



"BRANDED BRANDS" UPDATE

"Focused and well-respected brands are cashing in by enriching each other's brands, bringing to the party their particular core competence or signature ingredients. Think Heineken and Krups, or Chanel and Ducasse."

TRENDWATCHING.COM often gets asked about the longevity of our trends. While this varies per trend, we are comfortable with predicting extended popularity for **BRANDED BRANDS**. As demanding, experienced consumers increasingly hunt for 'best of the best', it is a no brainer for two or even three brands to team up and combine their respective core competences into something that is new AND desirable. So here's a spanking new list of novel and updated **BRANDED BRANDS** spottings, to inform AND inspire you:



Philips and everybody

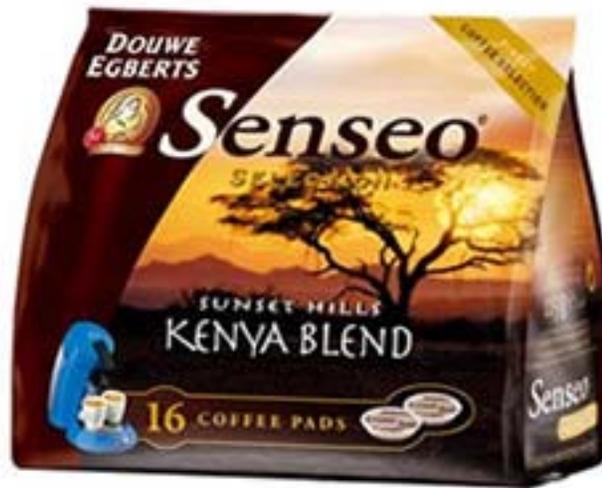
Philips' already long list of **BRANDED BRANDS** innovations, from partnerships with Nike and IKEA to Unilever and Sara Lee, keeps growing: the company recently introduced the [IntelliClean](#) system: it's Philips Sonicare and Crest (P&G)'s take on an integrated power toothbrush and liquid toothpaste dispensing system. With prices ranging from USD 110 (EUR 88 /GBP 60) for the IntelliClean System and USD 17.99 for a brush head refill package, this **BRANDED BRAND** innovation is aimed at consumers looking for professional dental care in the home. The system dispenses liquid Crest toothpaste directly onto the brush head, and comes with a two-minute 'Smartimer' (to ensure users brush for the recommended 2-minute brushing time), a 'Quadpacer' signal every 30 seconds urging the user to move to another mouth quadrant, an 'Easy-Start' feature to allow for gentle increases in brushing power over the first 14 uses (helping users get accustomed to power toothbrushing), and 'Dual-Speed' control for high and low speed settings. What

consumer product can NOT be professionalized?



And for those of you who remember the [BeerTender](#), Heineken and Krups' **BRANDED BRANDS** inspired professional beer tap and proprietary, compact 4-litre Heineken kegs for the home: Philips decided to launch a competing system, working with Belgian INBEV (formerly Interbrew). The EUR 200 (USD 270/GBP 145) [PerfectDraft](#) appliance comes with a tap handle, internal cooling system, pump and a EUR 15 6-liter light metal keg filled with INBEV brands like Jupiler, Stella Artois and Diekirch.

Meanwhile, BeerTender is riding high on its initial success: Heineken stated that it has sold 1 million BeerTender kegs in the Netherlands since the appliance was introduced in March 2004. Heineken-owned Amstel and Brand beer kegs are now for sale as well. Surprisingly, the BeerTender is still not available outside The Netherlands and Switzerland: a risky strategy in this copycat economy ;-)



It's a small step from beer to coffee: [Senseo](#), Philips and Sara Lee's **BRANDED BRANDS** coffee machine, is still going strong. After selling millions of machines in Europe (25% of all Dutch households now have one!), Senseo last year took on the US market, where it has sold 300,000 coffee makers since Spring 2004, and is now available in Australia as well. And while partner Sara Lee is still making hundreds of millions of dollars from selling standard Senseo coffee pads, there's a careful move towards NOUVEAU NICHE, too: Philips recently introduced the Silver Senseo, an aluminum edition selling for EUR 169 (USD 225 / GBP 120), versus EUR 69 for the [MASS CLASS](#) version. Sara Lee has also extended the range of its coffee pads, from the original 5 flavors (mild roast, regular, dark roast, decaf, mocha gourmet) to the more upscale City Sensations (Milano, Rio, Vienna, Sydney) and the Senseo Selection (Sunset Hills Kenya, Highland Spice Sumatra, Mountain Breeze Brazil). The new pods cost up to twice as much as the standard ones: **BRANDED BRANDS** meets [MASSCLUSIVITY!](#)

Meanwhile, virtually every other appliance manufacturer and coffee brand have jumped on this **BRANDED BRANDS** bandwagon: gourmet appliance maker Salton has its [Melitta One:One](#) coffee machine, a joint venture with German coffee company Melitta Group. Procter & Gamble, with coffee brands Folgers and

Millstone, is shooting for a bigger platform, hawking its [Home Café](#) in collaboration with Applica, Krups, Sunbeam, and others. Nescafé's [Nespresso](#) has teamed up with several appliance makers, including Saeco International, Alessi and Miele. Going beyond coffee, Kraft now makes Kenco and Carte Noire (coffee), Suchard (hot chocolate) and Twinings (tea) branded discs for the [Tassimo](#), a 'hot beverage system' manufactured by Braun. Last but not least, Bosch touts the [Gustino](#), which will work with pods that are already available. Creative Destruction at its most invigorating!



Apple inside, Swarovski outside

As an avid reader of TRENDWATCHING.COM, you will surely remember [Crystalmini](#): the company that sells iPod minis adorned with 'one crystal per song, to represent every song you love'. In true **BRANDED BRANDS** fashion, the crystals are from Swarovski, the world's leading manufacturer and supplier of cut crystal. In fact, with their crystals now being used to add BLING to everything from MP3 players to cell phones, Swarovski decided to take these **BRANDED BRANDS** innovations into their own hands, by launching the [Crystallized with Swarovski](#) label.

The label is available in different forms. It can be a metal tag, a silver-colored paper tag or sticker on fashion items, jewelry, accessories, and home décor. Each label carries a specific number certified by Swarovski. Offering a DIY **BRANDED BRANDS** kit to multiple potential partners is definitely a brilliant move.



A similar **BRANDED BRANDS** platform approach is being rolled out for every 21st century consumer's favorite audio playmate: Apple's [iPod](#). Following in the tracks of [BMW](#) and Mini Cooper, the rest of the automotive world is now also urging their customers to 'iPod their ride'. Companies teaming up with Apple to deliver iPod integration in 2005 include [Mercedes-Benz](#), Volvo, Nissan, Alfa Romeo and Ferrari.

Hospitality

Hotels and **BRANDED BRANDS** are a match made in heaven: hoteliers know hospitality management (not to mention owning the actual venue), with partner brands providing best-of-the-best experiences and product placements. New and updated developments:





* Long in the making, Holiday Inn and Nickelodeon are about to open their first [Nickelodeon Family Suites](#) in a few months time. Any child's dream (and some parents' ultimate nightmare ;-), this all singing, all dancing family hotel will combine Holiday Inn's hospitality expertise with Nickelodeon's competence in entertainment. Think having breakfast with SpongeBob SquarePants, water slides and lots of noise.

* While Bulgari and Ritz-Carlton are still having fun with their first [BRANDED BRANDS hotel](#) in Milan, a second, all-villa resort will open in Bali in late 2005.



Can't develop an entire hotel with the Hiltons and Starwoods of this world? Why not start by co-creating a room?

* The two Californian [THE BLOCK](#) hotels located at Lake Tahoe and Big Bear, are the first ever snowboarder hotels (can you say NOUVEAU NICHE?). Rooms sport snowboard racks, pegs, boot dryers, and glove drying racks, as well as CD players, Xbox and PS2 game consoles. The real twist? The hotel's signature [BRANDED BRANDS](#) rooms, subliminally designed and equipped by the likes of DVS Shoe Company, Napster (shown above), Transworld Snowboarding Magazine, Flow Bindings, Zoo York, Spy Optic, Section Outerwear, Roxy Clothing, Jones Soda Co, Vivid Video and Marc Frank Montoya. Talk about new forms of brand experience!



* Amsterdam-based [The Winston](#) is a youth-oriented hotel, with three **BRANDED BRAND** guestrooms, which were decorated by local artists and sponsored by Durex condoms, Heineken beer (shown above, top) and Smirnoff vodka (shown above, bottom). Quite appropriate choices, given the hotel's location near the city's red light district. Other party brands to follow?



* Brighton's [Hotel Pelirocco](#) has gone all out on **BRANDED BRAND** rooms for quite a while now. Playstation took care of the hotel bar, Nokia facilitated the meeting room, and guest rooms were designed or sponsored by cool and cult brands and artists such as Rough Trade Records, Japanese fashion label Hysteric Glamour (above right), Absolut vodka, Asian Dub Foundation, and Brighton label Skint Records. Piece de resistance: the O2 Bubble Suite (above left), enabled by mobile communications network O2, features an 8ft circular bed with mirrored ceiling, a 42" plasma screen and a plunge bath.



Spas

Just as room toiletries went from non-descript to highly branded necessities (from Dove and Holiday Inn to Aveda and W Hotels), so are spas now joining the **BRANDED BRANDS** game: the following hospitality brands are teaming up with spa-experts to create the best of the best for 5 star guests:

* [Givenchy](#) spas can be found at One&Only resorts in Dubai, Mauritius, and Mexico, as well as at the Hotel Martinez in Cannes, where a 10,000-square-foot Givenchy Spa is located on the seventh floor of the hotel and contains eight treatments rooms.

* [Banyan Tree Spa](#) can be found at 14 Oberoi hotels in India (Oberoi Spa by Banyan Tree), the Sheraton Grande Laguna Phuket Resort & Sheraton Grande Ocean Resort, Miyazaki, Japan, and The Westin Shanghai.

* [Six Senses](#) operates its spas at the Madinat Jumeirah in Dubai, Hotel Arts in Barcelona, while The Imperial in New Delhi, the Ritz Carlton in Pehna Longa, Portugal, and the Mount Juliet Conrad in Ireland will follow later this year.

* [Elizabeth Arden Red Door Spas](#) has three Red Door Resort Spas at the Westin La Paloma (Tucson), Marriot Hotel (Groton), and Seaview Marriot Resort (Galloway) and eleven Department Store Red Door Salons & Spas, located within Marshall Field's and Saks Fifth Avenue stores across the USA.



Food, Drink and Fitness

* [Starbucks Coffee Liqueur](#), a Jim Beam and Starbucks **BRANDED BRAND**, has just been launched nationwide in the US.

Earlier ingredient **BRANDED BRAND** strategies included Starbucks Ice Cream (with Dreyer's Grand Ice Cream) and Starbucks Frappuccino coffee drink (with Pepsi-Cola Company).



* More alcoholic **BRANDED BRANDS**: Down Under, Tim Tam biscuit manufacturer Arnott's and Allied Domecq stirred up some controversy when they introduced Kahlua-flavoured Mint Slices and Tia Maria-tinged cookies last year. They didn't cave in, and neither did Häagen-Dazs, who teamed up with Bailey's Irish Cream to create Bailey's Irish Cream Limited Edition ice cream. These deals, as well as the Starbucks

Liqueur, perfectly illustrate the essence of **BRANDED BRANDS** thinking: creative use of existing assets!



* The above spirits and luscious ice creams breed obese consumers; to the rescue comes Nike, yet another **BRANDED BRANDS** enthusiast (think NikeAir in Cole Haan shoes, or the Philips/Nike MP3 player): the company co-created Kinetic, a new lifestyle game, with Sony Playstation. Developed for [Sony's EyeToy](#) (which projects exercisers' image onto their own television screens, enabling them to physically interact with their virtual surroundings), the game offers a variety of exercises for players to choose from. Nike Motionworks' fitness training experts included moves and stances inspired by activities such as Tai Kwon Do, Modern Dance, Kick Boxing, Aerobics and Karate, while the game's Mind and Body Zone focuses on breathing, concentration and flexibility, taking inspirations from Yoga and Tai Chi. As lots of brands would love to partner with Nike, the real question here is whether Nike would be interested **BRANDING YOUR BRAND!**

OPPORTUNITIES

If the above doesn't inspire you to go out and find yourself a **BRANDED BRANDS** partner to make more of their and your own assets and competences, we recommend you just wait for our next update, in which you will no doubt learn about your competition's new innovations, and how that's leaving you lonely and biting the dust ;-)