



THE GREATEST MARKETS EVER TO

WE ALL KNOW TIMES HAVE BEEN TOUGH, BUT HERE ARE SOME EXAMPLES OF HOW SOME OF THE BIGGEST AND BEST BRANDS IN THE WORLD BATTLED THROUGH THEIR DARKEST DAYS

There is no shortage of doom and gloom in the business world today. Words and phrases like layoffs, hiring freezes, unemployment are being uttered far too often. The news channels are utterly awash with facts and figures written in blood red with arrows pointing disapprovingly downward.

The newspapers and magazines are not only bursting with articles about businesses on the rocks, the papers themselves are hemorrhaging money. Indeed there is plenty of misery and plenty of company for it.

Still it's worth remembering that many companies have gone through terrible times – even some of the largest players brimming with top talent. Sometimes it has to do with management missteps, such as the recent ABC Learning Group situation. Others like Nintendo, the famous Japanese gaming company, simply failed to put out a competitive product during Playstation 2's era of greatness. Even one of the biggest and best marketers of them all, McDonalds, saw its Golden Arches grow tarnished thanks to a lack of understanding its customers.

Yes indeed, many businesses have suffered during the past two decades and some have never recovered. One only needs to

read the news about General Motors in the US to know that not everyone makes it, no matter how strong their brand.

The smart companies, however, do rally from the throes of defeat. The businesses that are willing to change not only survive, but often thrive as a result of their efforts. There are many great stories of business that rebounded, but the following two examples, McDonalds and Nintendo, are arguable some of the greatest marketing success stories of all time.

Each provides a valuable lesson about how to solve a seemingly impossible problem, turn around a brand that many have overlooked or step on the gas once things are working to drive the business to a whole other level.

Perhaps you have heard of Donkey Kong and Mario Brothers? If not, you're likely from another planet.

McDonald's Finds the Love

It was the darkest quarter McDonald's had ever known. For the first time since the company went public in 1965, the chain posted a quarterly loss in January 2003. This came after its same-store sales fell 1.5% for all of 2002. Translation: People just weren't that interested in coming to McDonald's as often to eat anymore.

The giant chain, which is second only to Subway in terms of global franchises, was clearly headed in the wrong direction. In addition to this the burgeoning obesity epidemic had many parents rethinking what they should feed their kids as well as whether they themselves should have a Big Mac, fries and a Coke. Most analysts wondered if anything could turn this giant battleship around.

McDonald's suffered from a myriad of problems such as forgettable ads, little new product innovation and restaurants that were entirely too plastic looking and completely dated. Worst of all it, seemed that McDonald's just couldn't relate to its target audience any longer.

MARKETING STORY'S OLD

Nintendo



So it took a radical step. It admitted that what it was doing was wrong. That it had lost touch with its consumer and was willing to scrap its old ways and start fresh.

It did just that. A month after the disastrous loss it held a marketing summit where it decided to scrap its multi-campaign approach in favour of one consistent message. To derive that message it put out a casting call to agencies around the world and from out of Unterhaching, Germany came "I'm Lovin It."

The concept was to explore in its ads the reasons why people love McDonald's. For example, one early ad showed a club kid on a train who had obviously been out all night, wolfing down a Bacon and Egg Roll while morning commuters in suits stared. This was an absolute about-face for a brand that had played it safe for so many years.

Armed with this new attitude, it knew it needed to adapt its products as well. McDonald's, which had failed at salads before, recognized that mums wanted something healthier so it made a strong commitment to promoting its greens. For the kids the Go Active Happy Meal was created and items like milk and apples took centre stage.

The chain also set out to fortify its dominant position as the fast food breakfast of choice. This it debuted the Bacon and Egg Roll and its new healthy choices menu. Finally, it began to take a more Gloria Jeans-ian approach to décor. Many of the restaurants pulled out the plastic benches and replaced them with better furniture, hipper music and dimmer lighting. While small and medium businesses won't be able to scour the globe for their marketing ideas, what they can learn is, no matter how set in your ways you, sometimes radical change is vital. By admitting its old ways were the wrong ways, McDonald's positioned itself as the perfect brand for a recession. It offers products people want at a price they can afford in a setting that is no longer garish.

Nintendo Tries a Whole New Game

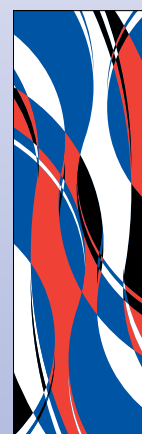
Perhaps you have heard of *Donkey Kong* and *Mario Brothers*? If not, you're likely from another planet. These Nintendo characters and their games are as deeply embedded in western pop culture as Michael Jackson, Big Mac's and Star Wars. In fact its game designer, Shigeru Miyamoto is so revered, he has been called "the

Made~to~order Ties & Scarves.

We supply Australia/New Zealand-wide



Full range of styles and fabric options. For promotional companies who supply Corporate, sporting, professional bodies or special interest groups looking to improve their image or provide an attractive gift for a client. Enquiries about our design service, quality products and low prices are most welcome. Prompt replies at no cost.



Phone: (03) 9593 1774 Fax: (03) 9593 1230
or Email: sales@exclusiveties.com.au
P.O. Box 1077, Hampton North Vic 3188

Exclusive  Ties

ABN 70 005 559 973

www.exclusiveties.com.au