



Penney's Updated Image, the Sequel 'Every Day Matters' Ads Aim to Drive Home A More Stylish Picture

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J.C. Penney Co. today will unveil a new marketing campaign centered around the slogan "Every Day Matters," the latest step in its long-running push to update its image to reflect more stylish offerings.

The new campaign comes just a few months after **J.C. Penney** abruptly switched its account to **Publicis Groupe's** Saatchi & Saatchi, ending a six-year relationship with **Omnicom Group's** DDB Worldwide. The new ads attempt to create an emotional connection between the store and its customers, rather than emphasize its broad selection of merchandise, as its six-year-old "It's All Inside" slogan does, says Chief Executive Myron "Mike" Ullman III.

"We needed a rallying cry that would resonate with our customers," says Mr. Ullman, who adds that he hopes the new slogan will be as powerful as Nike's "Just do it."

The campaign will kick off with 60-second television spots during the Academy Awards on Feb. 25 and print ads in the April issues of such magazines as *Vogue* and *In Style*. Each ad features the phrase "Today's the day to..." and is intended to inspire people to do something that involves an item that can be purchased at Penney.

One TV spot, for example, follows a woman as she does things like take earrings out of a J.C. Penney box. Another shows a man and a woman -- both attractive and well-dressed -- catching each other's eyes across a crowded train station. It ends with the phrase "Today's the day to make a first impression...Every Day Matters." The company declined to disclose the amount it is spending.

Long saddled with a frumpy image, Penney in recent years has put much effort into persuading shoppers that it has changed. It has introduced new designer lines -- last month it announced a partnership with **Polo Ralph Lauren Corp.** to create a brand called American Living that will include apparel, accessories and home merchandise and is set to arrive in stores in spring 2008. Penney also struck an exclusive deal with **Liz Claiborne Inc.** to create Liz & Co., a new line for women, and Concepts by Claiborne for men. Both are hitting stores now.

Penney, which creates private-label goods under names like Arizona, also has rapidly expanded its design team. It doubled the number of designers to 100 last year in an effort to be more nimble in churning out clothing that follows fashion trends.

The strategy has paid dividends, producing rapid growth in both sales and profit. The new slogan is meant to build on the steps taken thus far. With the slogan "It's All Inside," adopted in the fall of 2000, Penney boosted its image beyond that of a place

where shoppers can get bargains. Now, say retailing experts and image consultants, Penney is perceived as a more-fashionable brand, able to compete with such places as **Federated Department Stores'** Macy's or **Target Corp.**

"We have seen them gain some ground against the discounters, and they are now fighting their battle against specialty retailers," says Peter Dixon, senior partner at branding consultant Lippincott Mercer.

Still, erasing a popular slogan can be an expensive task for an advertiser. "It's very hard to unseat or change a tagline that has been burned into people's consciousness over a period of a couple of years," says Denis Riney, group director at Siegel + Gale, an Omnicom Group branding consultant. Some taglines can be as recognizable as a company's name, he says.

Saatchi executives spent months talking with J.C. Penney customers and sales associates, in the hopes that their research would help them devise an organizing principle for the campaign that would be memorable to consumers and employees.

Researchers found that many customers were looking for "little things" to help make their lives better, says Mary Baglivo, chief executive of Saatchi's North America operations. Customers were seeking such items as a fashionable new dress that would make a husband or boyfriend take a second look, or something that would turn a regular dinner into an event.

Penney's Mr. Ullman says the effort also will involve training for sales associates that begins next week. The goal is to get them to make personal connections with customers, who will then come back, he adds. "The idea is to make a friend -- not a transaction," he says. "People will come back to shop with people they like and trust."

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