

## **Diesel's international marketing strategy**

The Italian clothing company Diesel is one of the most innovative international design companies. Founded in 1978 by Renzo Rosso and his former boss Adriano Goldschmied, the Diesel range of products such as jeans, casual clothing and accessories soon became an extremely popular brand. [\[Take time to look at Diesel's fashion Heritage.\]](#)[1] When Renzo Rosso took over all of the company shares in 1985, he started an era of fashion design which was everything but ordinary and soon proved to be very successful.[2] The unique products and their brand first ventured abroad with an international marketing strategy in 1991, followed by the opening of the first flagship store on New York's Lexington Avenue in 1996.[3] [\[Take a look at the New York Diesel Store here.\]](#)[4]

Today Diesel products form the basis of a global enterprise with a consolidated annual turnover of approximately USD1.3 billion, of which 85 per cent is earned outside Italy.[2] Headquartered in Molvena, Italy, [\[Take a look at the Diesel headquarters\]](#)[5] the company manages 18 subsidiaries which are spread across Europe, Asia and the Americas. Furthermore, the company distributes its products to over 80 countries through more than 10 000 chain and department stores, 300 Diesel-branded stores and internet shops as well as catalogues.[3] The Diesel online store is currently available in 33 nations with Canada, Hong Kong and China currently in development. [\[Follow the link to the Diesel Online Store.\]](#)[6] Diesel branded products are highlighted around the globe in a variety of fashion shows. Its products range from the Diesel kids range to sportswear; from male and female 'Black Gold' fashion to licensed products such as accessories (including items from footwear to sunglasses). Diesel also has a luxury product range (see Figure 1 below).

The Diesel range of male and female fashion products have been exposed to the fashion buyers of the world under the name 'Diesel Black Gold'. [\[Take a look at the new 2012 'Diesel Black Gold' spring and summer product range.\]](#)[7]

Figure 1

### **DIESEL LINES**

Being one of Europe's top manufacturers for apparel and accessories, Diesel introduced 'Diesel Kids' for children's clothing as well as its product range '55-DSL' which is a sportswear line inspired by extreme sports. In 2007 Diesel launched 'Diesel Black Gold' which targets the casual-luxury segment.[2]

### **LICENSED PRODUCTS**

In addition, the company now licenses its brand for various accessory products. Among these are Diesel sunglasses, perfumes and cosmetics, footwear, luggage as well as watches. Other cooperative collections (co-branding) were launched with European fashion brands such as Adidas and AGV.[2]

## LUXURY GOODS

One of Rosso's goals was becoming a key player in the luxury goods market and so, apart from Diesel's own upscale lines, he acquired 'Saff International' in 2000. This enabled Diesel's product range to include several luxury-brands as well as licences for many upscale labels in Europe.[2]

### A unique product and marketing philosophy

From the very beginning, Rosso aimed high: he wanted the Diesel Company to take its ever-expanding product range to the next level by taking chances. He saw that by developing a product niche the company could hold a unique position in the fashion industry.[8] Diesel's philosophy was to exclusively employ open-minded designers who rejected the idea of following industry trends: Rosso gave his products exclusivity and flair by allowing the design team stylistic freedom. His philosophy was to create a dynamic and imaginative collection of products and accessories for his customers whom he saw as being individualistic and liking to express their attitude for life by the way they dress.

As the Diesel product designers were led by their own tastes and not by what the rest of the industry did, the brand soon became a leader in the development of styles, fashion, manufacturing methods and quality control. Rosso introduced unorthodox product design methods such as sending employees on so called 'research trips', giving them complete freedom and unlimited budgets in order to return with the inspiration for the next season's collection. Through this the company soon developed a reputation for innovative products and advanced designs. This freedom that encouraged new and innovative designs became especially appealing to the young adult European market, and formed the key to its growth strategy.[8],[2]

### The global village

Similar to its unique product design methods, Diesel's marketing strategy focused upon being at the cutting edge. Viewing the world as a single, borderless macro-culture, Rosso insisted on developing and maintaining an international marketing and branding strategy that were essentially identical across the globe. In accordance with the philosophy of addressing the global market, the brand name Diesel was chosen by Rosso for its internationalism, being pronounced almost the same all over the world.

Since its products first ventured abroad in 1981, Diesel has always had an innovative approach to marketing its products around the globe. In the 1990's era of controversial advertising campaigns such as those of Benetton and Calvin Klein, Diesel took its irreverent advertising campaigns for its products to the extreme.[2] These product campaigns contained social and political commentary as well as being full of black humour. Notwithstanding this however, the campaigns conveyed Diesel's

innovative products and aimed at attaining brand awareness as the key company aim.

In more recent years however Diesel started to diversify its product marketing strategy, initiating the *Diesel-U-Music Contest* and *International Talent Support*. [[Take a look at the DIESEL U:MUSIC site.](#)][9] Furthermore Diesel engaged itself socially supporting the Vienna's *Life Ball AIDS charity* [[Take a look at the YouTube clip of the Vienna's Life Ball AIDS Charity](#)][10] as well as the *Sundance Film Festival*. This proved to be a wonderful public relations opportunity for Diesel. [[Take a look at the Sundance Festival now.](#)][11] Together with other designer brands, Diesel is a member of *The Brave Foundation* which is socially active as well.[12] Always developing highly innovative fashion shows, since 2008, and co-branding with the Mercedes car company [[Take a look at the co-branding with Mercedes-Benz.](#)][13] during its Diesel Black Gold fashion shows, Diesel also uses game advertisements and co-branding of its products by marketing clothing in Sony video games.[14]

## **Be stupid**

In 2010 Diesel together with advertising company Anomaly London, launched its new global advertising campaign for its products, called 'Be stupid'. [8] It includes online, press and outdoor advertisements featuring 'stupid' acts. [8],[15] The pictures showed examples of people 'acting stupid' and were also run as press advertisements in magazines like *Grazia* and *Dazed & Confused* which have an average readership age of 32.[15] The campaign contrasts with the latest Diesel campaigns, which have been noteworthy for their style and not their taglines. Diesel has used original style to display its products as more of a catwalk brand, gaining popularity in the fashion scene for products such as its up-market casual wear for 20 to 30 year olds.

A video on Diesel's website explains the campaign as pitting 'stupid' against 'smart'. In the context 'smart' means stuffy, risk-averse and geeky while 'stupid' means its products are courageous, daring and creative.[15] [[Take a look at the Diesel-Be Stupid YouTube Clip now.](#)][16] Furthermore, Diesel launched a digital recruitment campaign casting the best videos and photos to become part of the *Diesel Stupid Music Video/2010 catalogue*. [17] [[Take a look at the Diesel-Be Stupid YouTube Clip that was made by the Helsinki store.](#)][18] Another part of the campaign was a live art event which took place in London on the 7<sup>th</sup> of November 2010. People were invited to dress up as animals to enter a huge Noah's ark at Allen Gardens, London.[15]

Using social media as part of the product marketing in the 'Be Stupid' campaign, Diesel recognises new media by providing the posters as pictures to share on Facebook.[8],[19],[17] In this way the Diesel product and its established brand use customers to generate more consumers by having them provide free advertisements via the online community.[20] Another feature, which initially was only provided in the Diesel flagship stores in Spain, is the Facebook Cam, which allows the customer to 'share the moment' of trying and buying products on their profiles from the store.[19] [[Read all about Facebook in the fitting room.](#)][21]

In 2010 the campaign won top honours at the Cannes International Advertising Festival. [[Take a look at the Diesel adverts from the 2010 Festival.](#)][22] Despite their success at Cannes they were banned by the Advertising Standards Authority of England for being offensive and condoning antisocial behaviour.[23],[24] The ASA banned the advertisements running as posters as they were in an 'untargeted medium' likely to be seen by children and to cause widespread offence.[24],[20],[17] [[Take a look at the banned advertisements for yourself.](#)][25]

Defending the products' marketing campaign, Diesel stated that the models were shown in a 'non-exploitative way and that the message tackled society's pre-occupation with 24/7 camera surveillance, yet in a light and non-threatening way'.[26] Diesel furthermore explained that the advertisements 'showed no greater levels of provocative nudity than in many sportswear, swimwear or lingerie ads'.[26] The *Mail Online News* wrote about the banned advertisement and provided a selection of the advertisements which aimed to encourage people to do things 'differently from the accepted wisdom and to live a life less ordinary'.[26] [[Take a look at the newspaper article and advertisements for yourself.](#)][27]

New technology and advertising mediums have been influenced by Diesel's dynamic new products and their life cycles all of which can be assessed as highly influential when it comes to getting across their marketing message, especially in this case.[28] With products that address a youth to young adult market the company needed to make use of advanced media and state-of-the-art technologies to access the consumer in the most direct way. Emerging technological advancements and the omnipresence of social media such as social online platforms allow more focused product marketing to target specific segments almost without restrictions and at very low cost. The boom in social media and networking along with the increasing impact of smart phones on people's lives will positively affect Diesel's product marketing strategy. This expansion in many technologically developed countries (like the UK) will represent a major cultural difference in contrast to countries where social media is not as prominent.[29],[30]

Continuing to boost its product recognition and sales through irreverent marketing advertisements, Diesel seems to thrive on rather risk-taking strategies.[28] Due to cultural differences, the campaign is unsuitable for conservative markets, such as countries with low individualism and high power distance (some Asian or Arabic cultures).[29],[31],[32] The success of the Diesel product advertising has been developed according to more western cultural standards including the exposure of women, disrespectful behaviour in public and towards law, and support of individuality).[33] Whilst controversial, the success of the Diesel campaign in terms of product recognition and exposure to the target market appears to have seen considerable success.

## Questions

1. *Why was Diesel's controversial product marketing campaign 'Be Stupid' successful or unsuccessful?*
2. *How well did Diesel manage to target its customers?*
3. *From a cultural perspective, are Diesel's products applicable to the general world market that Rosso insists on addressing with the global marketing strategy?*
4. *Discuss the various objectives that Diesel may have sought when using the internet as part of its integrated marketing communication strategy in targeting the youth market. Provide examples of how Diesel pursued each.*
5. *Find two Diesel 'Be Stupid' advertisements that you have seen and read about and that you think make poor use of the perception process. Justify your selection.*

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