



THE TRICKY BUSINESS OF TRACKING AND MERCHANDISING GLOBAL BRANDS

by Reyne Rice, trend expert in toys and games, entertainment and licensing for youth products

If you are thinking about adding brands and licenses to your toys and games portfolio, keeping abreast of all of the new and emerging brands and licenses may seem like an overwhelming task—but it doesn't have to be. Certain products have a classic appeal to boys and girls, no matter where they live in the world. Other brands and licenses have a narrow, almost country-specific appeal. How can you sort through the clutter to find those that have a more consistent appeal across the territories where your products are sold?

Kidz Global, an international market research company, publishes BrandTrends, a tracking study conducted quarterly in 28 countries around the world, with the U.S. and Argentina being added this October. The BrandTrends report tracks the brand appeal of more than 380 brands, reporting on the top 30 properties across both genders and in four different age groups: infants ages 0 to 2, preschoolers ages 3 to 6, children ages 7 to 9, and tweens and young teens ages 10 to 14.

Kidz Global's July study of preschoolers in Canada measured the current appeal of more than 30 brands and licenses with eye-opening results. The "demand gap" pointed out where new properties had a higher market appeal than was currently being satisfied by products in the marketplace. This could be due to a number of factors, such as a new or emerging brand or license, or popular brands with limited merchandise available. These brands represent a current licensing opportunity.

On the opposite end of the demand gap spectrum were those products identified as having reached a saturation point in the marketplace. These brands may be potential risks or liabilities, and may be declining, over-saturated, or considered old news, as evidenced by less relevance to this age group. This could be a key indicator for moving out of a brand or license and re-balancing your portfolio with more appealing or emerging popular brands.

These measures are key brand-tracking touch-points for entering the market at the right intersection, as well as for managing the decline of a property.

Kids' Favorite Brands

The big brands are still very active in the Canadian market, yet many of the brands included in the BrandTrends study (21 of 30) showed unmet potential demand for merchandising. This means that these brands are ripe for merchandising, creating a positive demand gap relative to ownership and past purchases. The two charts on the next page show the top 10 favorites for girls ages 3 to 6 and for boys ages 3 to 6.

I was surprised to see Ha Ha Hairies, a relatively unfamiliar brand in the U.S., appearing in the top 10 favorite brands for both boys and girls ages 3 to 6 in Canada. That is why these tracking studies are so important. They can help you to identify potential winners early on and alert you to brands that are starting to gain steam or lose their appeal.