

TITLE OF CASE STUDY: Arm & Hammer Double Duty Cat Litter

Business Situation

While Arm & Hammer is a 160+-year-old iconic brand, it is relatively new to the cat litter category. It was discovered that cat owners were adding Arm & Hammer Baking Soda to their cat's litter boxes for improved odor control. Cat owners also believed that the "loose clumps" that formed in the litter box, and then broke-up as the litter box was cleaned (scooped), left odor behind. Arm & Hammer turned this behavior into a revolutionary new product, Arm & Hammer Super Scoop Cat Litter, entering the category in 1996.

In subsequent years, through insight-led innovation, Arm & Hammer continued to identify unmet consumer needs, growing the brand through line extensions. New variants included Multi-Cat, Unscented, Essentials Natural Litter made from corn fiber and Ammonia Block, a line upgrade that delivered even more effective urine-odor control. Odor-control innovations, combined with Arm & Hammer's deep brand equity in "trust", "value", "performance" and "safety" associations, were the secrets to the brand's success.

Arm & Hammer grew to the number three brand in the category behind established leaders Fresh Step and Tidy Cats. Arm & Hammer had its sights set on generating even greater growth through innovation and becoming the number two brand in the category.

This was a challenge given the current category dynamics. Considerable category inertia against switching litters exists. Once cat owners find a litter their cat likes, they tend to stick with it and there is a perception that all litters "are about the same" for odor control. Additionally the economic downturn resulted in private label growth.

Arm & Hammer believed in continual consumer learning as the key to achieve their goals. New insight from qualitative research and a quantitative segmentation study identified the biggest breakthrough opportunity to date for Arm & Hammer. Odor control was still the # 1 unmet need among cat owners – even though all brands promised superior odor control. Cleaning the litter box was considered the worst task in the home, even worse than cleaning toilets. There was still real "white space" in the category for better odor control.

Until now, all litter brands, Arm & Hammer included, have only talked about urine odor, but, what if a new litter added the benefit of eliminating odor from feces? This was a transformative idea for the category.

Through a comprehensive market research plan Arm & Hammer identified powerful new insights that validated and optimized this opportunity and provided the critical learning to guide groundbreaking creative performance as well as groundbreaking in-market performance. New Double Duty Cat Litter has become the most successful Arm & Hammer cat litter product launch ever and resulted in the strongest growth in brand history during a time when category growth was modest.

Campaign Objectives

The Arm & Hammer 2010 Cat Litter sales goal was to grow by 7.8% in the clumping cat litter segment. The successful launch of Double Duty was critical. Campaign objectives were focused on achieving this.

- Introduce a new and very unique category benefit that no brand has ever addressed - feces odor elimination
- Optimize communication to provide a relevant and compelling "reason to try"
- Develop copy that exceeds ASI benchmarks on Copy Effect Index (CEI)
- Generate sales force excitement for the launch to help maximize sell-in

The Research Story

The extensive research and analysis conducted was the key to achieving the campaign objectives.

The following learning priorities were established:

- Gain a deeper understanding of the target needs and this new benefit territory, feces-odor control
- Create a compelling strategy
- Inform campaign development

Qualitative Exploratory

We began with a "deep dive" of the attitudes, practices and unmet needs concerning cat odor in the litter box and in the home. We wanted to better understand the issues behind consumer dissatisfaction with cat odor control with specific emphasis on cat feces odor. Was this a real problem and potential opportunity?

This first phase was a three-part research project that included:

- A two-week in-home trial
- Six focus groups
- Four in-depth ethnography interviews

A number of qualitative techniques were employed to understand the underlying psychological, social and behavioral issues behind cat-urine odor and cat-feces odor and the relationship that this has on consumer's perception of their home care. These included recording in a diary, a collage homework exercise, photo sorts, guided visualization/recollection and laddering exercises to allow consumers to develop their ideal litter.

Key insights from this research revealed a real need for the benefit of feces-odor control and gave us a much deeper understanding of our consumer that shaped our strategy.

- Bad odors in the home generate a very strong emotional response and cat odors, especially cat-feces odor, are considered among the "worst".
- There are major social implications and real fear that guests could smell odors in your home even though the cat owner didn't. This could cause great shame and embarrassment.
- Feces odors are different than urine odors. The smell is overpowering and creates a huge burst of odor. It happens instantly and unexpectedly. This makes it difficult to control.
- Consumers have different expectations of their cat litter in terms of odor control:
 - “It's the job of my cat litter to effectively control urine odor.”
 - “It's my job to control feces odors by cleaning the litter as soon as I smell something.”
- There is low-to-no expectation for litter in terms of eliminating feces odors.
- Despite the inertia of cat owners to switch litters, they were yearning for a better alternative. There is dissatisfaction with current litter performance.

Research analysis led us to a big “aha” and key opportunity: to **shift responsibility from the consumer to the litter in controlling feces odor**. The emotional territory would center around being “worry-free” about all sources of litter odor, even feces.

An online study confirmed qualitative learning. Feces is a bigger odor issue than urine and is considered more bothersome to cat owners. The research identified a sizable segment of consumers that were “feces concerned” whose needs were not being addressed.

BASES Testing

From here BASES concept and in home use testing was fielded. BASES testing proved to be an important step to optimize both the product story and message. Two rounds of testing took place.

In the first BASES test the concept performed well on uniqueness but purchase interest was average and significantly lower than past Arm & Hammer initiatives.

An analysis of the results revealed that we created a story for consumers that was too complex and did not make the new feces odor control benefit compelling. Too much time was devoted to how the litter worked and showcasing the new technology with “two odor control systems.” The news was getting lost and so was the benefit of feces odor control.

A revised BASES concept was developed that simplified the story and more clearly communicated the news of superior odor control made possible through feces odor elimination. The visual focused on the benefit of dual odor control vs. the product features. These changes made a big difference in concept performance.

- Dual-odor control was very compelling.
- Consumers saw feces odor control as an added benefit.
- Purchase interest significantly improved at top-box and at top-two box.

BASES analysis indicated that we would need to maximize the difference between our litter and competitors as we moved to creative.

Research revealed that the name “Double Duty” was meaningful and had stopping power. Packaging research identified the design that was most impactful at point-of-purchase:

- Referred to the odor as feces vs. a euphemism.
- Featured a graphic demonstration of the dual-odor control performance benefit clearly calling-out both feces and urine odors.
- Used strong Arm & Hammer brand graphics and showed cats on the box for pet empathy.

Before the strategy was written, additional qualitative research was conducted to help gain more insight around higher-level emotional end benefits specific to Double Duty. Mood boards and adcepts were employed. The importance of “no worry” when it comes to cat litter was the right emotional territory. We also learned we needed to challenge current assumptions about their litter and shake their confidence in how it performed for feces odor control.

Qualitative Optimized Creative Development

One-on-one interviews were used to guide campaign development and gain richer insight on the creative concepts. Three key pieces of learning came from the groups that had a profound impact on the creative concepts.

Describe the odor as feces

One key objective of the research was to land on the best language to use to describe the problem. Should we actually say the word “feces” on national television? Will consumers understand the term feces? Should we use a euphemism like “poop” or describe the odors as “number one and number two” or “solid and liquid?” Previous quantitative testing on a range of language to describe the odors as “feces” vs. “solid waste” resulted in significantly higher purchase.

Euphemisms were not clear and in some cases confusing. They were also considered slang and somewhat inappropriate. The word “feces” in a forced exposure was somewhat polarizing, but it clearly described the problem, held the most stopping power and was well understood. Despite some potential negative reaction, the team decided to refer to the odors as feces. This turned out to be one of the most valuable pieces of learning gained.

Lead with the news and get to it sooner.

The concepts built up to the new feces benefit. To change the category paradigm, we needed to lead with the news: this litter didn't just provide effective urine-odor control; it effectively stopped feces odors, too. This was important and breakthrough information for the target.

Deliver the new functional benefits but don't forget pet empathy

Connecting with cat owners and the love they have for their pets is important to create engagement. We needed to ensure this was a part of the creative.

Campaign Description

The target audience was women 25-49 with a focus on younger consumers under 35 who were more open to new brands. They have above average income, are more likely to have children and work outside the home. And importantly, this group has a more heightened concern about odor.

The *Double Trouble* campaign was executed within the Arm & Hammer Masterbrand campaign architecture. The spot opens in black and white, with baking soda as the “secret” in the past for controlling litter odor. Then, through a dramatic transition to color, new Double Duty is introduced as a revolutionary advance.

Consistent with our learning from research, strong pet empathy is generated at the beginning of the commercial with two playful and adorable cats, aptly described as “double trouble” peeking out of a box. The news is then introduced that challenges current consumers' beliefs about the performance of their current litter for feces odor: “Today, there's a new litter designed to eliminate even feces odor, New Arm & Hammer Double Duty Clumping Litter. Your litter may control urine odor but what about feces?”

A demo pays off the superior odor-control with hard-hitting efficacy language. The high-performing package graphics are incorporated in the demo and provide campaign-to-shelf synergy. The commercial ends with a challenge to cat owners to encourage trial “...If your litter isn't doing double duty, switch to Arm & Hammer. You'll never go back.”

A guarantee is included and incorporated across communication vehicles to help lower the barrier to trial and reinforce the efficacy of the litter.

The campaign extends to both print and online. A full-page ad with the headline “Litter Odor Can Be Double Trouble” provides synergy with the television commercial. Two additional print and online executions use the arresting headline “Princess thinks her stuff doesn't stink” and “Spike thinks his stuff doesn't stink.”

Media

Double Duty was launched with a media budget of approximately \$15MM for the second half of 2010. While this level was 20% - 30% higher than recent product launches, Fresh Step (the #1 spender in this category), is projected to significantly outspend Arm & Hammer. Tidy Cats is expected to spend at about the same level as Arm & Hammer.

We developed a two-fold media approach in order to address one of the biggest challenges on this business: effectively target cat owners.

- Mass media was utilized to generate frequency of messaging and broad awareness among cat owners.
- Targeted channels, specifically print and online, honed in on our core consumer.

Television was utilized to create mass awareness and impact and kicked off the launch on July 14 exclusively using: 30s. :15 spots were later incorporated into the rotation to deliver frequency of messaging and continuity throughout the rest of the year. Nielsen research was utilized to identify targeted cable networks and programs that deliver high composition of our target audience.

Mass reach print titles were also used to extend reach and continue to build awareness. Using research through MRI and AdMeasure, we identified specific publications that reach our core audience, aligned our brand messaging with editorial, and delivered strong brand results in terms of recall and actions taken. Full-page ads were showcased during the first two months of the launch, with ½ page spreads added to the mix in October.

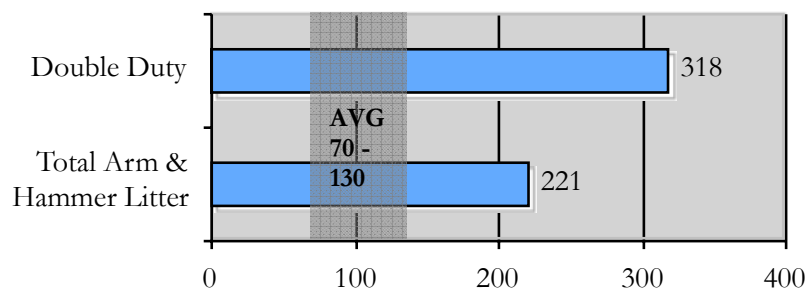
Leveraging learning from Dynamic Logic and Yahoo! Consumer Direct, along with comScore research, we utilized websites that deliver high target composition, and environments in which our brand message resonated with cat owners. Online activity included sponsorships on niche pet, Yahoo!, gaming and photo sharing sites, along with IntelliText and paid search. In addition, we developed opportunities to engage consumers such as the photo-sharing contest with Photobucket, in which the results exceeded our expectation.

Business Results

The Double Duty campaign is a tremendous success for Arm & Hammer, exceeding all campaign objectives. The key insights and learning gained through the comprehensive research plan were incorporated from concept to execution to optimize communications. The result is breakthrough, compelling creative that drives trial, sales and share. In fact, Double Duty's marketing and advertising was featured in *The New York Times* advertising column where our core insights and campaign were profiled.

ASI benchmarks for CEI (Copy Effect Index) were significantly exceeded. The commercial that was produced, "Double Trouble", scored in the top 1% of commercials ever tested by ASI across all categories and significantly higher than any Arm & Hammer cat litter commercial ever tested. Purchase interest was significantly higher than norms for both Double Duty and for the total Arm & Hammer Cat Litter portfolio.

ASI Copy Effect Index (CEI)*



* Copy Effect Index combines recall and persuasion. Average 70-130.

ASI Purchase Interest

	Purchase Interest Top-2 Box	Norm
Double Duty	65	54
Total Arm & Hammer Litter	63	47

Bold denotes significantly above norm at 90% confidence level

Double Duty Top-box purchase interest was 31, significantly above norm.

Cat owners viewed the campaign message as extremely relevant with a 69% top box score, +21 points higher than the norm. The campaign delivered a meaningful message to cat owners.

- 59% agreed it “told them something important” vs. a norm of 43%
- 68% agreed it “portrays what a really good cat litter should be like” vs. a norm of 47%

Sales goals have been exceeded. Arm & Hammer attained the number two position in the clumping segment of the litter category. Since the campaign launched sales have increased +17.4% while the category has grown only +1.8%. Double Duty is on track to exceed the BASES II forecast by +35%, driven by higher than expected velocity and lower than projected cannibalization (43% vs. BASES II projection of 50%). The Arm & Hammer litter has increased +3.3 share points to a record high 24.6 share. Double Duty’s superior odor control benefit is providing a strong efficacy halo for the full Arm & Hammer cat litter portfolio. (Source: Nielsen)

The Double Duty research and advertising generated excitement with the sales force that maximized sell-in. By leveraging the research, the sales force was able to convince buyers that incremental distribution and shelf space were necessary to support Double Duty. This decision turned out to be a profitable one since 12% of incremental sales volume came from less expensive non-clumping clay litter as cat owners traded-up to Double Duty, in spite of the economic downturn. This made the retailers very happy.

For over 70 years a significant need of cat owners, feces-odor control, was not directly addressed. This new category benefit has proven to be functionally and emotionally meaningful, easy to understand and one that consumers seek. The paradigm on what to expect from a litter’s power to control odor has changed forever and cat owners now have less worry when it comes to the litter box.