

# Cassies 2006 Cases

**Brand/Case: Vancity**

**Winner: Services Financial—Silver**

**Client Credits: Vancity**

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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 1. What a Brand Stand For.
- Crossover Note 2. Brand Truths.
- Crossover Note 5. The Total Brand Experience.
- Crossover Note 10. Conventional Wisdom—should it be challenged?
- Crossover Note 29. Preemptive Media.

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):** January 1, 2005 to December 31, 2005  
**Start of Advertising/Communication Effort:** First Quarter 2005  
**Base Period for Comparison:** January 1, 2004 to December 31, 2004

Few industries are as bound by convention as banks—pre-occupied with advertising me-too products rather than building their brands. It's little wonder that consumers see little difference between their offerings.

Then there's Vancity. It's a credit union, with an enviable reputation in BC. The problem and opportunity was that people were not acting enough on this.

The case will show that by shifting effort from "products and services" to "brand" we saw dramatic increases in New Members and Funds Under Administration—our key metrics.

## SITUATION ANALYSIS

### a) Overall Assessment

Vancity is owned by its members, and the profits go back to them and the community. It is Canada's largest credit union, with a portfolio of products and services rivalling what the big banks offer. It operates in the Lower Mainland, South Vancouver Island and the lower Fraser Valley—with 47 branches, ATMs, a call centre, and online.

Since its inception 60 years ago, Vancity has been successful by virtually any metric. The issue in 2005 was not how to maintain share, but how to attract more members.

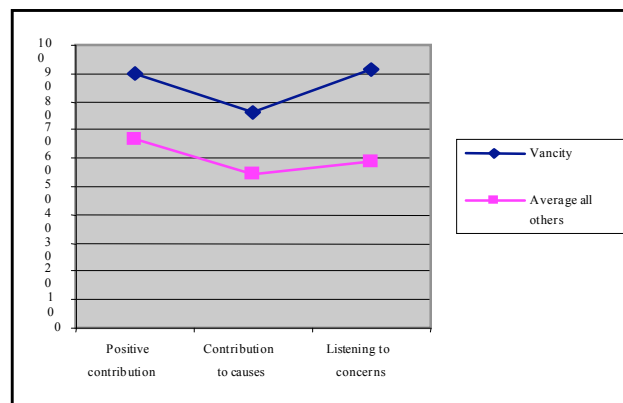
Based on quantitative and qualitative research with current and potential members, these were the issues:

1) 90% of British Columbians held positive perceptions of the brand, but this was not translating into enough membership growth.

*Source: IPSOS Reid Monitor, 2004*

2) As a regional brand, we could not outspend national competitors.

(Vancity's historical Share of Voice is 6% in the BC market.)



3) Consumers saw little differentiation across financial institutions (and traditional advertising approaches within the category were not helping). Lifestyle, coupled with detail, predominate the creative approaches:

The mutual fund with a proven history of growth.

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**FIRST FOR YOU**

**RBC Royal Bank**

4) When it comes to switching, consumer inertia is huge. We would need to shake people out of their apathy.

## b) Resulting Objectives

Historically, Vancity's member numbers were solid, but had never exceeded 1,900 new members a month. Against this, these were the objectives for the new campaign:

1. Increase membership on a population basis from 1-in-8 people to 1-in-6 over 5 years, and break the "2,000 new members in one month" ceiling
2. Attract higher value new members as measured by their average Funds Under Administration (FUA)
3. Increase advertising awareness of the unique Vancity Value Proposition.

## STRATEGY & INSIGHT

We decided to challenge the unwritten rules of the category, and focused on four areas:

- 1) *Message Delivery*: Everyone sells at a predictable time (mortgage in Spring, RRSP in Winter, etc.) relying extensively on traditional media.
- 2) *Relationship*: People are not happy with their banking relationship, but unless provoked, will not switch.
- 3) *Creative & Support*: Materials have a) lots of detail and rates and b) smiling nuclear families. Further, the products are often virtually identical.
- 4) *Audience Selection*: People have the same needs and aspirations, so cast the net as broadly as possible.

Here is how we challenged these conventions: **Crossover Note 10.**

## MESSAGE DELIVERY

We weighted the campaign to less competitive times of the year (post RRSP season and summer) and used non-traditional as well as traditional effort. [Crossover Note 29](#).

## RELATIONSHIP

We hit the market with two distinct ideas sequentially:

- First, we asked prospects *why* they were dealing with their current institution. Our research showed that they had the flimsiest of reasons (“my uncle banked there”, “the first place I worked used them”), and that once questioned they saw real merit in switching to Vancity. [Crossover Note 2](#).
- Second, we used our unique products to support why Vancity was a superior choice.

## CREATIVE & SUPPORT

We led with the brand rather than product and kept the promise simple – “Sacrifice nothing. Your money works harder for you and the community at Vancity.”

## AUDIENCE SELECTION:

Finally, we defined our audience with some precision, as follows:

People who believe that Vancity is good for the community but need reasons—to do with financial well-being first and foremost—to act *personally*. They don’t perceive big differences in what banks offer or how they operate. As a result, there’s a wall of inertia. We need to convince them that Vancity improves their finances and the community in one package. [Crossover Note 1](#).

## EXECUTION

This came in two phases:

- *Phase One*: Provoke the audience into considering how they chose their bank—with Vancity as the obvious choice for better treatment.
- *Phase Two*: Present unique Vancity products and services, showing that money works harder for members and the community.

Across both phases, we kept away from the glossy slice-of-life portraiture of our competitors and focused on character and differentiated products.



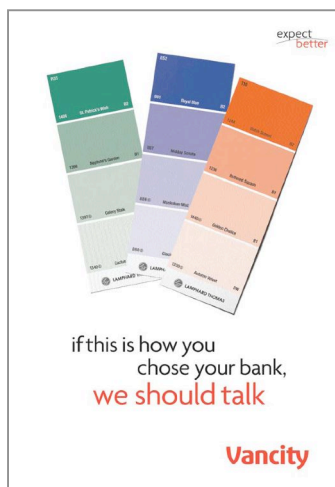
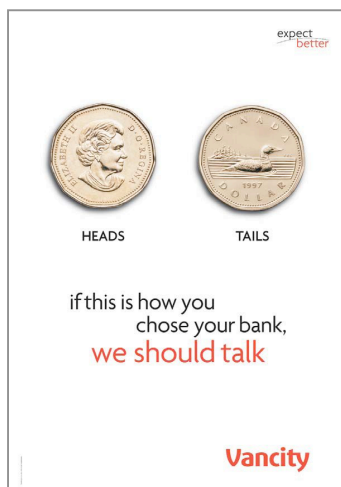
“Expect Better” underpinned the campaign. [Crossover Note 5](#). Too many Financial Service platforms are passive and inward-focused. “Expect Better” challenged low expectations in the category.

We reintroduced television after several years' absence for its ability to deliver an emotional and intellectual proposition. Further, TV would lend prestige and credibility as we took on the big banks. The executions focused on how banks see their customers, setting up Vancity as the hero in each case.



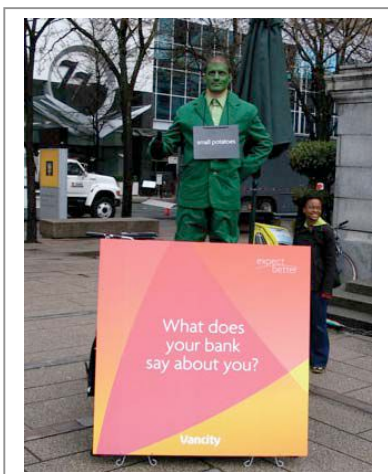
*TV used :30s, :15s and :5s to increase frequency. The :5 sec teasers that broke the campaign were a first in the BC market.*

Out-of-home added frequency. Geographic flexibility allowed us to target key high traffic routes as well as locations near Vancity branches.



*Out of Home was part of the "Provoke" message, asking consumers how they selected their bank.*

We created guerrilla tactics and stunts at street level. Mirror decals bars and restaurants showed "how banks see you" (as a number) and "how Vancity sees you" (as you are).



Street teams and street theatre allowed us to interact with potential members, bringing an extra dimension to the campaign and generating significant PR. Campaign-themed "live statues" attracted attention while teams handed out promotional material, including a contest and a special offer to become a Vancity member.

Meanwhile, Dave Mowat, the CEO of Vancity, joined the street teams and handed out real loonies with an offer to open an account at Vancity. This was picked-up by 19 media outlets, getting us \$100,000 in free exposure for an investment of less than \$10,000.

*Dave Mowat hands out loonies in downtown Vancouver. Stunts, street teams and street theatre showcased Vancity's unique character and created buzz behind the mass campaign.*



Advertising showcasing unique products and services, such as *Shared Success*, ran between the “Provoke” communication pieces.



expect  
better

with Shared Success,  
**\$69 million** has  
gone back to members

**Vancity**

*Print, outdoor, online, radio and POS delivered product messages – the proof for why you can “Expect Better” at Vancity.*

*This included mytreat VISA, the first pre-paid VISA gift card in Canada, fee free online banking and re-advanceable mortgages.*



expect  
better

you do the giving, they do the choosing

Introducing the **mytreat VISA gift card**  
Ask us for details.

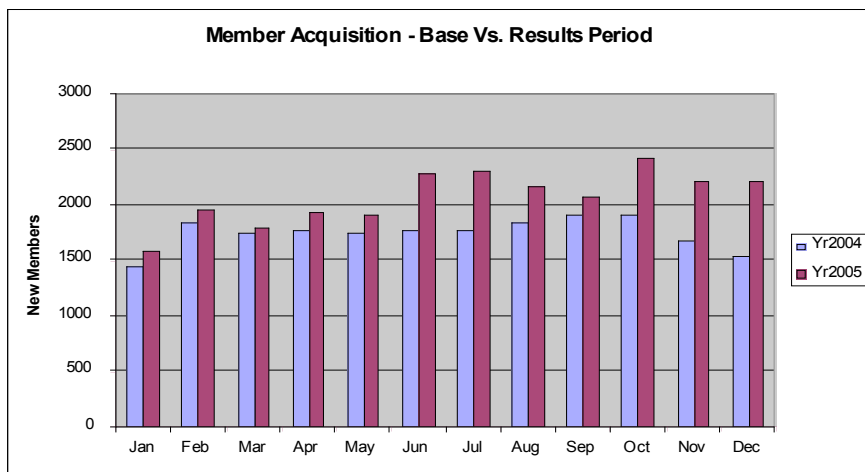
vancity.com/mytreat

**Vancity**

## BUSINESS RESULTS

### Member Acquisition

- Gross new members increased 24% during the Results Period
- Vancity broke the “2,000 new members in one month” ceiling for the first time in its history in June 2005
- The campaign had a lasting effect with continued record-breaking acquisition numbers occurring after the campaign was off air (October).



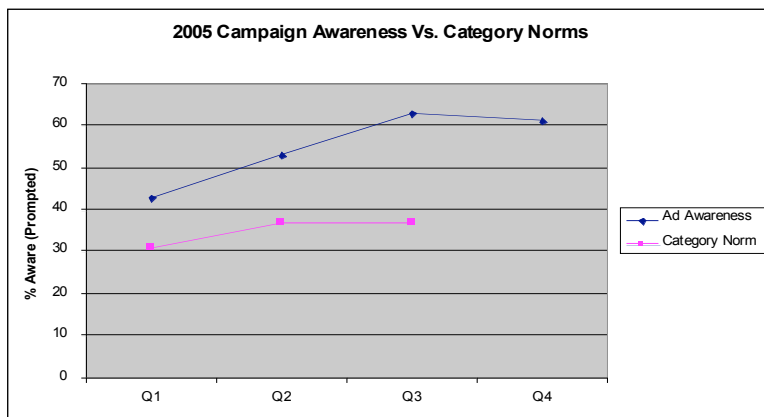
### Funds Under Administration (FUA)

The campaign attracted members with higher value than existing members:

- The average FUA from new members increased by 14% during the Results Period
- Over the same period, FUA from new members increased by \$283,347,467.

### Advertising Awareness

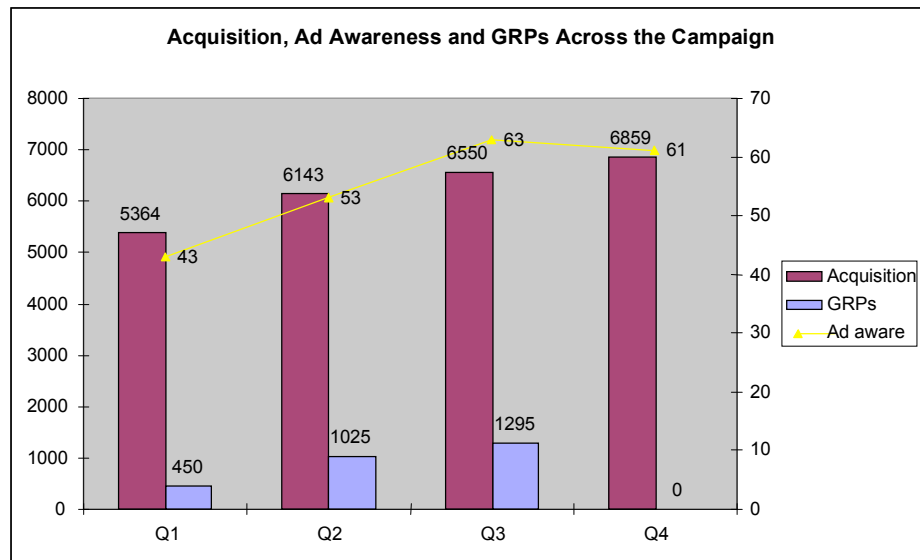
Awareness grew significantly over the campaign and exceeded established Financial Services norms for the amount of media weight: *Source: IPSOS-ASI, Vancity Ad Tracker, 2005*



## CAUSE & EFFECT BETWEEN ADVERTISING AND RESULTS

### Correlation between Campaign Timing and Member Acquisition Peaks

In the previous section we showed that Vancity's members increased by 24%. This directly correlates with brand communication activities, as shown in the graph.



Note: Brand advertising ran Q1 – Q3. Tracking of the brand campaign ended in October 2005.

### Increases in Advertising Performance Metrics

All twelve of the brand attributes tracked by Vancity increased during the campaign, with statistically significant increases in half of them. Traditionally, one or two attributes may show increases over a quarter. This was the first time that Vancity had seen simultaneous movement in all core attributes.

Here are the attributes that saw statistically significant increases over the Results Period:

Attribute	Q1 to Q4 05 Point Increases
Offers professional advice	+7
Acts in best interests of community	+8
Acts in the best interests of customers vs. profitability	+10
Shares profits with customers	+8
Is flexible to meet individual needs	+8
Committed to better environment	+8

Source: IPSOS-ASI, 2005 Vancity Ad Tracker



Note that Vancity did not launch any significant new products during the Results Period. An increase in media spend of \$585,000 supported the campaign and increased Vancity's Share of Voice seven percentage points to 16% - well below the 28% of TD CanadaTrust, the highest spender in non-product specific advertising in 2005 (*source: AC Nielsen*).

Although direct marketing plays a significant role for Vancity, the budgets and programs remained largely unchanged between the Base and Results periods.

### **Conclusion**

Brand advertising can play a vital role in challenging industry conventions, shaping perceptions and building businesses.

Looking forward, Vancity continues to focus its advertising on brand messages. And the results remain extremely positive. Member acquisitions for the first quarter of 2006 have surpassed those of Q4 2005.