

EVOLUTION IN TOOTHPASTE MARKETING

Eco-Consciousness Meets Traditional Dominance

In the fiercely competitive landscape of the toothpaste advertising and marketing industry, power players such as Crest and Colgate have long dominated. Yet, a groundswell of environmental and social consciousness among consumers has ushered in a new cadre of contenders, including Twice and Bite Toothpaste Bits. These eco-centric startups leverage unique packaging, delivery methods, and natural ingredients, not only to distinguish themselves in an oversaturated market but to resonate with a rapidly growing base of eco-conscious consumers.

In response, established brands find themselves at a crossroads, reassessing traditional marketing tactics and product compositions. While the historical focus has predominantly been on the aesthetic and health benefits of toothpaste, modern advertising narratives are increasingly intertwining with pledges for social good and reduced environmental impact, fostering a new dynamic in the industry's competitive landscape.

As Crest and Colgate have agilely adapted to this shifting terrain, embracing innovative marketing strategies to sustain their formidable market presence, one can't help but wonder about the industry's trajectory. Will the pressure exerted by these startups instigate a paradigm shift in the strategies of the behemoth brands, ushering in a new era of sustainable oral care products? While the answer remains veiled in the uncertainty of the evolving market dynamics, in this briefing we take a snapshot look at this complex marketing landscape using the modern tools and techniques available.

Key Takeaways

- Search engine marketing (SEM) analysis can help you compare search strategies of your competitors. In this brief we showed Colgate to have a search advertising strategy to grow the brand and target consumer problems, whereas Crest had a defensive position with adverts capturing their brand and product names.
- Social media analysis can be used to test or support marketing campaigns with direct visible feedback from the consumer. Colgate is using social media to support their TV and other online campaigns. By contrast, Crest was not seen to be investing in creating a social media presence in the US.
- Advertising spend analysis enables managers to assess their competition and plan their marketing strategy. Bite Toothpaste bits was seen to spend >20 x on advertising than the eco brands of the toothpaste giants, such as Hello and Tom's of Maine.
- **Using SEM to target brand** names and products that are advertising heavily in traditional spaces is a clever parasitic strategy for startups to make their advertising and marketing spend go further. Kaylaan was seen paying high fees to advertise on Bite Toothpaste Bits related searches, Bite were spending significantly in traditional advertising.
- Understanding market-pull can help product managers and R&D managers make better decisions on research areas for their products. Toothpaste companies are developing environmentally conscious ingredients and packaging to meet consumer desires.

Executive Summary

Our 2-minute rundown of the space

WORK WITH PRESCOUTER > EXPAND YOUR TEAM WITHOUT EXPANDING YOUR TEAM

Supercharge your team with our flexible and dynamic consulting solutions... all for little more than the cost of one new hire.

Identify New Markets

PreScouter helped a multi-billion dollar textile company assess market entry opportunities.

Through PreScouter's detailed analysis and recommendations, the Client identified and is now executing a new market strategy, saving months of research by aligning market demographics with their product goals.

VIEW CASE STUDY

Enable Personalization at Scale

Hyper-personalization is becoming a widely-adopted marketing strategy. We looked at the demand for personalized goods and explored 7 techs enabling personalized production.

VIEW REPORT

Inform Marketing With Social Listening

PreScouter built and trained a custom AI tool for a global CPG company that provided realtime social listening and early trend identification. We helped answer the client's milliondollar question: How do we best market our new product lines?

ASK US ABOUT OUR AI CAPABILITIES

Penetrating New Geographies

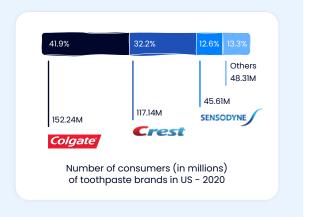
PreScouter is helping clients tap into consumer insights and vet the best manufacturers in the APAC region to scale and accelerate product development. Oh, and yes, we have a team of analysts in China!

REQUEST MORE INFO

In today's digital landscape, brands neglecting to integrate competitive intelligence—particularly from social media insights and digital expenditure trends—stand to forfeit substantial revenue potential.

Search engine marketing (SEM) analysis reveals competitor search strategies.

Using SEM it was possible to identify that Colgate's strategy focused on brand growth and addressing consumer concerns. Meanwhile, Crest adopts a defensive stance, targeting specific brand and product names, while Sensodyne emphasized strategic marketing investments. These strategies enabled Colgate, Crest, and Sensodyne to command 85% of the US toothpaste market in 2020 and a revenue of \$3.2 billion in sales by 2021.



SEM analysis can also uncover possible parasitic adverts eating away at your efforts.

PARASITIC SEARCH ADVERTISING COSTS MILLIONS IN LOST ADVERTISING SPEND

Using SEM to target brand names and products that are advertising heavily in traditional spaces is a clever parasitic strategy for startups to make their advertising and marketing spend go further. Kaylaan was seen paying high fees to advertise on Bite Toothpaste Bits related searches, Bite were spending significantly in traditional advertising.

Using an SEM analysis, PreScouter identified that **Kaylaan was paying over \$5 per click** to appear in the "Bite Toothpaste" search results. This low cost strategy provides a parasitic benefit.

Social media analysis can uncover hidden paths, guiding success where traditional strategies fall short.

ENHANCING MARKETING VIA SOCIAL MEDIA FEEDBACK.

Social media analysis enhances your marketing strategy by assessing competitors, a crucial aspect of contemporary advertising.

This approach garners direct customer feedback, highlights stand out content from rivals in your target market, and offers insights into emerging trends and innovative ideas.

UNVEILING DIVERGENT DIGITAL FOOTPRINTS.

Colgate was seen to be leveraging social media to bolster their TV and online campaigns, while Crest lacked a substantial US social media presence.

Colgate's #smileforgood campaign establishes it as a socially conscious brand, in contrast to Crest's limited engagement on Facebook, TikTok, and Instagram, as indicated by our analysis.

By tracking competitor marketing expenditure, companies can optimize their budget and gain a strategic advantage.

A BENCHMARK FOR YOUR OWN SPENDING.

Understanding your competitors' marketing expenditure provides a benchmark for your own spending, allowing you to assess if you're investing too little or too much compared to industry peers.

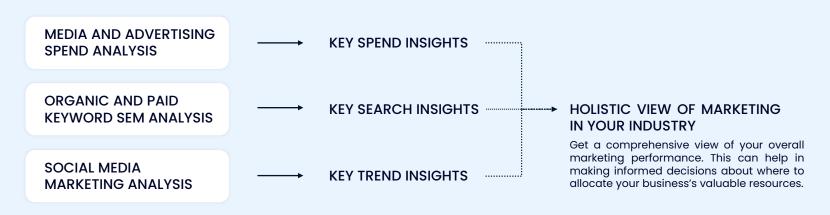
Monitoring changes in competitors' marketing spend can unveil trends; if many are raising TV budgets, it might signal increasing TV marketing relevance in your sector.

HIGH COMPETITOR SPENDING INDICATES MARKET SHARE AMBITIONS.

Startups can stretch their advertising budget by using SEM to target heavily advertised brand names and products. In 2022, Bite Toothpaste Bits' advertising expenditure exceeded eco brands of toothpaste giants like Hello and Tom's of Maine by more than 20 times.

A substantial marketing spend by a competitor might signal their intent to secure a bigger market share. This could prompt you to intensify your own marketing endeavors.

DIVE DEEPER: In this Intelligence Brief, we present a snapshot analysis of the search advertising strategies of the top three toothpaste brands, revealing variations that contribute to understanding the competitive landscape and offering insights to bolster CPG marketing efforts. Implementing effective analysis and strategies through precise questioning and thorough due diligence will guide and accelerate your decision-making.



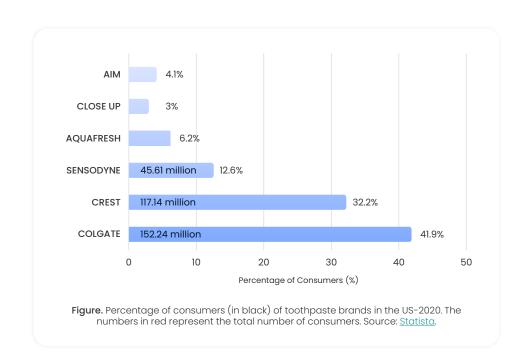
Media and Advertising Spend Analysis

Which areas are your competitors spending on?

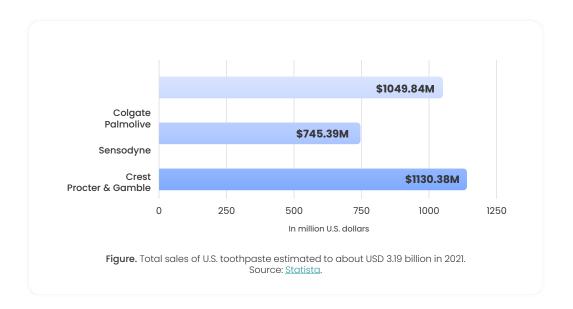
The toothpaste market is dominated by Colgate, Crest and Sensodyne that captured 85% of the US market in 2020.

Colgate, Crest, and Sensodyne are the three leading toothpaste brands in the US, with a combined market share of 85%. They have each positioned multiple products across their brands to capture different segments of the market.

Colgate, Crest, and Sensodyne have combined market share of **85%**.



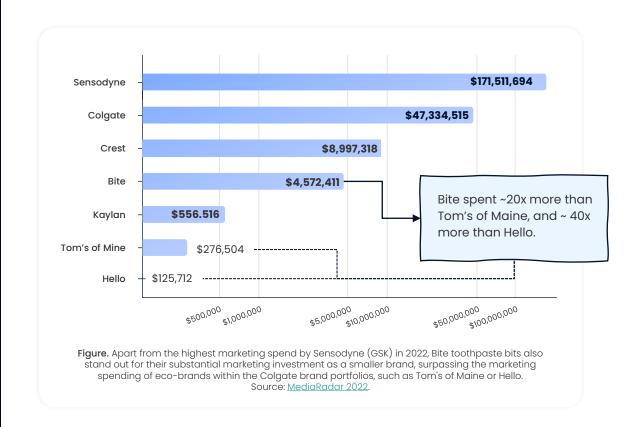
In 2021, Crest dominated the toothpaste market in the US, capturing ~36% of the market share, followed by Colgate and Sensodyne.



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Sensodyne allocated the highest estimated marketing spend in 2022, indicating a strategic endeavor to bolster market share for the third largest toothpaste brand in the USA.



Media and Advertising Spend Analysis

Main advertising channels utilized by top toothpaste brands

Colgate



Colgate focuses mainly on TV ads, spending an estimated US \$36 million on TV advertising for their Colgate Toothpastes and Optic White Toothpaste.

These ads depict wholesome family environments and promote aesthetic sensibility.

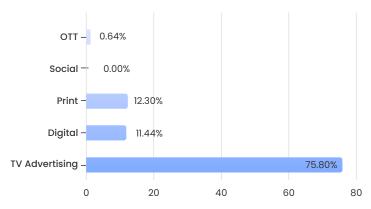
Number of Networks: 49

Last Aired: 26th June 2021





Colgate prioritizes TV ads over print and digital, with no presence on social media.



Percentage of the Total Advertising Spending (%)

Figure. Percentage of advertising investment split across different mediums by Colgate in 2022. Source: MediaRadar.

Crest



TV commercials receive the largest share of the advertising budget, amounting to \$ 4,236,509 US.

The latest commercial focused on spreading Christmas vibes, aiming to bridge America's "smile gap" by featuring Santa putting Crest toothpaste into stockings.

Number of Networks: 51

Last Aired: 26th December 2022





Crest focused its spending primarily on TV advertising and digital marketing, allocating significantly less to Social Media, Over the Top, and Print.

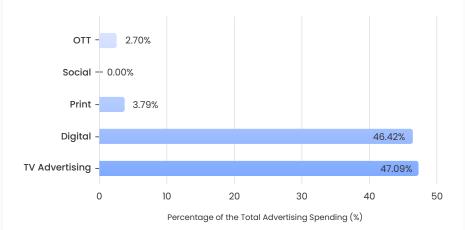


Figure. Percentage of advertising investment split across different mediums by Crest in 2022. Source: MediaRadar.

The Bite brand is estimated to be spending US\$ 3.2 million on TV advertising, according to MediaRadar.

Their advertising efforts primarily revolve around promoting environmental initiatives and reducing plastic waste.

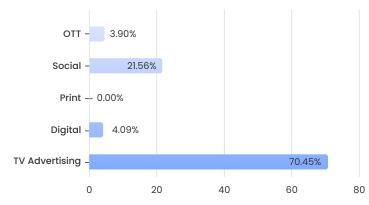
Number of Networks: 18

Last Aired: 5th December 2022





The Bite brand invests mainly in TV advertising, and Social media promoting environmental initiatives.



Percentage of the Total Advertising Spending (%)

Figure. Percentage of advertising investment split across different mediums by Bite Toothpaste Bits in 2022. Source: MediaRadar.

Organic and Paid Keyword SEM Analysis

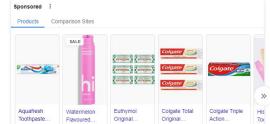
How can you make sense of all the data?

Search is a critical part of the multichannel marketing customer experience. It is vital, whether the products are sold online or in-store.



Search analysis allows Toothpaste companies to understand the search terms that their customers use, develop strategies to funnel customers from problem searching to solution purchasing.

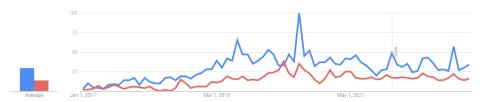




In toothpastes, it is expected that most purchases are affected the brand and positioning in store, or online store.



Online search marketing strategy can help to identify the common problems of customers, and direct them to your solution.



Trend searching allows us to quickly test hypotheses. The data above shows that searching for "toothpaste tablets" has increased in line with searches for "zero waste store". This is not evidence of a common causative link, but it does support the narrative that toothpaste tablets are used by an environmental zero waste subculture.

Brands should not only understand what customers are searching for, but also the underlying intent behind their searches.

The keyword 'toothpaste' is significant for toothpaste brands. Although it's searched frequently, it might not be the ideal keyword for targeted paid search advertising.

SEM analysis reveals that it often reflects commercial intent, which is normal since most people searching for it are likely looking to buy toothpaste.

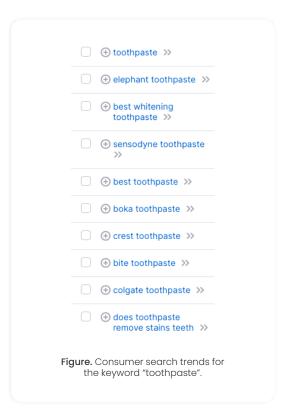
In February 2023, the top 100 results on Google (estimated to comprise 90 million total searches per month) featured the three brands examined in this analysis:

- Crest ranked 8th,
- Colgate ranked 9th
- Bite ranked 17th

Among the most frequently searched related questions on Google, one particularly intriguing query from a product development standpoint regarded the **fluoride content in toothpaste**.



This query was searched approximately 3.6 thousand times per month indicating that a segment of the market is interested in toothpaste products that do not contain fluoride.



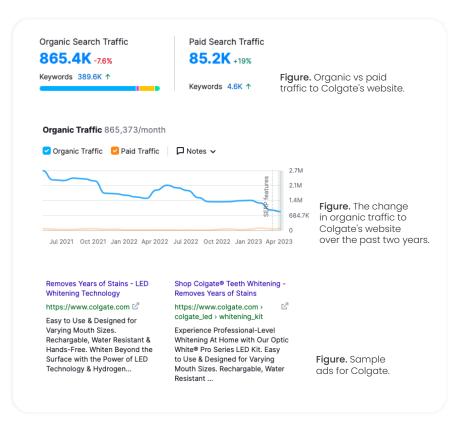
Colgate appears to employ a "grow brand" strategy by addressing customer concerns in their paid advertisements.

SEM data indicates that Colgate's website in the US has more traffic from organic search using keywords such as: Colgate toothpaste, veneers, Colgate smart electrical toothbrush and Colgate total. Nearly 83% of the organic traffic is for informational intent (people want to learn more about Colgate) followed by commercial intent.

Colgate also has some traffic from paid keywords mostly around teeth whitening and plaque. Here, the paid traffic competitors are different: Martin Dentalaz (dental center), Armand Hammer (baking soda company), Sensodyne, Crest and Sand Hill Dental Care.



This data demonstrates that people already know the Colgate brand, and are looking for more information about it, since the organic traffic is 10x times the paid traffic. Nevertheless, the organic traffic has decreased over the last 2 years. Hence, Colgate has a "grow brand" strategy since they put forward customer concerns on their paid ads.



Crest prioritizes brand protection with a "defensive strategy" in paid advertising.

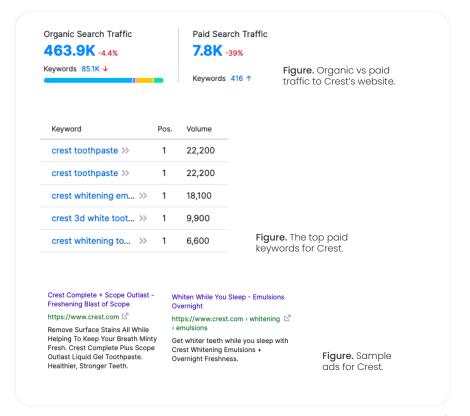
Crest's website in the US records more traffic from organic search using keywords to look for Crest's products (3D white stripes, toothpaste, etc.). Nearly 75% of the organic traffic is for informational intent followed by commercial intent.

Top organic competitors: Teethtalkgirl (dental health review guide), Colgate, Crest OralB Pro Shop (Crest for dental professionals), Sensodyne, Hove Dental Clinic.

Paid traffic for Crest's website is from targeting Crest products and not objectives or dental problems. The paid traffic competitors on common keywords are from: Colgate, Sensodyne, Natural Healthy Smile (dental care blog), Pronamel (Sensodyne brand), Dental Care (Crest brand for education and research).



Even if the traffic is mostly from organic keywords which means people already know the Crest brand, but we can clearly see from the sample text ads that Crest always puts forward the Crest company along with the dental problematics. Hence, Crest currently has a "defensive strategy" because their paid keywords are always associated with their brands.



Bite toothpaste's main organic competitors are brands that offer eco-friendly and sustainable oral care products.

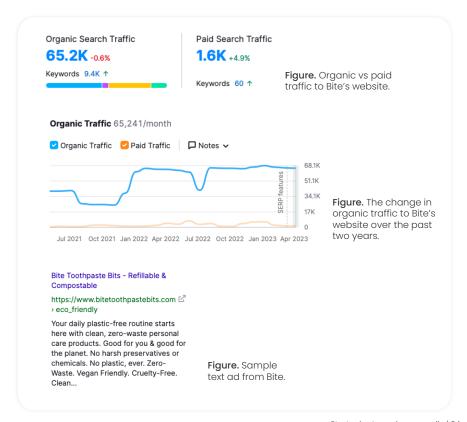
Bite toothpaste's website in the US records only 65K organic search using "bite" related keywords where people are having navigational intent, that means looking for a specific page, by navigating the website.

The main organic competitors are brands around eco-friendly products (oral care, traveling, personal care, grocer) and mostly sustainability-oriented and zero waste (by Human Kind, Hello products, etc.). But the competitive position with Bite is more from the Hello brand since they offer the same products.

Keywords from the paid traffic are the same as the organic keywords (bite toothpaste). The paid traffic competitors on common keywords are from: Hello, Tanit (eco-friendly personal care), Secret (deo), Burst Oral Care, Boka (Nano-hydroxyapatite in oral care).



The texts ads from Bite are mainly focusing on refillable, compostable and zero-waste aspects. Contrary to Crest and Colgate, organic search increased in the past 2 years.



Kaylaan Toothpaste Tablets spent no money on traditional advertising. With the help of Search analysis by SemRush, PreScouter was able to identify that Kaylaan was paying over \$5 per click to appear in the "Bite Toothpaste" search results. This low cost strategy provides a parasitic benefit.

In the past 12 months, there have been over 18,000 searches per month from prospective customers looking for "Bite Toothpaste." However, Kaylaan Toothpaste tablets also appear at the top of the search engine results, thanks to their paid search advertising strategy.



Kaylaan's website uses the environmental benefit of switching to Toothpaste Tablets to attract consumers away from the bigger brands.

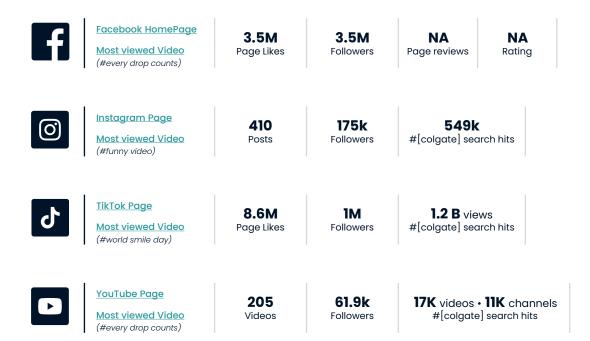
Whilst the toothpaste tablet marketing remains focused on the environmental benefits of switching, it will only grow within the eco-conscious consumer segment. An opportunity arises for substantial growth when it also competes on aesthetics and gum and teeth health.

Social Media Analysis

Are your competitors talking to your customers?

Colgate

Colgate's campaign centers on raising awareness about the significance of limiting water use, promoting inclusion, and demonstrating how smiling can unite people.



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Crest

Crest uses partner and influencer videos to showcase customer experiences with their whitening emulsions, emphasizing social proof.



Crest has no official Facebook page



Instagram Page

Most viewed Video
charity campaign)

564 Posts

86.6k Followers **426k** Crest search hits



<u>TikTok Page</u>

Most viewed Video (#crestpartner)

713.8k Page Likes

74.3 K Followers **204.7M** views Crest search hits



YouTube Page

Most viewed Video (#every drop counts) 118 Videos 19k Followers **3.4K** videos • **1.5K** channels Crest search hits

Bite

Bite's videos showcase the eco-friendly design of their products, with a focus on refill options, sustainable packaging, and travelfriendly sizes.

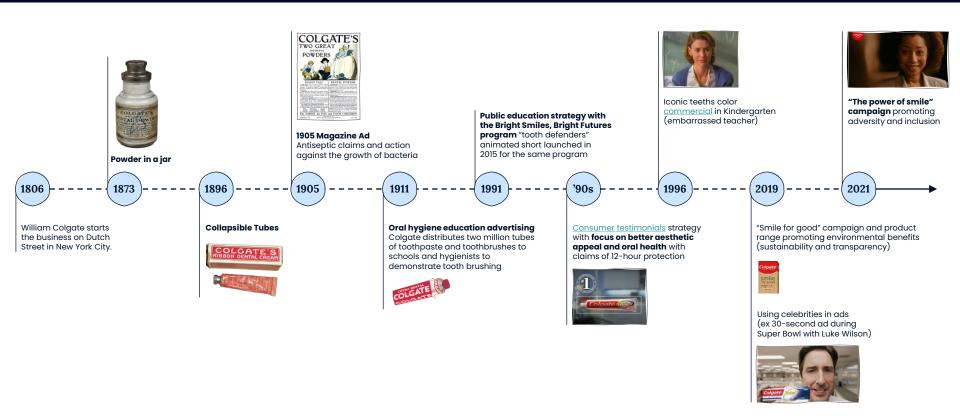


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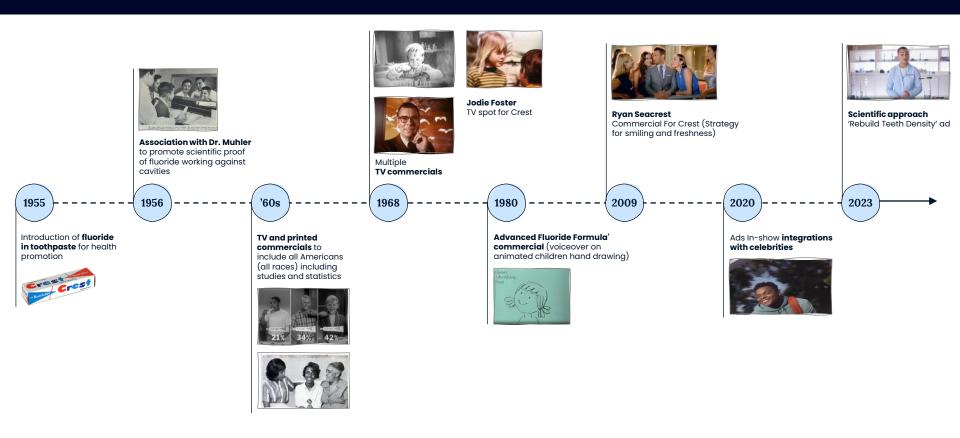
Toothpaste Brands

How is advertising changing?

Colgate's advertising has evolved from informative beginnings to targeted approaches and digital age innovation.



Crest's advertising has evolved from a focus on scientific evidence and expert approval to a more holistic approach that includes social responsibility.



Bite Toothpaste Bits' advertising has focused on the environmental benefits of their product, the practicality of using them when traveling, and the personality of the founder.



Viral video to demonstrate the new industry "revolution" (storytelling marketing approach) that helped launch sells

Introduction of toothpaste pill as sustainable glutenfree with vegan ingredients, with no plastic packaging





2021



Example for another product



Email marketing strategy with donation approach and discounts

2023

2018

(2020) - -

TV show

Participation in Shark Tank

Social media videos oriented advantages to environment and Earth: sustainable packaging, refillable plastic-free, healthy ingredients, ease of use when traveling, low-waste and high quality solution



2022

Using Marketing Data to Inform Research

Using Marketing Data to Inform Research

Innovation is now both technology driven and consumer driven.

The best way to innovate is to combine both by looking for new technologies in your sector AND aligning them with what consumers value most.

It helps with brand image and sales when these innovations reach new or unengaged customer segments. As different consumer segments start to prioritize and demand specific features in their products, it creates opportunities for valuable research and development of new products.

In the case of toothpaste, this can be observed in two key components:



Ingredients



Packaging

For example...

Over time, toothpaste has evolved to include various ingredients to cater to diverse consumer preferences.

While fluoride remains a traditional key ingredient, there is now a rise in fluoride-free products to cater to those seeking alternatives.

Brands are incorporating ingredients like xylitol, green tea extract, and baking soda, responding to changing consumer demands.

Ongoing research into innovative ingredients, such as fibers from spruce trees, showcases a commitment to advancing oral care.

Colgate exemplifies this trend by introducing active ingredients like <u>Hydrogen peroxide</u> in Colgate Optic White and a <u>smart foaming technology</u> in Total Pro Release.



 $^{2. \ \} https://www.dentaleconomics.com/science-tech/article/14281976/technology-in-two-minutes-spruce-trees-and-a-revolutionary-new-toothpaste$



^{1.} https://www.jordanoralcare.com/natural-toothpaste-ingredients/

Toothpaste giants and startups are taking action to make toothpaste a more sustainable and eco-friendly product.

Sustainable Packaging: The environmental impact of traditional multilayer toothpaste tubes has prompted toothpaste giants and startups to shift towards mono-material recyclable tubes, removing the non-recyclable aluminum layer and using high-density polyethylene for better recycling capabilities.

Chewable Toothpaste Tabs: Brands are adopting innovative formats like chewable toothpaste tabs, packaged in glass jars, which offer advantages such as ease of use, hygiene, travel-friendliness, and zero-waste properties. Customers can buy them in batches, reducing carbon footprint, and the tabs can be refilled, further promoting sustainability.

Cost and Competition: Although these eco-friendly innovations come with higher costs compared to traditional tubes, brands are responding to market demands for sustainability. However, they face challenges as they compete alongside cheaper, less eco-friendly alternatives on store shelves.





^{1.} https://bp-group.de/en/the-trend-is-clearly-moving-towards-mono-material-as-colgates-toothpaste-tube-reveals/

^{2.} https://dentistry.co.uk/2022/11/27/are-toothpaste-tabs-the-the-future-the-pros-and-cons/

PreScouter can help you throughout this process and speed up your decision-making process.

How to implement these strategies in your business: By asking the right questions and by conducting due diligence.

How can I market better my products? What strategy matches my company's values AND the targeted consumer?

Gather data on your

new technology and

innovation, environmental

they are claiming:

credentials, etc.?

competitors and what

Market research - look for what the potential customers value most. New trends concerning environment? Sustainability? Packaging?

Market analysis - search for emerging trends to reach new customers.

> Patent landscaping check what new ingredients or packaging materials you can use to innovate in your sector.

Identify potential partners or collaborators - Search for influencers that can promote your products. P&G can help list the most adequate influencers and dig deeper on their engagement, content and followers.

≓ Let's talk

About the Authors



Daniel Morales, PhD

Technical Director

Daniel is the Technical Director for PreScouter's consumer goods practice. He has led over 100 projects, spanning across areas such as innovation strategy and road mapping, product and process improvement and development, sustainability, and technology trends throughout the CPG industry.

Daniel earned his Ph.D. in Chemical Engineering from NC State University, where his research focused on developing stimuli-responsive polymer networks for microrobotics applications. After his graduate studies, he completed postdoctoral work at INSA Toulouse, France where his work focused on the intersection of nanoparticle assembly, nanofabrication, and microfluidics to develop novel sensors. Before joining PreScouter, Daniel gained industrial experience in pharma manufacturing, polymer processing, and science manuscript editing. He is based in Raleigh, North Carolina.



James Burns, PhD

Project Architect

James is contributing to the continued success of the consumer goods group at PreScouter after a <u>career across different chemical</u> industries.

After completing his Ph.D. in Chemistry at the University of Warwick, UK, James worked in the agrochemical industry working on the application of polymer chemistry for controlled delivery of agrochemicals to improve safety and performance, before joining and helping to build a start-up in the pharmaceutical industry as the Product Development Manager and Senior Business Project Manager.



Fatima Chater

Analyst

Fatima has been working with Prescouter since 2020, working on more than 107 projects. Her educational background was specialized in marketing and communication, with a focus on customer-driven and technology-driven innovation.

She has been working for 8 years now, helping companies work on their brand strategies, product launches, their customer experience, and how to innovate in order to target B2B and/or B2C potential clients.

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