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P&G has a secret hotshop: Red

Turning to DRTV agency, advertiser shows it's not afraid to step outside roster

By **JACK NEFF**
jneff@crain.com

THE MARKETER WITH the biggest ad budget in the world has been turning quietly to a small Cincinnati direct-response TV shop to make general-market TV ads. And in doing so, Procter & Gamble Co. is signaling a growing willingness to put more creative work up for grabs outside its roster of conventional ad agencies.

Red began life as P&G's in-house commercial-production company and was spun off in 2001 as an independent agency. It did the 30-second TV ad for P&G's multibrand test of super-concentrated laundry detergents in late 2006. That spot is testing in Cedar Rapids, Iowa, on the way to a national rollout later this year.

That follows a decision last year to use an adaptation of Red's direct-TV ad as the general-market TV advertising for last year's rollout of Febreze Noticeables, which turned out to be a highly successful launch that ranked among the top 10 nonfood products of the past year, according to Information Resources Inc.

In both cases, P&G's roster advertising agencies were available, but P&G opted to go with Red instead. Publicis Groupe's Saatchi & Saatchi, New York, and Leo Burnett, Chicago, handle P&G's laundry-detergent brands and have done some advertising in the so-called compaction test for individual brands. WPP Group's Grey Global Group, Toronto, handles Febreze.

Separated at birth from P&G, Red quickly evolved into a direct-re-



An adaptation of Red's Febreze ad proved to be highly successful

sponse shop, billing its work as "brand-response TV" at a time when P&G was starting to use DRTV far more extensively. And while the company hasn't exactly played up its growing affection for an unglamorous approach favored by upstart brands that sometimes employ pitchmen with loud voices, it has used DRTV and Red across a growing number of brands in recent years, including Olay, Prilosec OTC and Mr. Clean.

Red CEO Anne Chambers describes the company as specializing in new-product advertising for products or propositions that require more in-

"Our agencies have capabilities outside of their core competencies"

depth explanations than most TV ads.

The shop handles work for three brands that made *Advertising Age's* Marketing 50 in 2006—P&G's Olay Regenerist Microdermabrasion Kit and Febreze Noticeables, along with a non-P&G brand, Bare Escentuals mineral-based cosmetics, that it was only recently awarded.

Ms. Chambers declined to comment on the use of the agency's work for general advertising at P&G, while the marketer played it down.

"We have these great agencies that work for us, and we try not to put them into silos," a P&G spokeswoman said. "We know that our agencies have capabilities outside of their core competencies. And when it makes sense for our business, we want to use them to their full capability."

One executive familiar with the matter indicated that P&G brands have in some cases turned to Red after concepts submitted by traditional agencies failed to hit copy-testing benchmarks. But P&G spokespeople said the moves weren't based on dissatisfaction with work of P&G's traditional shops.

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RED

T_513.772.1020 REDBEYOND.COM