



How Disposable Tissue Turned into the New Art Form

Any marketer understands the importance of product differentiation. One CEO with an interest in art went one step further and developed a luxury fashion item in the least likely of market sectors: toilet paper.

Spend a night in a chic boutique hotel across the globe and you'll most likely find a roll of Renova Black toilet paper in your bathroom. Visit Lisbon during Carnival time and you'll be able to buy your coloured toilet rolls while travelling on the metro: Renova On the Go. Read Elle Decoration magazine and you'll come across a feature on the stylish rolls, which have... forgive the pun... been making the papers since their launch in 2005.

Breaking the rules and encouraging a culture of innovation is key to the success of privately-owned Portuguese paper products company, Renova, whose CEO, Paulo Pereira da Silva, spoke to INSEAD Knowledge along with **Pierre Chandon**, INSEAD Professor of Marketing, who has done an extensive case study on the company's innovation. Both men have been in the academic headlines in the past few weeks because Chandon's Renova case study won the top global award for studies by ecch, (formerly the European Case Clearing House). These are the Oscars of the academic world.

From utilitarian to aesthetic

The case study describes how Renova created a new niche market in a sector dominated by huge international players – a sort of “how David can co-exist with Goliath” if you will. It was while Pereira da

Silva was in a context away from his work environment that his artistic bent helped him conceive the notion that toilet paper could be something more than a boring commodity. It could be the least obvious colour one would associate with toilet paper -- black. Later the stronger colours of the rainbow would also become part of the product portfolio. Through creative advertising campaigns using famous photographers and very few lengthy marketing studies besides, Pereira da Silva's artistic thinking moved Renova's products from the supermarket shelves to interior decorating shops to fashion shows. And so the divide was crossed between “utilitarian” and “aesthetic”.

Professor Chandon explains, “Renova is an inspiration for every company in the world, to show how a small Portuguese company in a boring category – a commodity, and one which nobody really likes to take about - redefined the rules, broke all the norms of the industry and came up with a very innovative new product. It shows it can be done, that you can beat all the giants, convince the retailers and find new ways to redefine the category. This is an inspiration for everyone.”

Generation “Innovation”

Visit INSEAD Knowledge
<http://knowledge.insead.edu>



Communication strategies, bold marketing and inventiveness lie behind Renova's approach. Pereira da Silva moved the company forward based on a 'hunch'. He needed to invest a little effort to get employee buy-in, but otherwise the cost was minimal and having indulged the boss, Renova's employees are now very proud of the new product lines. Pereira da Silva's way of seeing the world differently and never standing still is how Renova manages to keep the competitors at bay. As Pereira da Silva explains, "We are adding new products every day. I'm always afraid of stability. We're living in a fast-moving world where we cannot stop. We have to have new products, new ideas, new solutions and I think we have the culture that allows this generation of innovation."

Renova can boast a long list of innovative products - Renova Fraicheur, the first toilet paper in the world to have cream-enriched fibres using a micro diffusion technology; antibacterial kitchen rolls, Renova Húmido, a moist toilet paper, Renova Green made from 100 percent recycled fibres and certified with the European Eco-label. And these are just the company's paper-based products. Not that "paper" is a word that is used within the company. Indeed, the word is forbidden. Rather, the company is a skin care and decoration company.

Marketing defined

Chandon also believes Renova's willingness to help the consumer makes the company stand out from the crowd in terms of marketing. "You can see it, for example, in standardised roll sizes to help consumers and not to confuse them." Consumers no longer have to walk along the supermarket aisle struggling to make a decision over the cost per roll.

He appreciates their approach to move away from the basic functions of a product and to innovate to provide different materials and different experiences. Chandon says, "The company is driven by a CEO who combines the two parts of marketing... the science... with an appreciation for art and aesthetics... and who also has a deep respect and interest for the consumer. He's someone who wants to passionately understand the consumer." It will possibly come as no surprise that

Visit INSEAD Knowledge
<http://knowledge.insead.edu>

this is a CEO who, rather than taking photos of the Statue of Liberty, would prefer to take photos of supermarkets while he's travelling.

And so, a CEO's curiosity for new ideas and his desire to break the rules has allowed a small Portuguese company to find a niche market by turning toilet paper into something with personality. Although this closely-held family business does not make its financial information public, coloured toilet paper has put Renova firmly on the map. As Chandon says, "This is a great example of how there is innovation in the most hidden corners of the supermarket."

Pierre Chandon is an INSEAD Professor of Marketing and the L'Oreal Chaired Professor of Marketing - Innovation and Creativity. He is also the Director of the INSEAD Social Sciences Research Centre

Find article at

<https://knowledge.insead.edu/entrepreneurship-innovation/how-disposable-tissue-turned-into-the-new-art-form-2503>

Download the Knowledge app for free

