

Business Case for Driving Consumer Preference

Product Decoration in the Personal Hygiene Industry



PRODUCT DECORATION IN THE PERSONAL HYGIENE INDUSTRY

Today's personal hygiene companies are being challenged to grow their brands within an increasingly competitive landscape. For years, a few well-known brands have vied for valuable market share. Today, these companies are seeing their market-leading positions threatened by a strong and growing presence of new brands and private label products.

As a result, personal hygiene product manufacturers are seeking innovative ways to increase brand loyalty and make their products more appealing to consumers by customizing and personalizing them. They want to promote their brands in ways that signify a higher level of value, functionality and performance than competitive brands. And, they want to increase sales by “out-innovating” competitors. One proven way to achieve these goals is through direct product decoration of non-woven personal hygiene products.

With most non-woven personal hygiene products—which include feminine pads and liners, adult incontinence pads and protective underwear, and diapers for infants and toddlers—branding is typically lost once a product is removed from its packaging. At the point of use, it becomes virtually a commodity product. To grow market share and consumer preference, marketers want their offerings to be viewed more as a premium or value-added product rather than simply as a commodity. This is where product decoration can help.

For many name brands and private labels, product decoration is claiming its rightful place in the overall integrated marketing strategy and is being considered right along with other key factors such as packaging design, advertising, merchandising and promotions.



What is Product Decoration?

Product decoration has long been a proven and cost-effective product differentiation strategy that can help grow a brand's market share and profitability by increasing brand awareness and quality in the eye of the consumer. Consider, for example, how Nike's branding of sport shoes and apparel with its “Swoosh” logo and “Just Do It!” tagline, which makes its clothing instantly recognizable and highly

desirable. And consider how Apple's iconic iPhone and iPad look and Disney's decorating of clothing and accessories with licensed characters continue to grow market share and reinforce brand loyalty among consumers worldwide.



When it comes to brand awareness and preference, product decoration of nonwoven personal hygiene products can have a similar effect in promoting and reinforcing a brand – via decorative application of brand name, logo or attractive design elements. Cost-effective print decoration techniques can also be used to provide product performance, functional benefits and to communicate safety and usage guidance. Examples of these might include printed sizes, wearing instructions and wetness indicators on adult incontinence products, or wetness indicators on disposable diapers and toddler training pants.

Product decoration can serve to make purely functional products fashionable. With this in mind, manufacturers can apply the same kind of creative thinking to build greater value into their brands, just as they do with packaging and merchandising design. Procter & Gamble pioneered decorations on feminine pads in the early 2000's and other brands quickly followed. Today, in the diaper category, where the decorative possibilities are almost limitless, major brands now offer a number of designs that appeal to parents and kids, while commanding a premium price up to 40 percent higher than undecorated types.

More recently, Kotex, a leading brand in feminine hygiene products, worked with a well-known fashion designer while sponsoring a “Ban the Bland” contest in which consumers were invited to redesign plain white maxi-pads with colors, patterns and glitter to appeal to more fashion-conscious users. According to an article in the *New York Times*, the contest drew more than 1,600 submissions, indicating consumer interest in product decoration.

Adding Value through Product Decoration

Makers of products lacking individual differentiation can use well-designed direct decorative effects to gain competitive advantage and ROI at a relatively modest cost. Industry leaders have already shown that this practice can help drive market share growth by generating customer excitement and greater brand loyalty, while commanding premium pricing at the same time.

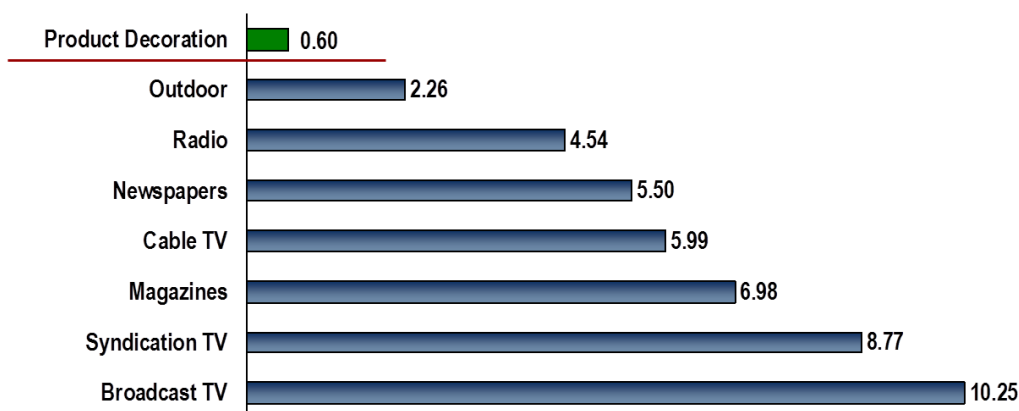
Commenting on fashionable decoration of feminine pads, Gregg S. Lipman, managing partner at CBX, a New York-based global branding firm, said: “It’s all about creating memorable, engaging and positive interaction. Overall, the designs allow for self-expression and style. When [a woman] realizes that these products fit seamlessly into her purse, along with her other fashion accessories, it is an added bonus of surprise and delight.”

Distinctive product decoration is gaining prominence as a complementary solution to drive market share by creating a visible differentiation from competitive products. Manufacturers can leverage the technology to drive cross-selling opportunities, build upon the value of an existing brand or launch new branded products targeted to a specific demographic.

Kotex extended its reach with the design of a new line of products produced specifically for young girls. The shorter pads and the glittery box containing them feature hearts, stars and swirl designs. To promote the new product line, Kimberly-Clark launched its “U by Kotex Tween” campaign, which includes web pages for mothers and daughters offering educational articles and videos and helpful interactive features. This is but one example of how product decoration lends itself to engaging end users in positive ways to build strong brand preference and loyalty.

When considered versus traditional advertising channels, product decoration can play an important role in the overall marketing plan, helping to reduce overall marketing expenditures while generating excellent return on investment and tangible business value.

Product Decoration vs. Traditional Advertising Channels (CPM, values in USD)



Source: “Snapshot of the Global Media Landscape”, eMarketer.com, data for Product Decoration from Videojet Technologies

Note: CPM = cost per mille (cost per 1,000 impressions)

With more purchasing choices available than ever before, customers choosing well-known branded products can now enjoy greater personalization and customization. For example, parents of babies and toddlers can indulge their fashion preferences by selecting diaper and training pants designs that look like blue denim jeans or ruffled pink underwear, even when those choices command a premium over undecorated versions. Private label suppliers of non-woven personal hygiene products are also seeing added value in offering simple design capabilities, both functional and decorative, to better compete with leading brands.



Product Decoration Trends

Product decoration has proven to be an effective strategy for growing brand awareness, market share and profitability and the trend continues to grow. In the non-woven personal hygiene product category, the current applications can be categorized as functional and fashionable. Here are some examples of each:

Functional

- Highlighting and embossing of high absorption zones in feminine pads and adult incontinence products can create a perception of higher quality and performance.
- Wetness indicators in baby and adult diapers can indicate when it's time for a change.
- Printed messages and illustrations providing sizing, safety and usage guidance can be helpful to home users of adult incontinence products. They can be especially useful for patient caregivers in institutional settings such as hospitals and nursing homes, where accurate in-line sizing can help reduce inventory and supply chain costs by ensuring the products are stocked appropriately for easy selection.

Fashionable

- Design options ranging from simple to more elaborate offer consumers the opportunity to express personal style preferences, selecting the products that best fit their needs, tastes and budgets. Fashionably decorated feminine pads and baby diapers are prime examples of this highly successful trend.
- Private label non-woven products can employ simple and attractive product decoration elements to differentiate their brands and gain competitive edge.

- Using a brand name and logo in an attractive way on each individual non-woven product can help ensure that the brand impression is not lost after the product is removed from the packaging, but rather stays with users every time the product is used.

For many non-woven personal hygiene products, functionality clearly comes first and should be a major factor in determining an effective, customer-centric product decoration strategy. Fashion elements can stand alone or be used to complement functionality. They can also provide premium-level brand choices that delight consumers and boost market share. The best performing brands typically find creative ways to blend fashion and functionality to make their products more individual, engaging and desirable to consumers.

Partner with Videojet

Videojet offers deep industry expertise in the technology of product decoration on non-woven products with digital printing solutions that easily integrate into production lines for high-speed, in-line variable decoration. Videojet provides the equipment and supplies needed to help companies implement a successful program for product decoration of branded and private label products.

Coming Soon! Be sure to check out Videojet's next Product Decoration whitepaper to learn more about the different decoration methods, so you can select the right one for your applications.

Get more information

For more information about product decoration, please contact Videojet Technologies Inc. at 800-843-3610 or visit www.videojet.com

<http://www.videojet.com/usa/personal-hygiene-product-decoration>

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