

# DISPATCHES™

Insights On Brand Development From The Marketing Front

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## WELCOME TO “VALUE-LESS” COPY

*“15 minutes could save you 15% or more on car insurance.” (GEICO)*

*“Only pay for what you need.” (Liberty Mutual)*

*“When insurance is affordable, it’s surprisingly painless.” (Esurance)*

*“Don’t mess with my discount!” (State Farm)*

*“Get Allstate, where good drivers save 40% for avoiding mayhem—like me.” (Allstate)*

Within the annals of traditional advertising, one of the classic types is "value advertising." In its heyday at Procter & Gamble, it was simply referred to as "value copy" (copy being P&G's term for any of the widely used advertising media: television, print—both magazine and newspaper--radio, and outdoor/billboard). A good many brands went to market, from time-to-time, with a value copy effort. In a 1980 memo, one of Procter’s best-known copy supervisors, Norm Levy, defined value copy this way:

*“In the broadest sense, value copy is advertising specifically designed to inform consumers of our products’ advantages **versus price-oriented competition**. Value copy differs from normal brand sell copy in that it attempts to offer consumers, as an additional basis for preference, a value-oriented incentive beyond the brand’s traditional product benefits.”*

So, while not considered a "normal ad campaign," value copy was viewed—at a minimum—as a defensive move to hold onto current brand users who were being tempted to switch to a lower-priced brand within the category. Though, from experience, we can assure you that most brand teams and their agencies developing a value copy story intended that story to be an offensive move as well—to be so *compelling* as to win already moved consumers back to the P&G brand ASAP. How, then, did P&G brand managers and their creative teams typically come up with their stories? Norm Levy goes on to spell that out:

*“Value copy has generally taken three forms **dependent upon claim support as available**, as follows:*

1. **Costs less or less per usage**—*Few of our brands cost less on an absolute basis than competition. On rare occasions, 'costs less' advertising has been developed, as exemplified by Ivory Soap Bar's historical usage of the claim, '4 for the price of 3 ordinary bars.'* However, the more usual form is 'mileage' advertising—best exemplified by Ivory Liquid copy, which demonstrates to consumers that it costs less per each usage (although the shelf price may be higher than the competition).
  
2. **Worth more because of superior performance**—*In this copy, a brand's superiority versus price brands is established via a product performance advantage on a key benefit, rather than via price or cost per usage comparison. The commercial context often involves a **discussion** of price or value as an issue in the purchase decision—but the preference for our brands is demonstrated via direct comparison versus price brand competitors on a critical performance issue. As an example of this, consider current Cascade (dishwashing) advertising: 'For virtually spotless dishes, you can see why Cascade is the better buy.'*
  
3. **General quality assertions**—*This form of copy, exemplified by Downy, presents a brand's product benefits in a **non-competitive** context within a situation that is oriented to consumers' concerns about price in that category. Such advertising is usually developed when a brand wishes to address the value issue but does **not** have specific cost or performance claims versus price brand competition.” (Note Downy Key Copy Words: “Downy, for people who can smell a real bargain.”)*

What's clear from the description of these three approaches is that honest-to-goodness value advertising—to be effective—has to be based upon something substantive, something transparently believable:

- a legitimate "costs more but you can use it a lot more";
- "costs more because you get so much better performance that it's worth more";
- or "a bargain isn't just about dollars and cents—it's a balance between cost and overall product experience/performance."

It may seem strange to be talking these days about value copy; it appears to have fallen out of use in just about every product class or category. But here's what hasn't fallen out of use: virtually every brand we encounter—in Medical Device & Diagnostics, in Pharmaceuticals, and in Fast-Moving Consumer Goods—continues to go to market with established brands (as well as to launch new brands) that carry a *premium or super-premium price*. Nor do any of these brands typically compete in classes/categories without encountering any number of lower-priced opposition. In short, the fight to stave off Norm Levy's "price-oriented competition" wages on. Yet brands coming up with "value communications" based upon something substantive remains a lost skill...really, a lost art.

There's no better example of this than among our own U.S. insurance brands—those Big Name brands covering cars, motorcycles, boats, and homes. Just reading through the familiar sets of Key Copy Words we opened with (words we are literally bombarded with daily across many media, especially TV channels) makes clear two things: (1) no brand is promising anything substantive to prospective consumers, and (2) though every brand talks

price, there is nothing about value...making virtually all the advertising in the category *value-less copy*.

**GEICO**—We know these words in our sleep. They've been around and repeated ad nauseum for years. But, what of substance, do they promise? Presumably, some savings by switching car insurance to GEICO; "presumably" only however...thanks to that fudge word "could." So, maybe you will get some cost-savings "value" out of switching to GEICO, but then again, maybe not. It's a crap-shoot.

**Liberty Mutual**—In one of the most obtuse expressions of vaguely-implied cost savings, this brand boggles the rational mind. We hear as many as ten times in a :30 spot the mantra, but what does it mean? Are most of us now paying too much for insurance because our current provider is "piling on" added coverages we do not need? Really? Since Liberty never mentions any specific coverage that the average Joe might not need (but is stuck with anyway), this advertising is about neither price nor value.

**Esurance**—Patently about saving as much as \$480 per year, this brand aims to obfuscate things much as Liberty Mutual does. In the case of Esurance, though, the rub isn't so much that insurance consumers are unwittingly paying more than they need to; rather, it's that insurance consumers are overwhelmingly burdened with the "pain" of understanding and acquiring basic coverages. But voila! By choosing Esurance, we can ease that pain thinking instead about all the \$\$\$ we're saving. (But, again the question, the "value" in the Esurance product versus others is what exactly?)

**State Farm & Allstate**—Of the Big Five here, these two brands—in virtually the exact same approach—come the closest to, at least, offering some "value-added" to their products. Each has a safe-driver program kind of discount, and though such a sidebar offering might apply to a select few consumers, considering it a bonafide "get more for less" value would be a real stretch.

The point of all this isn't so much to knock the insurance guys for their vacuous advertising—though, you have to shake your head and wonder how, in the world, these companies can justify spending so much to communicate so little. No, the point is to recall and remind: to recall that lost creative-communication art of taking on the lower-priced competition, adapting the principles that P&G brand managers so deftly used. Also to remind all of us that whining—such as "In my drug class, all decisions are made on price via contract-tenders; how am I supposed to inject a product advantage story and expect it to help?"—gets us nowhere. But creating a novel, legitimate value story just might get us somewhere.

Richard Czerniawski & Mike Maloney

**COMING SOON** – Learn more about Richard Czerniawski's new book, **AVOIDING CRITICAL MARKETING ERRORS: How to Go from Dumb to Smart Marketing**. Regardless of our current level of marketing, here's how we can make our marketing matter more: <http://bdn-intl.com/order-avoiding-critical-marketing-errors>

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