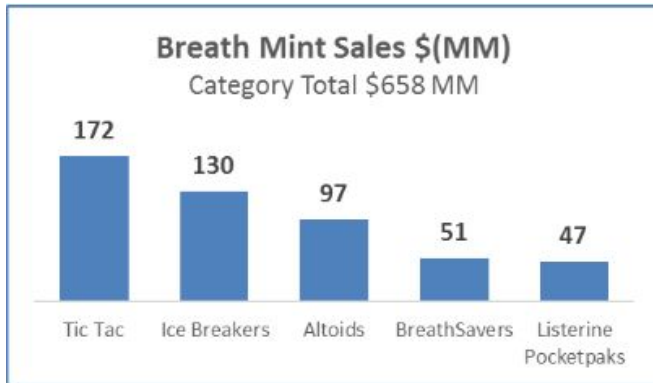
Brand Challenges/Situation:

Altoids sits in a crowded market where there are many competitors. According to the case study, there are well over 20 brands of breath mints which Altoids competes with, and if breath enhancing gum is included as a competitor, Altoids competes with more than double that. However, Altoids has a brand awareness that is above average (100) considering it has been around for 100 years and has an established presence. Among teens and adults ages 18-45 Altoids has about a 35% brand awareness. Although Altoids has an older and established presence, some of competitors, like Ice Breakers, appeal to the *ideal* younger demographic: ages 18-24.

The case study states that in the past year Altoids category sales for breath mint's totaled approximately \$658 million, with Altoids taking 3rd place behind Tic Tac and Ice Breakers at sales around \$97 million. Altoids is in danger as its ad spend has been decreasing since 2013 and has been outspent by top competitors who appeal to a younger audience. Ice Breakers, the number 2 brand, has been spending \$30-50 million per year, far exceeding Altoids. In order for Altoids to stay in the game they will be **increasing their spending to \$25 million** for the upcoming calendar year, with a **goal of generating national and regional awareness and increasing annual sales by 20 percent in the US**. The campaign will take place over the time period of one calendar year from December 2019-December 2020. This campaign will be starting strategically in December because the holiday season is one of the most popular times to buy candy and other stocking stuffers. In addition, the holidays are a time when the younger demographic may need fresh breath for a kiss under the mistletoe or on New Years Eve.

Marketing Objectives/Strategies:

Many are aware of the classic 4 P's marketing strategy: product, place, price, and promotion. However, according to the case study, Altoids marketing problem is a better fit for the 4 C's. The 4 C's consist of consumer wants and needs, cost, communication, and convenience. These 4 C's put less of an emphasis on the idea of mass marketing and more of an emphasis on niche marketing.



Size of market:

The size of the market is illustrated in the graph (see left) and taken from the case study. Tic Tac, Ice Breakers, Altoids, BreathSavers, and Listerine Pocketpaks make up the breath mint market. The graph shows breath mint sales per million, placing Altoids in 3rd place behind Tic Tac (\$172 million) and Ice Breakers (\$130) with sales of \$97million. Overall, Altoids sits in a crowded market.

How ads have been used in the past:

In the past, Altoids has focused on print rather than digital ads, often placing them in magazines. Altoids has successfully integrated cartoons into their print advertising campaigns; specifically winning awards for their print ads in the cinnamon gum “Burn Through” campaign and the “Curiously Strong” mints campaign back in 2006 (AdAge, 2006). Since then, their advertisements have held onto the “curious” theme. In 2017, they launched “The Curious Afterlife Of A Tin” campaign with creative (both print and digital) that displayed the many ways one may use an old Altoid tin (AdsoftheWorld, 2017).

Methods used to sell:

Altoids, along with other breath mints, are typically sold at gas stations, grocery stores, convenience stores, drug stores, department stores, and super stores.

Sales goals:

Altoids sales goals are to increase annual sales by 20 percent in the US.

Current positioning and awareness of brand:

According to the case study, Altoids has an estimated 35% brand awareness among teens and adults ages 18-45, which is an older demographic than their competitors like Ice Breaker. That being said, Altoids has a more aged presence in the market along with a more aged feel (i.e. antique-looking packaging).

Geography for sales:

According to the BDI and CDI data for Altoids, the percent of adults 18+ who buy Altoids was highest in large cities. Specifically, New York (6.8), Los Angeles (5.63), Philadelphia (2.56), San Francisco/Oakland (2.37), Dallas (2.26), Washington D.C. (2.14) Boston (2.11), Atlanta (2.05), Huston (2.04).

Brands Creative History:

Altoids has had little digital presence in the past and has used almost all ad spend on print creative. According to the case study Altoids believes that a digital and video (TV) presence could be a key component to future communication efforts.

SWOT:

Strengths <ul style="list-style-type: none">• Has been around for over 100 years (established brand)• Unique packaging (tincan and paper wrap)• Loyal customers• Variety of flavors	Weaknesses <ul style="list-style-type: none">• Lacks relationship with younger target audience• Old fashioned/antique looking packaging• Recent sales figures are eroding
Opportunities <ul style="list-style-type: none">• Increased advertising due to social media and technology<ul style="list-style-type: none">• Environmentally friendly packaging; tins are recyclable• Increased need for breath mints in a on-the-go busy lifestyle	Threats <ul style="list-style-type: none">• Ice Breakers have more control over the younger demographic (18-24)• Altoids has a more aged presence<ul style="list-style-type: none">• Other ways to freshen breath (gum, mouthwash, etc.)• Lots of competing brands

Marketing Background

Competitive Analysis

Overview of competitors:

As stated in the case study, the competitors that make up the market share are Ice Breakers, Tic Tacs, Altoids, BreathSavers, and Listerine Pocketpaks. Ice Breakers and Tic Tacs sit ahead of Altoids with \$172 and \$130million in annual sales respectively. Based on BDI and CDI data, for the younger demographic we are focusing on, (ages 18-24), Ice Breakers has an above average index of 161, and Tic Tacs have an above average index of 104. In comparison, Altoids has an above average index of 106.

Share of market:

Altoids shares the breath mint market with its two main competitors, Tic Tac and Ice Breakers along with other breath mint competitors. According to the case study Ice Breakers currently has the biggest market share at \$172 million dollars in annual revenue, Tic Tac the second largest market share at \$130 million, and Altoids has the third largest share of the market at \$97 million.

Ad spending and vehicles of competitors:

Based on Kantar by med year, in general, Ice Breakers and Tic Tacs have spent significantly more than Altoids on advertising, sometimes ore doubling Altoids ad spend. Ice Breakers and Tic Tac spend the most on TV where as Altoids spends the most on print. According to Kantar by month, in 2016, Ice Breakers advertised every month with a total ad spend of \$53,144.9. Tic Tac also spent money on advertising every month spending a total of \$7,010.9. Altoids only spent money on ads during June-December and had a total ad spend of \$7,223.2. Overall, Altoids two main competitors are advertising for longer durations of time and using more vehicles.

Sales promotion used by competitors:

Ice Breakers and Tic Tacs, like many other breath mint brands, use promotional sales such as coupons, discounts, rebates, and point of purchase promotions.

Innovate brand positioning or use of media among competitors:

Tic Tac and Ice Breakers have innovative brand positioning in comparison to Altoids in the sense that their sleek packaging and brand styles are well liked by a younger demographic (18-24). Ice Breakers have an outgoing and cool personality, and Tic Tacs embrace their tiny size as part of their innovative brand positioning. In addition, their competitors aren't using as much print as them, but leaning towards TV as their vehicle of choice. According to Kantar by med by year, from 2012-2015, Ice Breakers spent most of their ad spend on cable TV, as well as a good amount on Net TV. Tic Tacs also spends most of their ad spend on Cable TV like Ice Breakers, followed by ad spend on magazines.

Seasonality

According to Kantar by month, Altoids only spends money on ads from June until December, where as Ice Breakers and Tic Tacs spend money on ads year round. However, the data shows that Ice Breakers spends the most in December (\$7,390) followed by May and June. The logic behind high ad spend in December may be because of Christmas and the holiday season when candy and stocking stuffers are

purchased more often. Tic Tac spends the most in March (\$2,016) followed by August and June respectively. High ad spend in March may be explained by Easter and an increase in candy (an indirect competitor) consumption around that time.

Advertising Objective

Generate national and regional awareness 45 percent and increase annual sales by 20 percent in the US.

Media Objectives

Target Audience Media Objective:

The Target Audience for Altoids are men and women ages 18-24 who want fresh breath. This target audience falls into the category known as Gen Z. Gen Z'ers media habits differ from that of previous generations because they cannot remember a world before the internet was readily available to them at their fingertips. In fact, 74 percent of Gen Z'ers spend five or more hours online everyday (Khoros, 2019) so it is apparent that Gen Z'ers cannot live without their phones or social media. Gen Z'ers spend 15.4 hours a week on their smartphones (Vision Critical, 2019), and are constantly curating content and sharing who they are through media outlets (Forbes, 2015). Gen Z'ers were raised in a society where they could access everything whenever they choose, therefore they have on-demand expectations (Forbes, 2015). The majority of them (men and women ages 18-24) still live with mom and dad (Marketing Charts, 2017). According to demographic info, 18-24 year olds are heavy mint buyers with an above average index of 110. Those who purchase Altoids specifically are also heavy breath mint buyers with an above average index of 285. That being said, our young target market lives with their parents, loves mints in their mouth, and always has technology in their hands.

Media Mix Objective:

Media is the beating heart for our target audience. When it comes to apps, Gen Z'ers spend the most time on Facebook, YouTube, Instagram, Snapchat, and Twitter respectively (Vision Critical). But when it comes to advertising, Gen Z'ers respond to edgy and visual marketing tactics. They are especially responsive to short videos (Vision Critical, 2019), and are attracted to social platforms that put video front and center (YouTube, Snapchat, Instagram, and TikTok) (Ypulse, 2019). However, TV is on the decline for the target audience. According to Ypulse, less than one in five Gen Z'ers watch cable weekly, but three quarters watch YouTube weekly. This means the Altoids is going to focus heavily on social media vehicles which will include short video, and instead of cable TV, focus on streaming services.

Altoids will advertise to men and women ages 18-24 who love their smartphones, edgy ads, and sharing their voice via social media. Altoids will launch a campaign to

position Altoids for this audience by trendy and comical ads that will appeal to the younger consumer proving to them that Altoids isn't "aged", but for all ages. In addition to this positioning, advertising will provide incentives to purchase through paid TV streaming services, radio, and social media ads (including online video). Owned media will include a blog site integrated into their brand website, product placement on shows on streaming apps, and a sponsorship. Earned media will entail WOM on Instagram by a popular influencer.

Communication Goals for Reach and Frequency Objective:

Advertise with a reach of 75% during the campaign and a frequency of 10 during December, January, February, and March and 7 during the other months of the year. We will emphasize frequency because Altoids is a well known brand with lots of competitors and a big market.

Scheduling and Timing Objective:

Advertise for one year, starting in December 2019 with ads that increase regional awareness and encourage product purchase. Ads will be pulsing to increase awareness and purchase, but they will be at peak and become continuous in December, January, February, and March. This is because of Altoids' product purchase opportunity associated with New Years Eve, Christmas holidays, Valentine's Day, and Easter.

Geography Objective:

Advertise across the nation, with focus on large DMAs with high index numbers for radio specifically.

Sales Promotion Objective:

Encourage men and women ages 18-24 to choose Altoids through paid, owned, and earned media to increase sales by 20 percent in one calendar year.

Media Strategies

Media Mix Overview:

Although the content and media vehicle vary, the media mix will achieve the objectives by incorporating the comical theme/slogan throughout all earned, owned, and paid media in order to increase awareness and purchase and create a cohesive campaign with a budget of 25 million dollars.

Slogan/Theme:

“I bet you can’t pop more than your grandma”

This edgy theme/slogan will challenge the younger demographic to buy the product in a comical way. Using this slogan, Altoids will convey the message to their younger target audience that Altoids are not just for older people or “their grandma”. It will also challenge them to use the product.

Description of Each Media:

TV streaming services: (\$5 million)

Because our target audience watches mainly streaming services, and only a third of them watch TV (Ypulse 2019), ads will run in between shows on Hulu for for one year. The ads will ramp up more in January- March. Hulu is a great streaming service to run on because it has personalized and precise targeting. The TV ad will be a short :30 second spot, just long enough to grab and hold the attention of the viewer. A TV streaming service is the best option for this target audience because they spend more time watching streaming services and are spending less time watching cable. Streaming services provide high reach and targetability to niche networks.

Radio: (\$3 million)

Based on the research and index above, Altoids will be investing in radio. We will place the radio spots during the 7pm-midnight daypart when our target audience is most likely to be in the car coming home from work or school, or driving around for activities at night. Like the TV ad, it will be a short :30 second spot to hold the attention of the listener. High frequency months will be December, January, February, and March during the holidays. There will be a young adult and elderly “grandma” narrating the radio ad to fit the theme. Radio is one of the best media vehicles for Altoids to use because radio has the ability to reach our target at a high frequency and at a lower cost than other vehicles.

Social Media (video): (\$5 million)

Altoids will use social media platforms to advertise with focus on YouTube, Instagram, Snapchat, Facebook, and Twitter specifically. The social media campaign will be a mix of clever/funny short videos and photos that fit the theme. Ads on these platforms will run year long from December 2019-December 2020. The social media posts will all be created content, not curated, which is why the budget is larger. Pros of using social and digital media as a vehicle is it’s measurability and the ability for behavioral targeting.

Blog/website: (\$3 million)

Altoids will create a website where the campaign and theme is prevalent throughout. The website will have links to all social media and contain video ads. It will provide information about the product and the campaign as well. There will also be a blog embedded into the website. This blog will take on the theme of the campaign and be a witty and fun read. The content on the Altoids website and blog will appeal to our target audience and will provide additional reach that is measurable and cost efficient.

Product placement on streaming service: (\$3 million)

Not only will Altoids have paid ads on Hulu but they will also place their product on the show 'This Is Us' on Hulu. This is the most popular show for 13-36 year olds on Hulu according to Ypulse. Like ads in between TV shows, product placement on this TV show will be a great way to reach our target audience in a relatively affordable and more subtle way.

Sponsorship: (\$6 million)

Altoids will partner with Lollapalooza, one of the biggest music festivals in the US, and be a sponsor for the music festival alongside other huge brands. Altoids will have a stage dedicated to them where the whole audience will be exposed to their brand. Altoids will also give out free product to the festival goers. This is an event that generally draws a younger audience, and this sponsorship will enhance our target audience's awareness and image of the brand by the free product and cool signage.

WOM by influencer: (n/a; product cost for the influencer)

The social media influencer for this campaign will be Ross Smith. Ross Smith has taken social media by storm with his grandma in the past few years. Ross and his grandma make hilarious viral videos on multiple platforms, and they are the perfect influencers for this product and "I bet you can't pop more than your grandma" campaign. Ross will execute his WOM via Instagram, Snapchat, and YouTube where he has his biggest following.

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