



L'Oréal Brandstorm 2010 :
"DIESEL, a provocative and ground-breaking casual-chic brand"

CONTEXT :

In 1978, Renzo Rosso founded a jeans brand named *Diesel* ("the alternative energy"). He re-invented jeans that had gradually become a standardized object to give it back its original subversive & rebellious soul.

He created a range of heavily used jeans, sold at a high price, and turned them into fashion (colours, collection...) and identity products (many cuts and washes).

The *Diesel Industry* brand and its creative teams are based in Molvena, a small town in Italy, while the clothing brand is currently present in 80 countries, through 5,000 sales outlets (over 300 of them directly owned) and has flagship stores in all major cities.

Diesel has established a very specific communication language and developed codes, especially in their advertising campaigns, which created the pop culture and cult dimension of the brand.

Over the years the collection has grown to include accessories like bags, sunglasses, watches, sneakers, home textile & furniture lines, helmets, and very recently, a collaboration with Fiat for the new 500. With the increasing strength of the brand, the company started to believe the time was right to add fragrances to the portfolio.

L'ORÉAL signed a partnership with Diesel in late 2005 to develop and commercialize beauty products. The brand fitted L'ORÉAL's strategic aim of consolidating its position as world leader in fragrances, and perfectly complemented its existing brand portfolio with its appeal to young people worldwide. Diesel represented a tremendous opportunity for growth for L'OREAL's Luxury Products Division and brought in a new alternative to classical luxury brands.

L'ORÉAL's challenge was to translate the Diesel spirit and attitude in the perfume category. *Fuel for Life* (he & she) was then launched in 2007 and rapidly became the Top 7 Man/ Top 20 Woman for perfume with an 80 million euros turnover within the same year. After animating the *Fuel For Life* franchise via *Fuel for Life Unlimited* (for women only) in 2008, Diesel launched its first masculine fragrance *Only the Brave* (in 2009).

DIESEL in a few words:

- Provocative/Sexy
- Cool ("The coolest of the biggest")
- Energetic
- Iconic & ironic
- Rebellious

BRAND MISSION:

The most entertaining, innovative, surprising brand in the luxury market: a lifestyle and alternative brand.

After the great success of its 3 first launches, Diesel has proven its ability to provide unconventional perfumes. The brand is now looking for new opportunities on other types of beauty products and markets.

→ Be innovative and imagine what would be **the new DIESEL beauty product range for men if it were not fragrance.**

PRE-CASE STUDY

I- THE MARKET

Analyse the current offering of male beauty products that are sold in the selective distribution channel. Do not consider the perfume category.

→ Define the market

Current market situation and evolution; fundamental characteristics which define the global and local markets; growth opportunities and threats; distribution characteristics.

→ Identify competition

Who are the main competitors? Define their positioning and targets.

→ Understand the consumer; identify the trends

Who are the consumers that buy **male beauty products** in selective distribution? Who buys what? What are their usage habits (frequency, preferences, rituals)? What are their expectations? Are they satisfied with the current offer? Are there any new consumer trends? Define the main trends among this consumer.

II- THE BRAND

Analyse the status of DIESEL and any other 2 brands of your choice (select brands from selective and/or other distribution channels).

Based on what you have just found out, do a **SWOT analysis** of the DIESEL brand when it comes to **male beauty products** (except perfume) for this target group. Where would be the opportunities for DIESEL by analysing:

- Business performance
- Products (packaging design, range composition)
- Market share
- Positioning and image
- The mix (price, promotions, etc.)
- Consumers
- Communication strategy focused on public awareness

Base your analysis on your local market but bear in mind the international positioning of the brand. As we say at L'Oréal: "Think local, act global!"

Pre-case Option: What kind of product range would you launch for your new DIESEL franchise? What would be your target? Present briefly both your new franchise and product range.

CASE STUDY

Now that you have carried out your complete analysis, the case to conquer is the following;

“Bring the Diesel brand into more markets than just fragrance by creating a beauty product range for men. Make it the new Diesel franchise.”

1. What would be Diesel's legitimacy in the new category you have chosen?
2. Imagine a new product/range (except perfume) and define its positioning within the existing DIESEL brand portfolio, its brand positioning statement and reason why.
3. Develop and implement a mid-term international strategy (2 years) for your new Diesel franchise. Define the competitive approach for the brand and focus on creating a strong identity, along with a new communication campaign. What type of media and on-the-field communication strategy would best attract this consumer to your brand?

Your strategy must consider the following:

- Your strategy will be developed with the aim of bringing the brand into new markets (one at least). You can build it on any beauty categories except perfume.
- Your product range must be for men only.
- Your product range will be carried into a new Diesel franchise (Not *Fuel for life*, *Only the Brave*, or any other existing Diesel franchise but a new one).
- When choosing your advertising and promotion plan, take into consideration alternative media channels along with the more traditional ones. You have no constraints in media budgets & profitability.
- Remember to respect the core brand values. Bear in mind DIESEL distribution channel.
- DIESEL is an international brand: if your strategy is based on your local market, ensure it can be implemented internationally.

(For countries not playing the pre-case, integrate the pre-case analysis into the case study and disregard the **Pre-case Option**).