

Should Your Brand Grow Up...

A roundtable discussion follow-up to a *Reveries* reader survey featuring:

- **Bill Higgins**
Cadbury Adams
- **Chuck McLeish**
LEGO Systems
- **Perrin Kaplan**
Nintendo
- **Steve Gold**
GoldnFish Marketing

Our survey respondents said the potential of “kid brands” to be marketed to adults is about the same as the potential of “adult brands” to be marketed to kids. How do you rate this potential?

Bill Higgins: I would agree with that. We’re seeing kids continuing to be aspirational toward adult brands at certain points in their lives. But we also recognize that kids are still kids. It is that dichotomy, frankly, that Cadbury Adams uses to market our Bubblicious brand. We picked LeBron James as our official spokesman for our brand, not just because he’s a famous basketball player and chews Bubblicious, but because he represents that dichotomy.

In fact, in our latest print ad, we have a picture of LeBron blowing a big bubble on the basketball court with the caption, “It’s good to be the king.” Then the bubble pops on his face, and it says, “It’s good to be the kid.” So, there is an aspect of kids who aspire to that level of engagement and involvement in the adult world. At the same time, we’ve found an incredible number of adult consumers who use kids’ gum and candy products and just want to feel care-free like they did when they were kids.

Chuck McLeish: I would not agree with that. I think kids, in general, are aspiring more to older, adult-type brands more than adults are aspiring to kid brands. Kids are getting older younger. Nine-year-olds now act more like 11- and 12-year-olds in terms of their degree of sophistication, the brands that they want, their aspirations, and their activities. Technology is probably a contributor to that.

Steve Gold: I think it’s a little easier to go from adults to kids. The natural path is that kids try to emulate adults. Everyone tries, in our society, to be older. It’s all about “the things that we can’t wait to do” that force us to want to be grown up. Culturally, it’s all about getting our first

“this” or “that.” Everything is a process. We all go through that same journey of schools, cars, jobs, apartments, and then homes and children. Because of that, the process just tends to go in a way that the things we emulate are the grownup things.

Perrin Kaplan: For Nintendo, it’s a slightly different situation because morally we will not market products that are for adults to kids. You might find products that are for younger people being marketed to older audiences, but not the other way around. And then we have the whole span of products in between, such as “The Legend of Zelda,” that appeal to both older and younger audiences.

Nintendo and LEGO were picked by survey respondents as the “kids’ brands” with the greatest potential for development among adults. Why do you suppose that is?

Kaplan: It’s interesting to hear that those respondents perceive Nintendo as being a kids’ brand, because between 40 and 50 percent of our customers are teen and adult. With our new DS system, almost 70 percent of players are over 13. There are people who are 25 years old who are avid Nintendo players. We really have been battling a perception that we are a younger product company when we’re not.

We’ve been addressing that with the new Nintendo DS “Touching Is Good” campaign. It’s a double entendre, and we did that for a reason. Some people think it’s out of character for Nintendo, but it really isn’t. There are lots of different versions of Nintendo and there’s something for everybody. Also, we’re putting a lot of efforts behind products like Resident Evil, which is definitely rated for an older player. It’s not for kids in any way, shape or form.

Higgins: I wouldn’t have thought of Nintendo as a kids’ brand. I’ve got an eight-

or Down?



year-old son who wouldn't know what Nintendo is. On the other hand, my nephew, who is 23 years old, grew up playing Nintendo, and probably still has an affinity for the brand.

I'll bet there is a significant number of adults — especially young adults — who know the Nintendo brand, trust it, think of it as fun, and in the midst of their careers, look upon it fondly, with some nostalgia. LEGO is a different situation because it's a brand that's all about fantasy. There's a control-play factor that's probably very appealing to adults.

McLeish: In the case of Nintendo, I think the appeal is in the type of game-play they offer. It's compelling and engaging for kids and adults. Adults also have had some experience with Nintendo when they were younger and may still enjoy that type of activity and challenge. They probably play with their kids as well.

In the case of LEGO, it's somewhat similar. At LEGO, we have a great base of consumers who grew up with the brand and many of them have never lost their

fondness for it and want to share it with their kids, too. But I don't think it's strictly nostalgia. It's more of an enduring relevance. Adults still enjoy the activity and the gratification that comes with creating various LEGO models, and also see the developmental value for their kids.

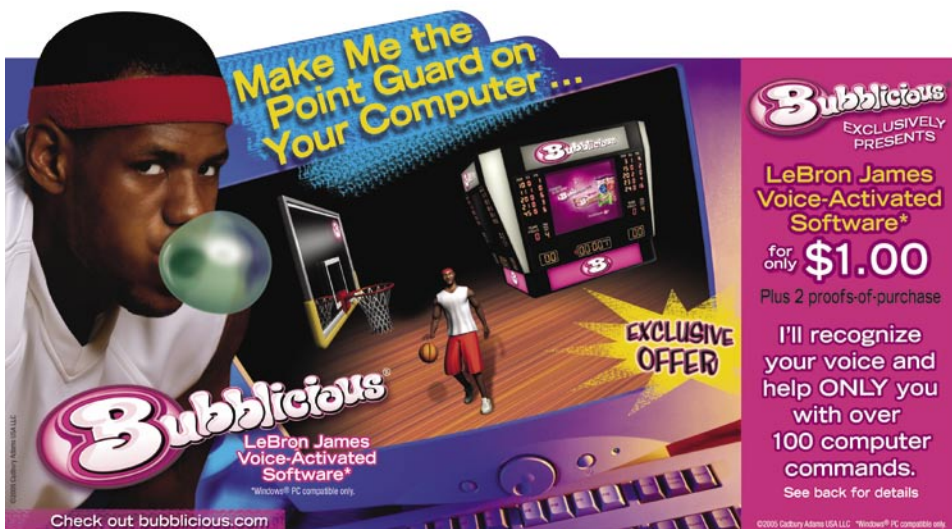
The types of models they build are much more sophisticated. The kinds of themes they get involved with will vary. The medium LEGO is adapted but still relevant to their interests today. We also have a great number of adult enthusiasts who follow *Star Wars* and our LEGO *Star Wars* line does particularly well with them.

Gold: Nintendo is in a category that's growing with the target. It's just like text messaging — the way adults use videogames may differ, but they're still using them. Nintendo is in the middle of an evolution of the videogame as simply a kid "thing." To me, it's very much like movies where you start off with the "G" →

- What is the potential of kids' brands to be marketed to grownups — and vice versa?
- Which brands are best at shifting their identities up and down the age chart and why?



Roundtable participants (l-r): Perrin Kaplan, Bill Higgins, Chuck McLeish and Steve Gold



Are there other brands you think are really missing an opportunity to realize growth by crossing over? How might they capitalize on the opportunity?

McLeish: Financial services is an opportunity. Kids really are not taught some of the fundamentals of saving, building wealth, how to spend money, balance a checkbook, and think about longer-range goals. It's not the most interesting thing to a kid, but it would be a tremendous service if that could be done.

Gold: I really believe that in a world that's forcing everyone to grow up a little faster, somebody should step in and help kids grow up a little faster in terms of understanding money. Who should do that? It could be anybody from CitiBank to T. Rowe Price — anybody who has a relatively well-known name. Maybe the Dreyfus lion could create a cub-lion brand-extension for kids.

The PGA — I've never understood, when there are so many kids who golf in this country, that there's never been an effort to make golfing go younger. I'm curious from the sport's perspective why that is — why they've never even made an attempt at creating a kid's circuit or events or somehow making it more entertaining.

Kids are more and more influential, but there are certain industries that don't even make an attempt in that regard. For example, my kids have no preference when it comes to an airline. None. They couldn't care less. And yet, they're involved in all the trips our family takes. Delta years ago had the Delta Kids. I don't know what happened to it, but no one else does it. So they have no preference.

Higgins: There's a growing trend among kids to have an interest in badge-value electronic devices — spurred on by the iPod. The ability potentially for other technology like BlackBerry, for example, may be limited because of the costs involved. However, for kids, instant messaging, instant communications — maybe BlackBerry could take that and shift it.

Kaplan: Health clubs, perhaps. There should be a place that serves those who have the paunch in the middle and those

← rated movies and then you go to "PG-13" and "R." That's pretty much the same path that videogames travel.

I struggle a little bit with LEGO's potential in that sense. LEGO is about imagination, and it is about the simplicity of putting your thoughts into something without using crayons. There's something unique about it. But I don't necessarily agree with respondents that LEGO is as easily transferred from a kid to an adult brand. I just don't know what form that would take.

Starbucks, Sharper Image and Wal-Mart were picked as the "adult brands" with the greatest potential for development among kids. Do you agree?

Higgins: I agree partially. I think lumping the three of them in together is interesting because they are very different. Starbucks is an adult-indulgent brand. As such, I think there may be an aspect of allowing kids to have a moment of self-indulgence that may be appealing.

Sharper Image and Wal-Mart are on the opposite sides of the spectrum. The Sharper Image is premium-priced, high quality, knick-knacks that you don't really need. Wal-Mart is every day low prices on the basics that you do need. I struggle to see how you're going to market Wal-Mart to kids. It would be interesting to see some research into how kids see the Sharper Image brand. I'm not sure I see an opportunity there.

McLeish: I don't see it. I don't see the relevance or the aspirational association for kids with Starbucks, Sharper Image or Wal-Mart.

Kaplan: Actually, I have noticed that there are now a lot of teens who hang out at Starbucks in the afternoon. Teens aspire up, and do what the adults are doing, and Starbucks is a really good example of that. I'm sure that Starbucks would like to be known as ageless in a certain way. It's hard when companies get labeled when in fact there's something for everybody.

Sharper Image — I can see that. Again, teens aspire up in terms of products that are more high-tech. It's a savvier looking store. It's edgy and cool. Wal-Mart I have a little more trouble with. I really see them more as "family" oriented and having great deals for the family. I don't see them as "older" or "younger."

Gold: Where Starbucks relates back to kids is more about the products than it is about the very compelling culture they've created. It's more about kids wanting to have coffee — that taboo world of a grown-up product. If they had kid cappuccinos, that could be very appealing. But it doesn't even have to be a coffee product, *per se*. It could be ice cream. Among kids, it's just about being part of a grown-up world.

With Wal-Mart, as amazed as I am with Wal-Mart, and the power that they possess, I don't necessarily think they do a very good job of being a good place for kids. Toys "R" Us did a much better job of that during their heyday. It was the place for kids to go for toys. It was their world. Sharper Image could do it, just because they have so many gadgets. Kids always love the gadget, the gimmick, the thing you pick up that does something you didn't expect it to do.

who will get the paunch in 20 years. But I don't think of health clubs as places that really market themselves as being hip or being healthy as being cool and that there's something for a younger age set.

South Beach should not be just for older people. Protein bars, and food-to-go really seem to go down only as low as the early 20s. They seem to be more for professionals or people who are highly athletic.

What do you see as the primary causes of the blurring of kid and adult cultures? Do you think it is a permanent condition or just a passing phase?

Higgins: I think it's a long-term trend; I don't know if I could call anything a permanent condition. We've seen a trend among adults since 9/11 towards a greater level of nesting, of turning back to brands to which they had high levels of trust and emotional attachment.

Cadbury Adams sells gum brands that have not been in the collective consciousness for a while. They reside not in the store but in people's minds. We bring them out periodically and get tons of letters from people who are so excited and grateful because they haven't had Blackjacks or Beeman's in such a long time.

It's certainly not a passing phase but it is probably not a permanent condition because who knows what the next major geopolitical shift will be. At the same time, if you think about the impact of something like 9/11 on pre-teens and teens in their formative years, you realize they probably will carry that with them through most of their young-adult lives. So it will have a lasting impression.

Kaplan: There's a certain conflict in that teens and younger adults tend to aspire up—and then as they get older they tend to aspire down. Then there's a really small window—a sweet spot—somewhere in the middle, but only among consumers in the 22-23-year-old age range.

The point is that this can create confusion because sometimes there are "older" brands that try to look "younger" and "younger" brands that try to look "older."

I think it's going to stay that way for a while. Our nation seems obsessed with growing up faster and staying younger longer, except for that very brief sweet spot somewhere in the early 20s.

McLeish: Technology has brought on blurring in a tremendous way, because in many respects, kids catch on to digital and electronic forms of entertainment much faster than sometimes the adults do. They're just more receptive to it, they get it, and they are more intuitive. So, technology has become something that's very easily grasped by younger kids.

I'm not sure that there's an end to it but you'd think that it can't go too much further than it already has. It's already blended so much so that, as with a lot of trends, it's heading for a breaking point. It will be interesting to see if it goes the other way—where kid brands become more kid-focused and adult brands go the other way. But there are no signs of that right now.

Gold: It's an ongoing process of everybody growing up faster and having a lot more choices. We all have our iPods and we're all downloading. My daughter buys a song and she asks me if I want the song. It could be Hendrix or Coldplay. It's a weird world.

Music is pretty intriguing because a lot of music is more shared than it used to be. The music stays around longer. Music that was around before today's kids is still perceived as cool. The music that was around before I hit their age was not cool. There was no way that I would ever listen to the big band music that my mother and father grew up with. Tommy Dorsey was not my idea of music and didn't have the lasting power or cross-generational appeal of, say, The Beatles, The Stones, or even The Doors.

The process certainly isn't like it used to be. It's no longer a slow-winding process that takes you from kid to adolescence to teenager to grownup the way it used to be. Both kids and adults are constantly trying to be on top of the changes in the culture and the potential for overlap is huge. I don't think that's a trend so much as it's a new reality that probably will dominate for years to come. ■

About the Panelists

› **Bill Higgins** is Vice President, Marketing for **Cadbury Adams USA**. His responsibilities encompass all the firm's chewing gum, breath mint and throat drop brands, including Bubblicious, Trident, Dentyne, Chiclets, Certs and Halls. Bill has been at Cadbury since 1998 and most recently was Vice President, Youth Marketing. Prior to Cadbury, he worked at Johnson & Johnson in marketing positions.

› **Perrin Kaplan** is Vice President, Marketing & Corporate Affairs for **Nintendo of America Inc.**, overseeing public relations, government affairs, investor relations and internal communications. Previously, she was with a public relations firm as well as a member of the Washington State Department of Ecology's public affairs team. Perrin also worked on the Washington State Senate communications staff and was a reporter/editor for KING Broadcasting, Seattle's NBC affiliate.

› **Chuck McLeish** is Director of Marketing for **LEGO Systems**, overseeing Clikits, Core Construction, Mindstorms, Public Relations and Partnership & Alliances. Chuck has 27 years of LEGO marketing experience, having held the positions of Director of Marketing Services, Director of Licensing, Group Manager of Market Planning & Information and Group Brand Manager.

› **Steve Gold** is Chief Creative Officer of **GoldnFish Marketing Group**, an Armonk, NY-based agency that helps marketers transcend "the common boundaries of demographics, focusing on people too old to ride in shopping carts and too young for home equity loans." Clients include Banana Boat, Bubblicious, Certs, Chiclets, Kellogg's, Sour Patch and Swedish Fish.