

Cassies 2007 Cases

Brand/Case: RBC Avion Card 2004 - 2006

Winner: Services Financial—Silver

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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 2007 can be downloaded from the Case Library section at www.cassies.ca

- Crossover Note 1.** What a Brand Stands For.
- Crossover Note 2.** Brand Truths.
- Crossover Note 12.** Changing the Goalposts.
- Crossover Note 14.** Refreshing a continuing campaign.
- Crossover Note 23.** Problem versus Solution.

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 2004– December 2006
Start of Advertising/Communication Effort: March 2004
Base Period for Comparison: Calendar 2003

“When I say altitude, I'm not referring to my jet. It's my own interpretation of the word attitude. I like flying because it gets me where I'm going, fast. Likewise, if you have the right attitude, you can get where you're going, fast.”

Donald Trump

FREE FLIGHTS!

An alluring promise, but when you try to redeem your travel rewards points, we are sorry to tell you that getting free flights with anything but an RBC Avion card is a challenge.

The Premium Travel Rewards credit card category has become crowded with offerings from all the major banks. But not all cards are created equal—and one, the RBC Avion card, has made it clear that it wants to let their cardholders fly where they want, when they want, not when their travel rewards program tells them to.

RBC's challenge was to create a compelling product and position in a category with an entrenched market leader with a large base of members. [Crossover Note 1.](#)

The campaign delivered exceptional results. The Avion credit card has become RBC's flagship product, more than doubling the number of cardholders from 2003. And during the same period, balances have essentially tripled.

SITUATION ANALYSIS

a) Overall Assessment

RBC is a market leader in the financial services sector, yet in the travel rewards card segment it was a challenger.

CIBC Aerogold Visa was the dominant player with its connection to Aeroplan and Air Canada, and had established the traditional rules for the category.

RBC originally had an affiliation with the Canadian Airlines via RBC Canadian Plus Visa. At that time, Canadian Airlines had Canada's largest frequent flyer program, and only had competition from Air Canada and its affiliation with CIBC. However, the merger of Air Canada and Canadian Airlines in 2000 put an end to RBC's frequent flyer program relationship.

When RBC created the RBC Avion credit card product in 2000 (and re-launched the Platinum version in 2003), a strategic decision was made to break away from linking to a specific airline carrier, knowing that this would lead to a differentiated product for consumers who were just starting to figure out that there were a lot of rules and regulations to getting “free” flights. [Crossover Note 12.](#)

b) Resulting Business Objectives

Specific targets are not available, but the overall objective was a significant increase in account acquisition.

c) Range/Share of Voice

National annual spend was in the \$5 million plus category, with spending relatively flat for the duration of the case.

STRATEGY & INSIGHT

a) Analysis and Insight

Being the underdog, RBC needed to develop an insight to lure consumers away from the market leader and the emerging competitive set. **Crossover Note 2.**

Research in June 2004 confirmed that Aerogold customers were frustrated by the Aeroplan redemption process. When it came to redeeming their points there were restrictions on seat and flight availability, and in many cases they had to compromise on when they fly.

Blackouts were another irritant, as Aeroplan would not offer any seating during high demand periods like March Break or Christmas. Many cardholders were further frustrated with having to use 30-50% more points when Aeroplan introduced Avenue Rewards, a program designed to address blackout periods.

Aeroplan was making it harder for cardholders and members to redeem their points for the very reason they had the card—flying. However, getting them to switch to Avion was not going to be easy. There were significant barriers.

One was believability and credibility that there could be a better product.

Despite the irritants and inconveniences, Aeroplan had produced enough cynicism and skepticism in the category that the thought of a better option was hard to believe.

Another was the attachment to point balances. Given that Aerogold cardholders had on average 100,000 points, the idea of starting anew was very unpalatable.

Yet, based on redemption behaviour, we were able to conclude that Aerogold cardholders had become collectors rather than travellers. They believed and hoped that one day they could redeem points for a flight they actually wanted, even if they had had poor luck trying to redeem in the past.

Based on this, we developed a strategic and creative positioning that would eventually become the core of RBC Avion's efforts. It spoke directly to the weaknesses of the Aeroplan/Aerogold program:

“Fly where you want. When you want. On any airline.”

b) Business Strategy

This was focused on acquisition. Furthermore, based on consumer habits, travellers have two key periods—planning vacations and actual vacation travel. So, it made sense for RBC to have two campaign periods a year. The Spring campaign would focus on March Break and planning for the Summer. Fall would target Thanksgiving and Christmas.

c) Communication Strategy

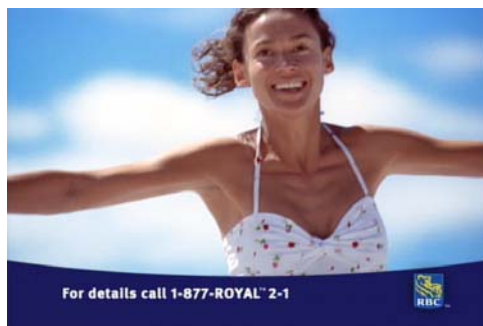
2004 marked a significant change in the communications approach. The challenge was to broaden the awareness of the RBC Avion Card and aggressively communicate the ease of redeeming rewards points on any airline with no blackouts or restrictions.

We decided that multimedia was needed—and 2004 saw the first use of TV, along with Online and Out-of-Home. The message across all effort was “Fly where you want. When you want. On any airline.” In addition, everything reinforced RBC’s “First For You” strategy.

CREATIVE EXECUTION

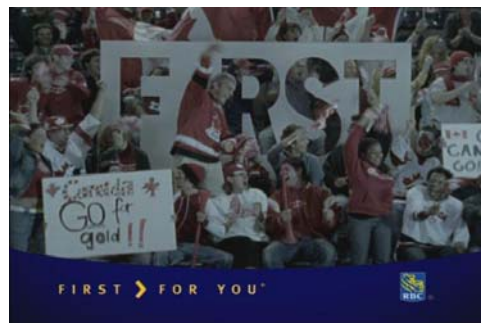
We’ve evolved the campaign every year, using research and insights to strengthen the message.

In 2004, we created “First for You” with a client of RBC completing the “I” in FIRST. RBC Avion was ideal for this, and in the first Avion TV spot we see the pure joy of redeeming for the flight you want.



The Fall 2005 and Spring 2006 campaign led to a more overt showcasing of getting to where you want, when you want. [Crossover Note 14](#).

From a romantic getaway to a melted Ice Hotel in Sweden, to a trip to Pamplona—a week after the Running of the Bulls—we dramatized frustration around redemption. Travellers were “too late” due to blackouts and seating restrictions. And the late 2005 and early 2006 business results validated this evolution of the creative.



Additional research in early 2006 unveiled more opportunities, so for Fall 2006 we further dramatized seating restrictions by showing a “Stubby” airplane. [Crossover Note 23](#).



MEDIA EXECUTION

In the past RBC Avion had mainly used print, with DM and in-branch support, and presence in key Canadian airports. With the new objectives and product proposition in mind, we knew that we also needed TV.

In Spring 2004, we launched with 760 GRPs spread across 7 weeks. Print ran as a secondary medium, targeting acquisition in key markets with transit, out-of-home, radio, airport, online and elevator advertising rounding out a multiple touchpoint strategy.

The Fall 2004 campaign period saw a slight increase in TV GRPS (870 total). The newspaper buy was augmented with an airplane-shaped Free-Standing Insert teaser, followed by a second FSI that included an application form.

For Spring 2005, media research had shown that a sustained TV buy could deliver a stronger lead-in for the rest of the campaign. To expand our presence with similar funds, we split the TV buy with 75% Conventional/25% Speciality, with a total of 1370 GRPs.

For Fall 2005, the “Too Late” TV spot (1000 total GRPs) was supported with :30 and :60 radio, print, and OOH centred around creative domination of Union Station in Toronto, as well as GO Transit.

During the 2006 Torino Winter Olympic Games, we saw an opportunity to leverage RBC’s long running Olympic sponsorship with a specific Olympic buy. We ran “Too Late,” culminating at the Olympic Gold Medal hockey game.

For Spring 2006 we looked at unconventional, engaging and innovative ways to get the message out. We used the emerging flexibility of newspaper ad formats with a flex-form creative execution. We also looked at new OOH media, being one of the first Canadian companies to try Electroluminescent Posters in the Toronto.

With the introduction of the “Stubby” campaign in Fall 2006, the focus was on the visual media that could take advantage of the “Stubby” image and dramatize RBC Avion’s “big plane” benefits. TV was supported with OOH billboards, print, a FSI, and online.

BUSINESS RESULTS

Note: Due to confidentiality agreements, RBC was not able to release numerical business result. We have masked results for the purposes of this case.

Acquisition

Results have been nothing short of outstanding, turning Avion into the true alternative to the industry leader. Year-on-year growth was substantial compared to the base year, with indexes ranging from 145 to 239 and increasing every year (See Chart 1)

Chart 1 – RBC Avion Account Growth

RBC Avion Account Growth – Indexed to 2003				
	Base Year 2003	2004	2005	2006
Accounts Acquired Annually	(100)	(145)	(188)	(239)

Each year during the business planning stage, RBC Avion sets campaign acquisition targets. Each year those targets have increased, at an average of 20%, but even with those increases we continued to exceed those goals. (See Chart 2)

Chart 2 – RBC Planned Acquisition vs. Actuals

RBC Campaign – Planned Acquisition vs. Actuals				
	Base Year 2003	2004	2005	2006
Planned Acquisition (index)	(100)	(100)	(100)	(100)
Actual Acquisition (index)	(135)	(130)	(102)	(125)

The momentum and awareness created by the campaign has also seen an increase in the number of accounts acquired in non-campaign months based on a 30 day run-rate – the amount of acquisitions acquired in an average month (see Chart 3)

Chart 3 – RBC 30-Day Acquisition Averages in Non-Campaign Months

RBC Non-Campaign Months Account Growth				
	Base Year 2003	2004	2005	2006
30-Day Run Rate Average (index)	(100)	(116)	(153)	(189)

These results are especially remarkable given that seven new premium travel rewards credit card products have been introduced since 2003. Avion's continued success during this period put pressure on the competitive set. CIBC Aerogold/Aeroplan had to revamp their products in response to the increased competition.

Industry Recognition

It can also be noted that the RBC Avion campaigns won a Silver Canadian Marketing Award in 2005, and a Bronze CMA Award in 2006.

CAUSE & EFFECT BETWEEN ADVERTISING AND RESULTS

There were a number of factors contributing to the business success. A motivated sales force was key, as a majority of accounts continue to be sold in-branch. And Direct Mail was able to target Avion prospects with a relevant offer at the right time. (DM was an important component through the campaign periods, but the amount of activity did not increase during the 2004-2006 period.)

However there is compelling evidence that advertising has been the critical variable in generating the results. This is based on (a) business results during the campaign periods, (b) research and tracking data, and (c) weighting the bonus/welcome offer that has become a key sales driver in this segment.

Business Data

The timing of gains correlates closely with advertising flights: (Graph 1 and Chart 4)

Graph 1: RBC Avion Account Growth Trend

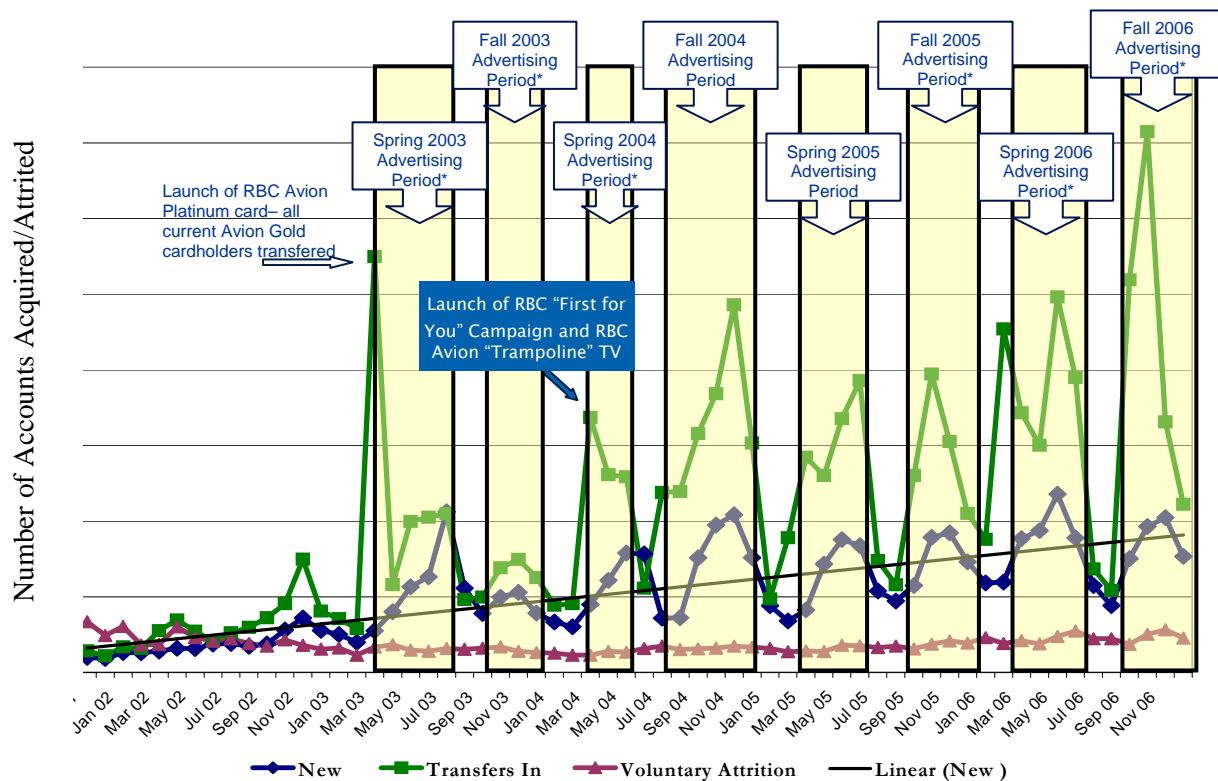


Chart 4 – RBC 30-Day Acquisition Averages in Campaign Months

RBC Campaign Months Account Growth (30 Day averages)				
	Base Year 2003	2004	2005	2006
Accounts Acquired Annually (index)	(100)	(106)	(123)	(147)

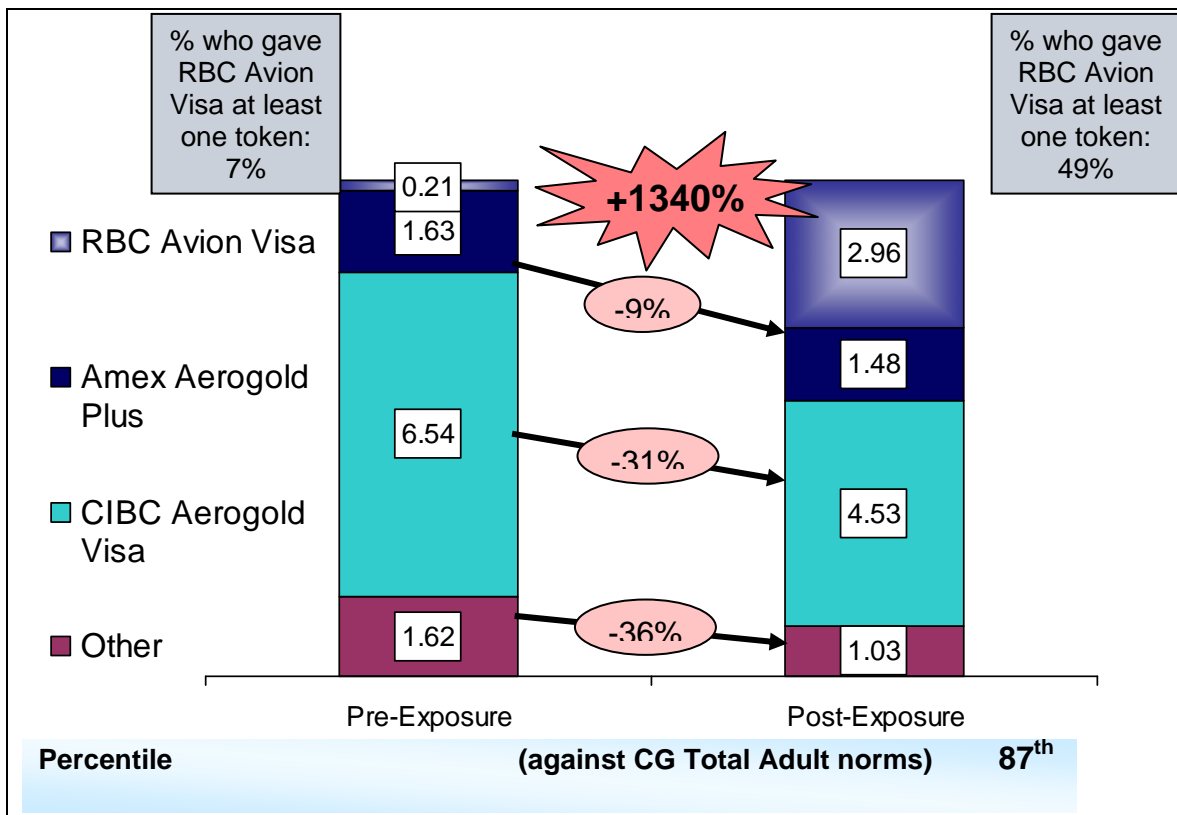
Research

RBC Advertising performed well in quantitative AdLab research conducted in June 2006. (AdLab research was not conducted in 2004 or 2005.)

	% Agreeing	Percentile vs. Financial Norms*
Impact “Captured Attention”	66%	64%
Avion Impact “More positive opinion of Avion”	62%	81%
Liking	68%	72%
Message Communication “Avion lets you fly where you want, when you want, on any airline”	82%	n/a

In AdLab pre-testing research in 2006, the Token Allocation question on the RBC Avion “Stubby” provided dramatic results:

Graph 2 – Token Allocation (Pre and Post exposure to “Stubby” TV ad)



Tracking

In tracking, we cannot compare numbers to the base year as there was no TV tracking before 2004, but the campaign shows significant improvement each year, with Ad Recall indexing at 290 and Brand Link at 1450 compared to our first flight in Spring 2004.

Campaign Creative	"Trampoline" Spring 2004	"Trampoline" Fall 2004	"Trampoline" Spring 2005	"Too Late" Fall 2005	"Too Late" Spring 2006	"Stubby" Fall 2006
Ad Recall	20	43	37	41	59	58
Brand Link	2	9	9	8	12	29

Dismissing Other Factors

Bonus or Welcome offers have become a staple in order to entice new customers. With a crowded field, the stakes and corporate investment in points have become higher. Avion was no different in offering bonus and double points, the greatest investment being the Fall 2004 period (10,000 points + Double points for 8 months).

What to note though is the fact that the bonus offer (10,000 points + 5,000 at renewal) has become consistent since the Fall 2005 campaign, unlike the competitive set which has increased their bonus offers. Results indicate that our consistent advertising campaign is more important than the actual bonus or welcome offer.

Conclusion

The RBC Avion card has been obviously successful, and the evolving advertising campaign has played a major role in this success.

INTRODUCTION TO CROSSOVER NOTES — CASSIES 2007

[For RBC Avion]

Each year I update these Crossover Notes. If you've read this cover note before, you can skip it. If not, it's worth a quick read.

My career started with a seven year sentence in brand management at Procter & Gamble. Then I clambered up the ladder at O&M, becoming President and later Vice Chairman, all of this in Toronto. Then I set up as a consultant.

P&G and O&M were passionate about "lessons learned" from advertising effort, and so was I. All the Cassies cases have great lessons in them, though at the pace we work today these lessons are not necessarily easy to find.

I was thinking about this as I was editing Cassies 1997, and I had the idea for Crossover Notes. They started as bite-sized footnotes pointing out lessons that "cross over" from one case to another. Then, as time had gone by, they've evolved to what we have today.

You can use Crossover Notes in two ways. Although they weren't designed as a crash course in advertising, they are worth reading as a whole. You can also dip into them selectively. The headings on the next page will help you choose.

I've tried to be even-handed on controversial issues, but here and there you will sense my point of view. For this I thank the Cassies for not editing their Editor.

We now have close to 200 published cases. And I hope I've helped pass some of the learning on.

David Rutherford

Toronto: January 2008.

For more on brand-building see *Excellence in Brand Communication*—by leading Canadians from across the marketing and advertising spectrum. See also *Vulcans. Earthlings and Marketing ROI*, commissioned by the ICA, and published by Wilfrid Laurier University Press.

See www.ica.adbeast.com.

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Note: Cassies uses “advertising” in its broad sense. It not only stands for advertising through the main media of broadcast, print, out of home etc. Where appropriate, it also stands for Direct Marketing, PR, Interactive Marketing, Buzz Marketing, Event Marketing, Product Placement etc.

RBC AVION CROSSOVER NOTES FOR CASSIES 2007

1. **What a Brand Stands For.** People in real life hardly give the deeper meaning of brands a second thought. They know that some appeal more than others. They may have a sense that brands jostle for their attention. But that's about it. They certainly don't agonize over the *essence* of this, or the *brand truth* of that.

That said, branding goes deeper than we in marketing may realize. Before marketing was even thought of, branding was part of life. Everything from national flags, to coinage, to the uniforms of soldiers, boy scouts and Supreme Court judges, to the plumage on peacocks (human and otherwise), is a form of branding. Business had an early example in the 1800s when Harley Procter of P&G heard a pastor quote a biblical text about ivory palaces. Goodbye Procter & Gamble White Soap. Hello Ivory. More recently, Tom Peters published *A Brand Called You*. And Tony Blair tried to re-brand the UK as "Cool Britannia."

A brand, in the fullest sense, is hard to define. Dictionary definitions tend to focus on the trademark aspect, and yes, branding does involve some sort of identifying mark. But this misses the point. What makes a brand valuable?

*The answer is The Advantage of Belief.*¹ Charles Revson of Revlon famously said, "In the factory we make cosmetics. In the store we sell hope." In other words, a brand is not a product; it's what people *believe* about a product. These beliefs can be immensely powerful. The most astonishing is the placebo effect. In clinical trials, many patients respond to the "sugar pill," even when they have serious diseases. We see the same thing with blind and identified product tests. With a strong brand, the preference jumps. (See *What's in a Name* by John Philip Jones.) And when the Advantage of Belief takes hold, it leads to a long list of benefits:

- | | |
|-----------------------------------|---|
| a) Customer loyalty | e) Facilitating brand extensions |
| b) Higher price | f) Withstanding competitive attack |
| c) Higher cash flows | g) Motivating staff and attracting new talent |
| d) Higher long-term profitability | h) Potentially augmenting the stock price |

This doesn't, of course, answer the question, "how do you build these beliefs?" There are widely varying notions, but most people agree on the basic principles: (1) stake out what the brand can and should stand for (2) stick with this over time (3) evolve to account for lessons learned and market changes.²

This can't be done by empty promises. We have to assess what consumers want against what the product delivers—and tell the story better than competitors do. We have a melting pot of perceptions and reality to work with. All the "brand" ideas are there to help—Brand Image, Equity, Personality, Character, Essence, Relationship, Footprint, Truth, Soul, Identity, and so on—along with old faithfuls like Positioning, Focus of Sale, USP, Features, Attributes, Benefits and Values. Whatever the terminology, though, the brand has to stand for something relevant and different in the consumer's mind. See also *Crossover Note 26*.

¹ This is a phrase of mine, though the idea that a brand is "more" has been described by many authors.

² How do you do this? See *Excellence in Brand Communication*: www.ica.adbeast.com

2. Brand Truths. Successful advertising (in fact all successful communication) resonates with its audience. As a marketer, you may want people to believe that you have the best-tasting coffee, but simply saying, “I have the best-tasting coffee” will not usually get the resonance you need. One school of thought believes in saying the obvious as loudly and even as crassly as you can. We could call it the Bad Boy syndrome. Another has led to the idea of Brand Truths. These operate on a deeper level than simple claims. One of the top UK agencies described the process as “we interrogate the product until it confesses its strength.”

I was once the Brand Manager on Tide, and when we were asked, “What does Tide stand for” we said, “Superior cleaning. Not whitening. Not Brightening. Not Fabric Care. Superior *cleaning*.”³

Superior cleaning was the religion on Tide, and Tide delivered, despite the cliché that all detergents are alike. But this was only a glimmer of the Brand Truth. If you “interrogated” Tide the most startling truth was the *intense belief* of Tide users. This came to life in the immensely successful “Two for One Swap” campaign. Hidden cameras watched as women who had just bought Tide were offered two boxes of another good detergent in exchange. They adamantly refused, delivering off-the-cuff endorsements that no copywriter could ever have written. The campaign ran for years, and only came to an end because of its success—women knew it so well that the “candid camera” interview became impossible. Many Brand Truths are also insights, and for a list see [11. The Eureka Insight](#) and [12. Changing the Goalposts](#).

12. Changing the Goalposts. Some insights come from seeing what was always there to be seen. (Sunlight’s Cassies 99 joy of getting dirty is an example.) Others re-frame the problem, such as:

- Cow Brand Baking Soda’s extended usage.
- Johnson’s Baby Shampoo’s re-positioning against adults.
- Cereals trying to get eaten as a late night snack.
- Baileys (2005 and 2006) going against wines and beer occasions.

Insights can also spring from what is *not* being said. Eggs in Cassies 99 is an example. Word-association tests played back benefits, but did *not* identify that eggs are natural. Somehow, this absence caught the agency’s eye. They made “natural” into a powerful campaign using real farmers, and turned around a 17-year decline.

Purina is another example. At one time, everyone sold dog food on taste and nutrition. Not surprisingly, consumers played these back as the important benefits, reinforcing conventional wisdom. The team at Scali/Purina then saw the significance of the unspoken (and deeper) truth—that a dog is part of the family. This led to the immensely effective “helping dogs lead longer lives” campaign.

This also points up the need look beyond Canada. PAL in the UK had earlier arrived at similar thinking, leading to their famous “prolongs active life” campaign.

³ P&G defined “what the brand stands for” by a document they called the Creative Strategy. In those days, if anyone dreamt that the Tide Creative Strategy should include whitening, brightening etc. it was seen as an offence against all that was holy. Since then, P&G has changed its views, and now takes a broader view—as recent Tide advertising for fabric care and Tide-with-Febreze attest.

14. Refreshing a continuing campaign. When I was at P&G and O&M, all the big advertisers and their agencies thought in terms of campaigns. If you presented new advertising, and got the comment “that’s just a one-off,” it was the kiss of death.

In those days, a campaign was usually defined by television. There would be one commercial, or a pool, refreshed over time. Nowadays, a campaign is more complicated. But it’s fair to say that we (clients and agencies) still believe that campaigns are the right/best way to build a brand.⁴

Recently, the idea of “the brand relationship” has taken hold. This is the notion that we treat brands like friends.

Relationships can be very different, but for most people, the good ones are based on things like trust and consistency. This has led to the idea that brands should present a consistent – though not dull and predictable -- face over time (assuming, of course, that they are standing for the right thing.)

23. Problem versus Solution. There’s a widespread idea that advertising works better when it is positive—reflecting a mental model that advertising should spend more time on the solution than the problem. But this can be challenged:

- Quebec’s “Buckle Up” campaign in Cassies I.
- The campaign against Quebec’s Medical Bill 120 in Cassies I.
- The Heart and Stroke campaign in Cassies I.
- Oxfam Canada in Cassies II.
- Buckley’s in Cassies III.
- Dove Litmus in Cassies III. (Most of the commercial is showing harshness.)
- Big Brothers Vancouver and Ethical Funds in Cassies 99.
- Sunlight in Cassies 99. (Most of the commercial is spent on getting dirty.)
- Erectile Difficulties in Cassies 2002.
- SAAQ anti-speeding in Cassies 2002.
- Bait Cars in Cassies 2003.
- Familiprix in Cassies 2003.
- Motrin in Cassies 2003.
- Elections Ontario in Cassies 2004.
- The “Stupid” campaign in Cassies 2005. Also the United Way.
- Moores in Cassies 2005.
- SAAQ, Gay Lea and Avion in Cassies 2007.

Note: When I tell people that Dove Litmus and Sunlight “Get Dirty” spend most of their time on the problem they often disagree, until they re-look at the commercials.

This is why our thinking needs to be re-examined. The issue shouldn’t be the *time* that a piece of advertising spends on this or that, but on the *net impression* created.

⁴ A young creative friend once said to me, “where does the belief in campaigns come from? Young people want constant change. What’s wrong with a stream of one-off ideas?” This would have been heresy at one time, and perhaps still is. But it’s food for thought.