

# Olympus proves a 'tough' competitor



The launch campaign for the Olympus Tough proves the importance of advertising communications to brand momentum and the bottom line. By establishing a new value proposition for the digital camera market and creating demand through a creative TVC, Olympus was able to define itself in a crowd of famous rivals.

## Background

Sales of digital still cameras (DSCs) have grown incredibly since their introduction to Australia in the late 1990s. By 2006, seven in every 10 Australian homes had a digital camera. Importantly, as so often happens with technology, the faster the take-up the more significant the price drop. Digital still cameras were fast approaching commodity status.

With a huge range of DSCs on the market, Olympus was just another face in a crowd of famous brands. While recognised as a 'real' camera brand, Olympus had effectively priced itself out of the majority of consumer shopping lists. Against this backdrop, in 2006, Olympus launched the MJU line of digital still cameras, to be known as Olympus Tough.

## Objectives & Challenges

To overcome the price resistance, it was important that any communications for the Olympus brand would build a level of value perception to:

- 1) create demand for Olympus by building awareness and sales;
- 2) drive Olympus market share and value; and
- 3) increase brand salience for Olympus amidst a sea of competitors who spent more and were subsequently more famous.

## Target

'Design actives' - so-called because they are very active, fit and healthy and already very familiar with digital camera technology. They are largely metro professionals in their 20s and 30s.

# CASE STUDY: Olympus

## Insights

The Olympus MJU camera had ticks in several boxes as far as DSC's go: 7 megapixels, 3x optical zoom and a stylish package. However it offered some new innovations: it was waterproof (to 3m) and shockproof (it could be dropped from a height of 1.5m).

Before the product launched, research groups were conducted to gauge the level of interest in a camera with these features. While the durability seemed a sure-fire way to trump its rivals, the research revealed many consumers were still driven by price-point.

Further qualitative and quantitative research amongst the target group uncovered some fascinating insights:

- 1) expensive cameras are an investment, and require greater care;
- 2) photo opportunities are missed as a result of the fear that (expensive) cameras could be damaged if they were taken to the beach or bars; and
- 3) the target group understood digital camera technology and were less interested in megapixels as a purchase-motivator unless they were looking to print large-scale photos.

Market research also showed nearly 55 per cent of Australia's digital camera owners would be considering a new purchase in 2006.

## The Solution

Clearly, leading with a megapixel-and-zoom message was not going to work with the target. The intention of the campaign then, was to create and popularise a new benefit in a mature market that had thought it had seen it all.

Working from a one-line brief - 'Olympus Tough. Waterproof and Shockproof' – a TVC was created featuring a guy telling his dog, Norm to "drop it". Unknown to the audience is the fact that Norm has the Olympus Tough in his mouth. Norm drops the camera and the owner throws it into a tub to clean up.

The TVC was supported by POS, print and further information on the Olympus parent website.

## The Role of TV

Television was chosen as the key media for the campaign. As the most significant investment, the TVC had a big job to do in delivering a communications message that would cut through and act as a catalyst in meeting the stated objectives.

And deliver it did. According to research conducted by Galileo Kaleidoscope shortly after the first burst, the 'Dog' execution tripled top-of-mind awareness for Olympus. Importantly, the top three take-outs amongst respondents were 'rugged/resists damage', 'waterproof', followed by 'shockproof'. Thus a strong connection was built between the idea of 'waterproof/shockproof' and the Olympus brand.

The research concluded that the TVC was compelling and played a big role in recruiting camera buyers from other camera brands.

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## Results

GfK ConsumerScope says the Olympus TVC had the 'highest awareness ranking for any television ad in the past two years.'

Most importantly, the creative idea that formed the cornerstone of the advertising campaign was responsible for creating a level of demand that outstripped even the most optimistic expectations.

The top-of-mind awareness and positive take-outs from the ad translated into a real return on investment for Olympus with substantial increase in demand for the Tough product. In fact, within five months of launch and despite a 40 per cent price premium over its more famous competitors, Olympus had run out of stock as demand exceeded supply.

Despite shortages, Olympus sold 50,000 units of Tough in the first year – almost \$30 million in sales. This was 1.6 times the number of units they had initially projected and an incremental \$12 million in sales. The estimated ROI was \$2.30 for every \$1 spent. Sales of Tough have now reached more than 101,000.

The campaign was also a Bronze Award winner at the 9th AFA Advertising Effectiveness Awards.

## Who

Client: Olympus Imaging Australia  
Agency: Saatchi & Saatchi