

# Cassies 2006 Cases

**Brand/Case: PayDay “Ned Buckle” Campaign**

**Winner: Off to a Good Start—Silver**

**Client Credits: Ontario Lottery and Gaming Corporation**

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**Crossover Notes:** All winning cases contain lessons that cross over from one case to another. David Rutherford has been identifying these as Crossover Notes since Cassies 1997. The full set for Cassies 2006 can be downloaded from the Case Library section at [www.cassies.ca](http://www.cassies.ca)

**Crossover Note 2.** Brand Truths.  
**Crossover Note 7.** Fighting for the Same High Ground  
**Crossover Note 11.** The Eureka Insight.

To see creative, go to the Case Library Index and click on the additional links beside the case.

## **EXECUTIVE SUMMARY**

**Business Results Period (Consecutive Months):** May – November 2005  
**Start of Communication/Advertising effort:** May 23, 2005  
**Base period for comparison:** n/a (new product launch)

Competition is at the heart of marketing, and that may be why, as marketers, we love to hate monopolies. It just seems too easy. On the surface, competition is non-existent. In reality, however, it's not that straightforward. Modern monopolies are not one-brand organizations. You can't win by stealing share from other brands. You only win if you grow the category.

The Ontario Lottery and Gaming Corporation had this challenge in 2004, when faced with lagging sales. It launched a new game – PayDay - but with one provision. Success would be measured by incremental sales, i.e. without markedly cannibalizing existing brands. These included Cash for Life, which offered the same top prize as PayDay.

Did it work? By the six-month mark of the Ned Buckle campaign, PayDay had created incremental category sales of \$27,469,193 (source: LottoTrack), with almost no negative impact on Cash for Life.

## **SITUATION ANALYSIS**

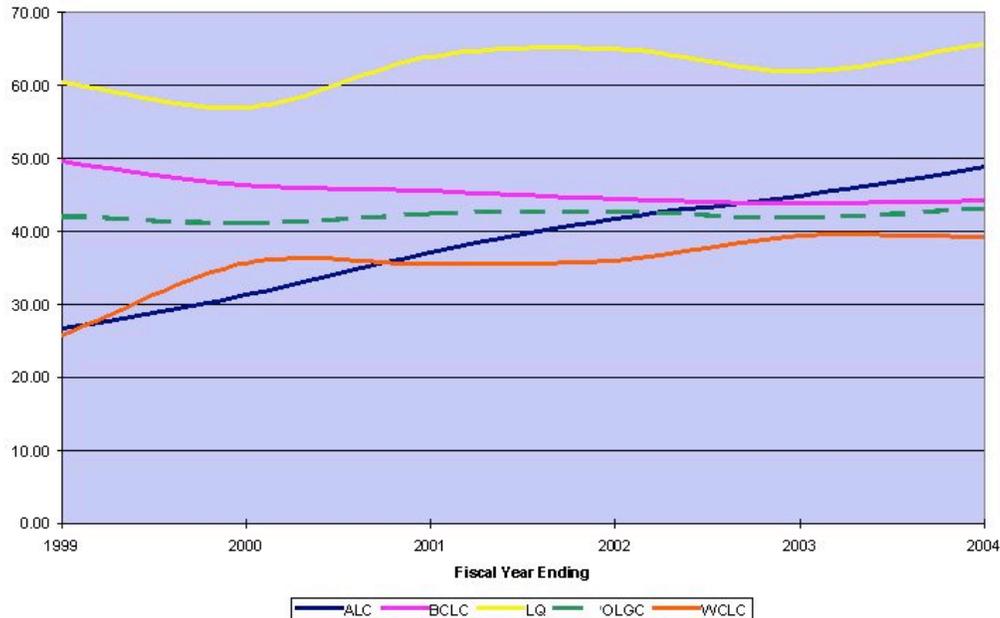
Lotteries in Canada are regulated by government, and essentially operate as monopolies. They are overseen by provincially-run corporations: Atlantic Lottery Corporation (ALC), Loto-Québec (LQ), Ontario Lottery and Gaming Corporation (OLGC), Western Canada Lottery Corporation (WCLC) and British Columbia Lottery Corporation (BCLC).

This is a complex category. In Ontario alone there are over 20 different brands. From a consumer standpoint, games are differentiated by prize value and the odds of winning. At one end of the spectrum are jackpot brands like Lotto 6/49, with top prizes of millions of dollars, but lower odds of winning. At the other end are games like Pick 3, where prizes are much lower, but the odds of winning are greater.

From a marketing standpoint, games are also differentiated by how you play and when you collect your prize. Most Ontario games are draws – the winning numbers are selected on a draw day. (This is the on-line category, since tickets are generated on the spot by an on-line terminal). There are also instant scratch-and-win games, like Instant Bingo. For most games, the full prize is awarded when you win. However, a few brands offer a fixed payout over time - Cash for Life being an example.

In 2004, the OLGC reviewed per-capita sales over the course of five years and found they had been relatively flat, at about \$40 per capita (i.e. in a given year in that time, Ontarians spent an average of \$40 in regional on-line games.)

#### **Canadian Comparison: Regional Online Sales Per Capita**



The decision was made to launch a new regional on-line game. With so many games already, it wouldn't be entirely new. Rather, it would be a variation of existing games.

Research showed opportunity in the PayDay concept – an on-line game with a top prize of \$1,000 a week for life.

PayDay faced a number of challenges. The top prize of \$1,000 per week for life was significantly less than the prizes with 6/49 or Super 7. To illustrate this point, if a 30-year-old won PayDay's top prize, they would take home \$2,600,000 by the time they turned 80 (plus inflation); a far cry from the \$20 million-plus jackpots. In addition, PayDay offered the same top prize as the well-established *instant* game, Cash for Life. **Crossover Note 7.**

In the lottery world, cannibalization is a fact of life – especially when a new brand launches. PayDay had to drive overall sales while eating into existing games as little as possible. It's all about incremental growth.

#### **STRATEGY & INSIGHT**

Concept testing confirmed that most people would not give up their day jobs if they won PayDay's \$1,000 a week for life. It would supplement existing income – giving them freedom, decreased stress and worry, and the ability to relax.

The creative challenge was to dimensionalize this without cannibalizing Cash for Life. They demonstrated \$1,000 a week for life through the ‘accumulation of stuff’ such as boats, additions, houses. **Crossover Note 2.** PayDay would have to be different.

Research I helped find the insight. **Crossover Note 11.** A PayDay win wouldn’t be a life-changing event, but it would let you splurge on things you want, *without having to worry about the money changing who you are.* You would have a more relaxed outlook on life, including work.

## EXECUTION



Who is Ned Buckle? By occupation, he’s a Junior File Clerk. By destiny, he’s a PayDay winner. Combining these, we get a quirky young guy who spends his \$1000 a week by decorating his cubicle (with plasma televisions, state-of-the-art electronics and priceless antiques) and hosting – among other things – hot tub parties at work.

The interesting thing about Ned is that he’s still working. That’s because to Ned, the money is great, but it’s not enough to make him retire – partly because he’s still young, but mostly because he likes the social aspect of work.

The ‘Ned Buckle’ campaign launched on May 23, 2005 with:

- One 30-second television commercial, “Meet Ned Buckle”
- The follow-up 30-second commercial, “Hot Tub Party”, 7 weeks later
- A 30-second radio commercial (“You’re Good”)
- An out-of-home campaign that occupied all available media space in the Yonge and Bloor subway station for the opening month

Within the six-month launch period, media delivered the following:

- TV: a total of 2,690 GRPs across 17 weeks.
- Radio: a total of 995 GRPs across 8 weeks.
- Estimated viewership at Yonge and Bloor of 355,000.

## TELEVISION - 'Meet Ned Buckle'



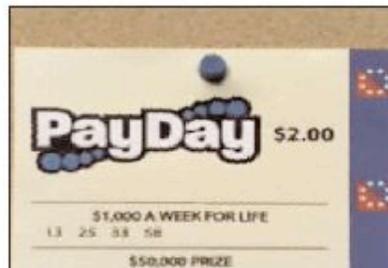
Open on the lunchroom of an office. We focus on a guy at the vending machine. The vending machine is kicking out his bill repeatedly. He turns to the others.  
 BUCKLE: Anyone have change for a thousand?  
 We freeze on the shot as the supers come up:



We then cut to Ned and a co-worker in Ned's cubicle, which is totally decked out with a high-end stereo system, state of the art computer, famous paintings, etc.  
 CO-WORKER: So, you get a thousand bucks a week for life just from winning PayDay?



Co-worker: How much is that if you live to be 80?  
 NED: \$2,912,000 CO-WORKER: 91?  
 NED: \$3,484,000  
 CO-WORKER: 133? NED: \$5,668,000  
 Ned holds his hand up with his fingers crossed for good luck.



Cut to a close up of a PayDay ticket tacked on to a bulletin board in Ned's cubicle.



As we hear a voiceover, the camera punches in on the PayDay logo, the 15 lines of play and the \$1,000 a week for life. A hand comes in and tacks up a post-it note that reads 'Who wouldn't love an extra PayDay?'

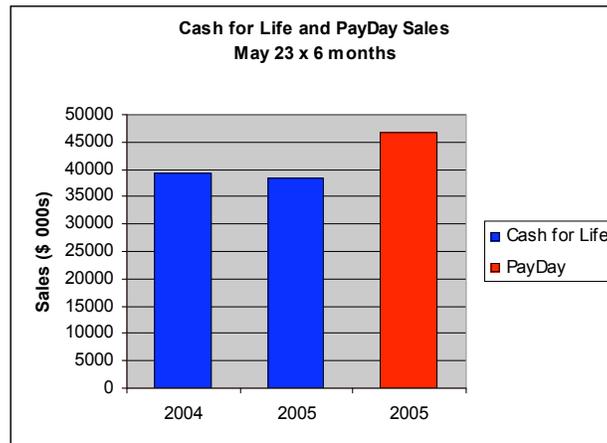


V/O: Introducing PayDay! The new lottery with 15 chances for great prizes, and a top prize of a thousand dollar payday, every week for life. And it's just two bucks. Get your ticket for the first draw, Thursday June 2nd.

## BUSINESS RESULTS

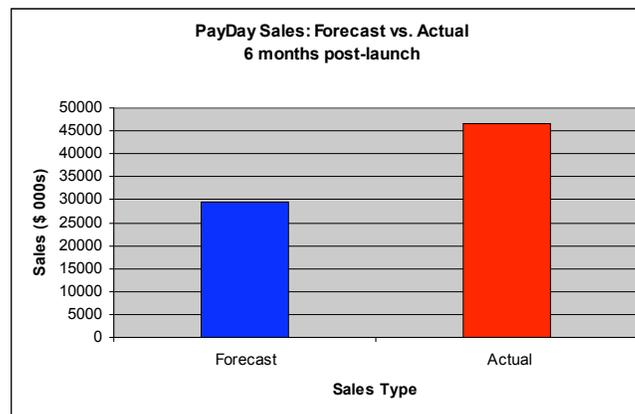
By the six-month mark, it was evident PayDay was off to a good start.

- Sales resulted in incremental category growth of \$27,469,193 (source: LottoTrack).
- There was minimal (if any) effect on Cash for Life sales in the 6-month window:



Source: LottoTrack

- Sales significantly exceeded forecast:



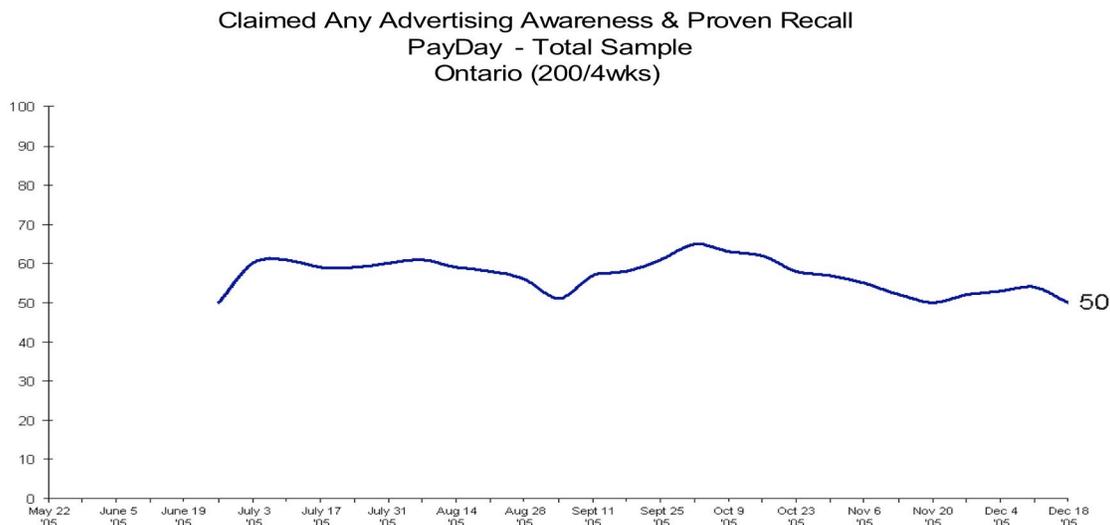
Sources: LottoTrack, 05/06 PayDay Brand Plan

- PayDay's success in Ontario prompted BCLC to launch the game, with an adapted version of 'Hot Tub Party' as its launch TV creative.

## CAUSE & EFFECT BETWEEN ADVERTISING AND RESULTS

### Advertising Awareness

Within a month of launch, advertising awareness rose from zero to 50%; an above-norm rate that remained at that level or higher for the balance of the measured period.



Source: Ipsos-ASI AdGraph Tracking

### Advertising Tracking

This confirmed that the advertising was having a positive effect on the brand. Results showed that after the first month of support, the brand impact score (the perception of the brand among those aware of the advertising) had not only significantly exceeded OLGC and Ipsos-ASI norms, but was in the top 10% of all ads tracked in Ipsos-ASI's database.

<b>PayDay Brand Impact Score</b>	<b>OLGC Norm</b>	<b>Ipsos-ASI Norm</b>
+54	+20	+23

Source: Ipsos-ASI AdGraph Tracking

### Other Variables

There were no other variables to explain the success.