Cassies 2007 Cases

Brand/Case: WestJet

Winner: Services General—Bronze

Client Credits: WestJet

Lauri Feser, Vice President, Marketing
Deseree Kuzek, Manager, Advertising

Agency Credits: TAXI

Zak Mroueh, VP, Chief Creative Officer
Steve Mykolyn, Vice-President, Design & Interactive Creative Director
Lance Martin, Creative Director
Keli Pollock, Trent Burton, Co-Creative Directors
Pete Breton, Dave Douglass, Group Creative Directors
Pete Breton, Liz Mackenzie-Barrett, Copywriters
Dave Douglass, James Zentil, Art Directors
Christine Pacheco, Sharon Nelson, Eugene Marchio,
Aggie Brook, Broadcast Producers
Bill Mascall, Print Production
Caleb Goodman/Rob Feightner/Gord Ellis, Account Managers
Christina Hill, Group Account Director

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 2. Brand Truths.
Crossover Note 5. The Total Brand Experience.
Crossover Note 11. The Eureka Insight.
Crossover Note 13. Immediate vs. Long-Term Effect.
Crossover Note 14. Refreshing a continuing campaign.
Crossover Note 32. Internal Marketing.

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):	**September 2005 – December 2006**
Start of Advertising/Communication Effort:	**September 26, 2005**
Base Period for Comparison:	**Spring 2005**

a) Introduction

Airline success stories are surprisingly rare; it is a business of razor-sharp margins where success is elusive. WestJet is a remarkable exception. In 2006 it was the most profitable airline in North America. The company has achieved this success through intense focus on business efficiency, employee satisfaction, and superior customer experience. Crossover Note 5.

These three factors have driven the airline's growth over the last decade. When it debuted in 1996, it was about as small as an airline could be, with three aircraft and five destinations, all in the Western provinces. Today WestJet has 65 aircraft, more than 6,400 employees, and 38 destinations covering half the Western hemisphere.

By 2005 WestJet had significantly expanded operations in Central and Eastern Canada. Internally, the operational undertaking was immense. Externally, the challenge was equally big. The Owners campaign had to establish WestJet as a truly national airline, elevating brand perceptions, particularly Ontario, while maintaining its Western strength.

As discussed later, business results are extremely strone. The Owners campaign has also become the company mantra, providing all employees with a strong sense of purpose, motivation and pride. Crossover Note 32.

SITUATION ANALYSIS

a) Overall Assessment

When WestJet began offering service in Central and Eastern Canada, this forced an examination of how the company should be positioned. The airline had outgrown the local platform that served it well in its early days. To compete nationally, WestJet had to establish itself as a leading airline. Three issues needed to be addressed.

i) The Discount Airline Aura

WestJet's efficiency has driven many costs out of its operations. As a result, ticket prices have frequently been below market norm, creating a belief among non-triers that a trip with WestJet was a bring-your-own-seatbelt kind of experience. Some people even equated low cost to fly-by-night airlines that erode the trust established by the aviation industry. Overcoming this perception was essential. Crossover Note 2.

ii) The Misperception of Being Seen as a Regional Player

Prior to WestJet's expansion into Central Canada, the airline was frequently characterized in both the business and consumer press as a homegrown Calgary success story.

While this perception was positive in the West, it limited national credentials. Without losing the ties to the company's roots we needed to evolve perceptions of WestJet from a regional carrier to a full-fledged national airline.

iii) The Complacency of Canadian Air Travellers

Canadians were astonishingly complacent about Air Canada's underwhelming service levels. This passive acceptance created the perfect scenario for WestJet, because WestJetters believe they should do anything and everything for a guest. From simple things like helping guests with their luggage (not allowed on Air Canada because of union rules) to driving people home from the airport if their ride doesn't show up.

With WestJet's expansion into Central and Eastern Canada, all Canadians now had the opportunity to experience exceptional service. Research identified a large group of frustrated travellers just waiting for an alternative airline. This group, dubbed "Potential Defectors" became our primary target.

b) Resulting Business Objectives

1. Entrench WestJet as a Contender to Air Canada

As disgruntled as they may be, Potential Defectors needed to see WestJet is a viable alternative before they'd leap to another airline. As a result, we had to:

- *Increase Awareness Levels in New Markets*

  Many people in Ontario, Quebec and Atlantic Canada were overlooking WestJet when booking flights—defaulting to Air Canada despite their service and attitude. An essential starting point was to build awareness of WestJet as a viable option.

- *Demonstrate that WestJet offers the service expected from a tier-one airline*

  We had to dispel WestJet's no-frills discount image. We needed to be seen as "credible" and "professional" and "providing a relaxing travel experience."

2. Generate Trial

There were two reasons to generate trial. The most obvious is to build revenue while also building a brand. Airline margins are extremely tight, and the capital costs associated with expanding into Central and Eastern Canada escalated the need to generate revenue. Crossover Note 13.

The second relates to the longer-term. We knew that trial would result in loyal customers and business growth, because once people experience WestJet, they're sold. In fact, our research showed that 90% of people who try WestJet would fly the airline again. Great treatment and service turns people into believers.

3. Capture the Imagination of WestJet Itself

Although not a quantitative deliverable, this was seen as critical. The company's success has come from people in every part of the organization committed to delivering a great guest experience. A campaign that motivated WestJetters could only propel the guest-first philosophy even further.

c) Budget Range/Share of Voice

The annual investment falls into the category of $5 million and over.

STRATEGY & INSIGHT

a) Analysis & Insight

Air travellers are accustomed to inflated promises and the disappointments that usually accompany them. As a result, merely promising a better experience wouldn't dispel their skepticism. We wanted an unassailable reason for customers to believe in the better experience with WestJet. That reason was a simple truth about the company: *the employees aren't just employees, they are owners.* Crossover Note 11.

All WestJetters must be guest-centric, just to get hired. Over and above this, over 80 per cent of WestJet's workforce own stock in the company, and everyone enjoys semi-annual profit sharing.

In any business, customers believe owners care more than employees do. This truth was especially powerful in comparison to Air Canada. When the Owners campaign launched Air Canada had just emerged from bankruptcy and the demands of their unionized workforce had been widely communicated in the national press. The contrast between a beleaguered union-rules organization and an owner-driven company couldn't have been more obvious.

b) Business Strategy

The principles were straightforward:

- Simplify operations by committing to a single model of aircraft (the Boeing 737, the workhorse of the aviation industry).
- Be zealous about on-time performance to avoid delays in the air and on the ground, which erode margin.
- Keep the staff happy and motivated in order to stave off unions.

c) Communication Strategy

This rested on three pillars.

1. **Lead with WestJet's sustainable point of difference: its people and the experience only they can create.**

   WestJet is a culture-driven company, and the people drive the culture. The positioning investigation focused WestJetters on how they create a different experience. We interviewed people from the hangar to head office, with stops along the way at the baggage ramp, the check-in counter and the cockpit. Everyone was united in a shared responsibility to create a friendly, stress-free and enjoyable experience. Compared to the union-driven atmosphere of Air Canada it was remarkable. Communicating this passion toward guests was the anchor of the entire strategy.

2. **Use tangible attributes.**

   While WestJetters' attitude and approach are the source of the WestJet difference, tangible attributes are the evidence. The guest experience starts long before you get on the aircraft, so things like the flexibility to change flights and the promise not to overbook are important. Similarly, different ways to check in – with an agent, at a self-serve kiosk, or in advance online – give you a sense of choice and autonomy. Once in flight, features such as Live ExpressVu Seatback TV add to the enjoyment, while leather seats made you feel you are getting something usually reserved for first class. Although these aspects were not necessarily sustainable as long-term points of difference, taking advantage of them while they were newsworthy made sense.

3. **Pick the right target.**

   Research identified a group of people who would be very open to the WestJet promise, but also highlighted a group (the Elite business traveller) not worth pursuing. This group's relationship with Air Canada was strong, driven by business class treatment, and their commitment to Aeroplan points. As well, they often needed flights outside of WestJet's North American footprint. We decided to target people who value a friendly and helpful experience more than being able to get on the aircraft before anyone else. This influenced our tonality and led to a down-to-earth approach consistent with WestJet's values.

CREATIVE EXECUTION

There have been three waves of the "Owners" campaign, all timed to coincide with peak air travel periods. The campaign asks the question: "Why do WestJetters care so much? Because we're also WestJet owners." Through the attitudes and actions portrayed in TV, print, radio and out-of-home, the commitment to guests comes to life, as does the quirky humour that has typified the company since its inception. Crossover Note 14.

The campaign works against the image perceptions that were our primary objectives, but has the flexibility to deliver messages about the newness of the fleet, in-flight features like Live ExpressVu Seatback TV, and new routes. And it has grown beyond being an external message: the "Owners" platform has worked its way through the entire organization. The "we care because we're owners" mantra has been adopted on everything from company-wide e-mail signatures to the annual report.

MEDIA EXECUTION

Media was scheduled to align with peak travel periods for the business target – Spring and Fall. These periods offset the busy summer leisure and December period which usually sell out. The plan was a multi-media approach of television, newspaper, out of home and select business media.

Most of the media allocation was invested in television as it provided an ideal environment for delivering the "Owners" message. It allowed for targeting the business traveller through program and station selection. It provided a broad target reach, and it also allowed for regional segmentation. The specific regional strategies were divided between increasing awareness in the east with a higher frequency, and greater reach in the west to maintain WestJet's strength there. In an effort to extend the message beyond the television audience, we also included cinema in the mix.

Newspaper provided a targeted environment with the selection of business/news or leisure sections. It also allowed for regional or route-centric strategies to be executed.

Out of home zeroed in on volume traffic routes and provided high frequency. Out of home boards at the airport allowed the message to reach the frequent traveller. We also used the Elevator News Network (elevator screens) to reach business travellers at work.

BUSINESS RESULTS

WestJet has a methodology for evaluating the bottom line impact of its brand campaigns. Here is a statement on the effort in this case:

> The primary objective of the Owners campaign was to drive brand trial from new guests in Eastern Canada. The ROI was calculated from two segments that recalled the campaign and made a booking with WestJet subsequently: incremental guests (trial among those who had not booked WestJet in the past 12 months) and increased travel from existing guests (stimulation of existing base – those who had flown WestJet in the past year). Among those who recalled the campaign and made a flight booking, approximately 1.6 million were incremental bookings. An assumption is made that 50% of the bookings can be attributed directly to the campaign. Research shows that campaign brand link (82% recalled the campaign and correctly identified the sponsor) corroborates this assumption.

[Editor's note: with the assumption that an incremental ticket costs $145, the 800,000 incremental bookings attributed to the campaign delivered over $100 million in incremental top-line revenue.]

In terms of the effect on WestJet's image and reputation, we can compare results to a benchmark study fielded in April 2005, (Note: this is drawn from an ongoing blind panel of 20,000 Canadian travellers. While this group is more involved in the category by virtue of panel participation, the relative shifts are statistically reliable and representative of the general public.) Every measure is up.

Top of Mind Brand Awareness: National and Regional Impact

	April 2005	Nov 2006	Difference
National	76	89	+13
West	85	94	+9
Ontario	75	89	+14
Quebec	62	82	+20
Atlantic	74	85	+11

Top of Mind Brand Awareness: WestJet Flyers/Non WestJet Flyers

	April 2005	Nov 2006	Difference
Previously flown WJ	87	96	+9
Not flown WJ	69	85	+16

Unaided TV Awareness: National and Regional

	April 2005	Nov 2006	Difference
National	25	61	+36
West	29	58	+29
Ontario	25	64	+39
Quebec	18	57	+39
Atlantic	28	68	+40

Top of Mind TV Awareness: WestJet Flyers/Non WestJet Flyers

	April 2005	Nov 2006	Difference
Previously flown WJ	31	58	+27
Not flown WJ	23	63	+40

Brand Perceptions: The Traveling Experience

	April 2005	Nov 2006	Difference
Treats me with respect	68	83	+15
Goes over and above to provide a positive travel experience	48	71	+23
Provides a stress-free travel experience	51	65	+14

Brand Perception: WestJet Stature

	April 2005	Nov 2006	Difference
Credible	60	75	+15
Professional	61	75	+14
Trustworthy	55	71	+16
National Airline	37	53	+16

CAUSE & EFFECT BETWEEN ADVERTISING AND RESULTS

The results cited are drawn from a research study initiated specifically to measure the impact of the campaign, and the increases noted in the Results section coincide with the campaign's media flighting.

INTRODUCTION TO CROSSOVER NOTES — CASSIES 2007

[For WestJet]

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.

INDEX OF CROSSOVER NOTES FOR CASSIES 2007

The Notes for this case are marked ✓and come next.

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.

WESTJET CROSSOVER NOTES FOR CASSIES 2007

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*."[1]

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.*

5. The Total Brand Experience. Brands have always been built at "every point of contact" with the consumer, but this turn of phrase is relatively new. It arrived partly because the explosion of media choice has shifted marketers away from a "mass" mentality, and partly because of the growth of services. The way we are treated by a retailer, restaurant, bank or telco has more effect than an advertisement. So all the "points of contact" have to be managed skilfully.

Cassies cases have historically been about advertising in its traditional sense, but they are evolving to include "every point of contact." At its highest level *(Crossover Note 4)* this is more than communication, but most of the time "every point of contact" is part of Integrated Marketing Communication. This itself is more profound than making sure everything has the same "look and feel" — for the obvious reason that what works in one medium doesn't necessarily work in another.

One of the agencies tries to capture the overall "experience" under the umbrella of an "organizing idea." All the disciplines then work to achieve their goals in the way that works best in their medium. Of course, if certain words, pictures, icons, slogans etc. work in more than one medium, they will be used. The point is not to force fit. Various cases have referred to the total brand experience. They include:

- Cassies III: Richmond Savings.
- Cassies 2004: Zumanity, Desjardins. Fam Channel, Gaz Metro, Réno Dépôt.

[1] 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.

- Cassies 99: AGF Funds.
- Cassies 2001: Clarica, Clearnet, i-wireless.
- Cassies 2002: Bank of Montreal, ED, Lipton Sidekicks, Scotiabank, Sloche.
- Cassies 2003: Bubba, Dodge SX 2.0, Irving's Coffee, Manitoba Telecom, MINI, United Way, Univ. de Montréal.
- Cassies 2006. WestJet.
- Cassies 2007: Cashmere, SickKids,Coors Light, WestJet, TDCanada Trust.

11. The Eureka Insight. These feature in many cases. Some examples:

- Oh Henry! Gut-fillers had tried to own hunger. Cassies II and *Crossover Note 7*.
- Buckley's. Rather than side-step their bad taste, Buckley's relished it. Cassies III.
- Chrysler. Used *emotion* as the key to an immensely successful launch. Cassies III.
- Philadelphia Cream Cheese. Creating "permission to indulge." Cassies III.
- Richmond Savings. Creating the "Humungous Bank." Cassies III.
- Eggs. (See also *12. Changing the Goalposts.*) Farmers brought "natural" to life.
- Sunlight. Getting dirty is fun. This is diametrically opposed to the conventional wisdom, dominated by Tide, that clean is good and dirt is bad. Cassies 99.
- Fido in Cassies 99. In an echo of Apple vs. IBM, Fido saw that consumers needed the human touch. See also Clearnet and "the future is friendly" in Cassies 2001.
- Diet Pepsi in Cassies 2002. The "forever young" campaign.
- Listerine in Cassies 2002. Healthy gums, after a century of bad breath.
- Pro•Line in Cassies 2002. Appealed to non-experts with "Anyone can win."
- Aero. Saw the power of "melting" in Cassies 2003.
- Super 7. Ignored the political correctness of being tasteful. Cassies 2003.
- Quebec Milk. Saw the obvious. Asked people to drink more. Cassies 2004 and 2005.
- Toyota Sienna. Realized that the answer lay not in what SUV buyers do. Cassies 2004.
- Irving's Cruisin' to Win. Saw the power of *small* prizes. Cassies 2005.
- Crescendo. Like Oh Henry! saw unoccupied high ground. Cassies 2005.
- Butter. Saw a way to use "natural" to connote taste and health. Cassies 2005.
- Anti-Smoking. Saw the power of "Stupid." Cassies 2005.
- Jergens Ultra Care. Saw a way to reposition skin. Cassies 2005.
- Whiskas. Saw things from the *cat's* point of view. Cassies 2005.
- Moores. Used the fact that their target audience hates shopping. Cassies 2005.
- Harvey's. Realized the significance of The Grill. Cassies 2005
- Quebec Lotto 6/49. Realized that 6/49 winners are generous, so be nice to them.
- United Way. Saw power in the Hand icon. Cassies 2005
- CIBC Run for the Cure. Saw the power in the Pinnie idea. Cassies 2005
- Juicy Fruit. Saw how to build a new image by destroying the old one. Cassies 2005
- Yaris. Realized that you *could* use aspiration in the sub-compact category. Cassies 2006.
- WestJet saw the power in the "owners" idea. Cassies 2006 and 2007.
- Monster saw the power in the "best boss" idea. Cassies 2006.
- Dove. Saw the leverage in the Self-Esteem Fund. Cassies 2007.
- Brita. Changed how we think about tap water for ever.
- SpongeTowels. Brought absorbency to life, almost literally.
- Benylin. Realized what we really want to do!
- Newfoundland. Realized that the problem was the opportunity.
- Plus virtually all the cases in *Crossover Note 10.*

13. Immediate vs. Long-Term Effect. The effects of advertising in the short and/or long-term have been hotly debated for years. I'm can't do justice to all the points of view in this space, but here is a fairly lengthy overview:

Einstein proposed the Theory of Relativity about 100 years ago. Then Planck came up with Quantum Theory, and Hiesenberg advanced his Uncertainty Principle. Since then, physics has struggled to find the elusive "theory of everything.. In a less cosmic way, advertising has followed the same course. A top UK researcher found over a hundred theories of how advertising works. They all capture part of what happens, but none explain the full picture.

This leads to an important point. In the absence of a single agreed theory, we've all pieced together our own notion of what effective advertising is all about. Our mental models (while right some of the time) are not right all of the time. But *we all make the mistaken assumption that our own model is right.*[2]

For example, there used to be a view (diminishing, but still with us) that creativity gets in the way of effectiveness. Some years back, the CEO of one of the big packaged goods companies unrepentantly said this. I'm sure that in his own mind he was criticizing "irrelevant creativity" or "self-indulgent creativity." But he left the impression that he was only interested in the tried and true.

At the other extreme, there's the view that creativity is all that matters. When people advocate this, they don't mean "irrelevant" or "self-indulgent" creativity, but to people at the tried-and-true end of the spectrum, that's what it sounds like.

Between these extremes there's a view with accumulating evidence in its favour; that creativity (relevant of course) is a *partner* in effectiveness. All the big Cassies winners bear this out, and an even longer list of examples comes from 20+ years of IPA Effectiveness Awards in the UK. (The Cassies was modelled on these Awards.)

Many people carry a subconscious version of the 100 year-old AIDA theory in their heads: Attention >> Interest >> Desire >> Action. But there is a lot of evidence that advertising does not work this way, especially for established brands in everyday categories (I dislike the terms "low interest" or "low involvement"). Foote, Cone & Belding, amongst others, have proposed buying sequences based on Learn-Feel-Do, Feel-Learn-Do, and Do-Feel-Learn. In this approach, LFD is similar to AIDA, and applies to high-involvement purchases. FLD applies to categories like cosmetics and perfumes. DFL applies in the so-called low-involvement situations where there is (presumed to be) not much risk attached to the purchase.[3]

Speaking of models, it seems self-evident that advertising has to "cut through the clutter" but even that is being re-examined. Neuroscience gives us Low-Involvement Processing. It seems that humans take in huge amounts of data through the primitive parts of our brain. It doesn't blast its way in. It goes in without our knowledge. This is

---

[2] I think it was Paul Feldwick, a top UK planner, who first made this penetrating observation.

[3] This paragraph is touching on the area known as Hierarchy of Effects. Academics and researchers have been trying for over a100 years to pin down what is going on when we buy one thing rather than another. Creative people tend to think more intuitively, but this type of approach can be useful in sorting out where the real points of leverage are. For more (maybe too much more!) google Heirarchy of Effects,

13. Immediate vs. Long-Term Effect (cont'd).

about as far from AIDA as you can imagine. LIP, in terms of advertising, is unproven, but I think there could be something to it, based on a common sense test. If you examine all the thoughts, feelings, knowledge and memories you have about brands, haven't a great many of them got in by osmosis? For more on this, see papers by Robert Heath and Jon Howard-Spink in Admap.

In any event, clients, account people, creative people, and researchers have many different mental models for how advertising works. This explains a lot of the tension when advertising is being developed, discussed and evaluated.

On the issue of immediate versus long-term effect, there is an "experience" view, and an "academic/research" view. The experience view is probably best captured by the comments of John Pepper, then President of Procter & Gamble, in a 1988 speech:

> I believe in advertising quite simply because I have seen throughout 25 years that the correlation between profitable—let me emphasize profitable—business growth on our brands and great advertising isn't 25 percent, it's not 50 percent, it's not 75 percent. It is 100 percent. And I don't deal in hyperbole here. In 25 years I haven't seen a single P&G brand sustain profitable volume growth for more than a couple of years without having great advertising. Great advertising alone won't do the job. We know that. The product must be right. The pricing must be right. We've got to provide superior satisfaction, superior value to consumers. But great advertising—it's purely and simply a must.

Within this "experience-based" view, there are basically five broad advertising scenarios that have to be managed:

1. An established brand is doing well with a well-regarded campaign, and the challenge is to maintain this success. See *14. Refreshing a Continuing Campaign.*
2. An established brand has got to a good volume/share/ profit level, often with the help of advertising, but now growth is hard to come by. In this scenario, it may be best, from an ROI point of view, to go into "retention" mode—using advertising to maintain the brand at successful levels, rather that trying to make it grow.[4]
3. The brand has launched a new campaign, and shipments/share etc. respond within days/weeks of new advertising.
4. It's clear, based on careful analysis, that the new advertising is not working.
5. The effectiveness of the new advertising is hard to read, either because it is "too early to tell" or there is not enough information to sort out what's happening.

Scenario 1 is relatively straightforward, though it is always a challenge to maintain and refresh a continuing campaign.[5] Scenario 2 may not be red-blooded enough for some, but it needs to be considered in markets with a high cost of aggressively acquiring new customers. Scenario 3 is a delight when it happens, though in most competitive markets is relatively rare. Scenario 4 happens, and when it does, it's in

---

[4] Aggressive marketers can find this difficult to accept, particularly given the danger that a passive approach can become a self-fulfilling strategy. However, it does need to be considered.

[5] Boardroom fatigue and "new people wanting change" are big factors here.

13. Immediate vs. Long-Term Effect (cont'd).

everyone's interest to fix the problem quickly and learn from it. Scenario 5 is very common, and the danger is for decisions to be made on anecdotal evidence, rather that deeper analysis. Angst creeps in, and the following could all be valid:

- **The advertising is working, but the effect is masked.** Pricing, promotion, in-store activity, distribution etc. almost always have a greater short-term effect than advertising. However, it they are masking an underlying positive trend, then given time, the masking will recede, and all should be well.
- **There is a "slow burn."** This is based on the assumption that (some) advertising needs time to wear in. It has to be said, though, that many people reject wear-in, saying that if a campaign does not have a quick effect, it's unlikely to have one at all. On the other hand, campaigns like "I AM" Canadian in Cassies III were spectacularly effective, but took time to wear in.
- **There's an "arm wrestler" stand-off.** Two equally matched (and strong) arm wrestlers can hold each other immobile for an agonizing length of time. You may be up against a powerful competitive campaign i.e. you have to assess the strength of that campaign before coming to a conclusion about your own.
- **The advertising is not working.** You may be seeing the early signs of this—in which case you need to be preparing some sort of fix.

From the academic/research side, there's good evidence of advertising's short and long term effect though, as noted above, not all advertising works. Here's a selection of work in this area:

- **John Philip Jones and STAS (Short-Term Advertising Strength).** Jones designed a study to uncover short-term effect, if it exists. He used single-source data to examine "advertised" and "non-advertised" households—and the brands they buy. There are detractors to this work, but the findings seem pretty clear:

  a) There is a definite, short-term effect from advertising. (70% of cases.)

  b) In Jones's words, *a single advertising exposure was shown to be all that was necessary to achieve an immediate sales increase.* (Note that this flies in the face of conventional wisdom about frequency. See *Crossover Note 28*.)

  c) The short-term effect was often followed by a one-year effect (46% of brands) though the sales response at one year was always lower than at one week.

  d) When brands do not show the STAS response, it is likely that the creative is not as strong as it might be, or that it is being out-muscled by more powerful creative from a competitor. [A stronger arm-wrestler.]

- **The IRI on long-term effects.** IRI run state-of-the-art Behaviorscan split-cable test markets in the US. Consumers are exposed to marketing effort, while a matched control group is not. In the early 90s IRI published the learning from 400 tests that had explored TV creative, media weight, promotion support and so on. They were able to analyze 44 tests for long-term advertising effect. Test areas (A) were measured against control areas (B). Areas "A" only got special effort in Year 1. After that, the test and control plans were identical. In other words, any

13. Immediate vs. Long-Term Effect (cont'd).

- long-term effect in the test areas was caused entirely by the effort in Year I. Results were:

  a) In Year I, Plan A markets averaged +22% volume over Plan B.
  b) In Year II, Plan A markets held their advantage, at +14%.
  c) In Year III, they still held an advantage, averaging +7%.

  In other words, in these 44 markets, the 3-year effect was, on average, double the one-year effect. The study concludes that payout for one-year effort should be calculated over three years.

- **The Millward Brown Findings.** Millward Brown have immense databases in the UK, USA, Canada, Europe and elsewhere. They see a short-term advertising effect in their continuous tracking, but also a long-term effect. Through sales modeling, they estimate that this long-term effect may, on occasion, be as much as 7 times greater than the short-term effect. (Provided by Bill Ratcliffe, then Presideet of MIllward Brown in Canada.)

- **The Observations of Paul Feldwick**. Paul Feldwick is a top planner in the UK with impeccable credentials. He has proposed a fascinating metaphor for short and long-term effect, based on "brand muscle." When we exercise, the result of any individual activity is small and hard to measure. But over time, results can be dramatic. This is more than just a clever analogy. There is a huge amount of evidence that as consumers get more used to buying a brand, it moves into their habitual (and perhaps even loyal) repertoire.

- **Market Mix Modelling.** A few Cassies winners, and many IPA winners, use econometric modelling to prove the advertising effect. This is a big step forward, though it should be borne in mind that this modelling, at its core, measures shorter-term effects. It uses sophisticated mathematics to examine changes in sales, and relate them to the corresponding marketing tactics. The mathematical formula produces a theoretical sales curve, and, when done well, it is a tight fit to actual. Then, it can be assumed that the model is accurately assessing what each tactic is contributing. However (and this is important) this modelling does not explain "steady state" or "baseline" volume.

- **The Work of Hess and Ambach.** Hess and Ambach (amongst others) have pointed out that a typical Market Mix model will fail to explain as much as two thirds of a brand's volume. This is usually identified as "baseline volume that the brand would have gotten anyway." But something must be generating it.

  This is usually identified as the equity that the brand has accumulated as a result of all of its activities over the long term up to that point.

13. Immediate vs. Long-Term Effect (cont'd).

Hess and Ambach used loyalty programme databases to identify at least some of this "equity" effect. They expressed it as a multiplier applied to the results given by Market Mix modeling, and concluded that advertising's longer term effect "ranges from *1.58 to 3.98* of the market-mix modelling effect, with an average multiplier of 2.32."

For more, see publications by John Philip Jones, Leonard Lodish (IRI), Millward Brown, Paul Feldwick, and Hess & Ambach. For some academic fireworks, see also the disputatious views of Andrew Ehrenberg of the London School of Business.

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.[6]

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.)

There is still the question, though, of what is a campaign? At one time, packaged goods advertisers (and some agencies) believed in strict pool-outs. But campaigns don't have to be so formatted. The following list doesn't pretend to be exhaustive (some types of campaigns are hard to categorize) but it starts at rigid end of the spectrum, and extends to the holistic. All versions have their successes and failures, and I hope this listing will help free up some of the rigid thinking:

- **Strict Pool-Out.** Campaigns like "Who wants Gum? I do. I do." They have a repeated format, often with a USP demo or slogan. Some people think this type of advertising is passé. Others remember it fondly.
- **Hall of Fame Pool-Out**. Some think pool outs are dull, predictable and clichéd. Not necessarily. The 20-odd year campaign for Hamlet cigars in the UK is rigidly formatted, but spectacularly creative and effective. Familiprix is the same.
- **Situational Pool-Out.** These don't have the format of the strict pool out but still have a clear connection between executions. Diet Pepsi's "Forever Young" and Pro•Line's "Anyone can Win" are examples. Huggies "Happy Baby" is one of the longest-running. Clearnet/Telus is in this camp too.

---

[6] 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.

This category also includes campaigns based on spectacular executions like "Manhattan Landing" and "Face" for British Airways, though it can be hard to keep coming up with ideas this big. Kit Kat is a different type of example, where the "break" continues, and the challenge is to keep it up to date.

- **Icons.** These can anchor a campaign (Maytag Man, Marlboro Cowboy) or be a property (Tony the Tiger, Pillsbury Doughboy). Some see icons as yesterday's idea, but I think that's a mis-call. Absolut Vodka uses its bottle as an icon, and it's brilliant. The Familiprix pharmacist is hilariously effective.
- **Spokes-people, and Spokes-animals.** Dave Thomas and Colonel Sanders, god rest their souls, are examples, as is Morty the Bison for Manitoba Telecom.
- **Storytelling with continuing character(s).** The Oxo family in the UK is a long-running example. Bartles and Jaymes was a wonderful success story in the US. Personalities have been very successful in Quebec e.g. the Pepsi and Listerine Grand Prix winners in Cassies I and II.
- **Music-Based.** Music sometimes goes beyond a supporting role, and becomes part of the brand character. Soft Drinks, Cars, Fast Food, and Beer have all built campaigns this way. In packaged goods, becel's "young at heart" campaign would be an example.
- **Consistent "Voice and Attitude."** These campaigns are held together by something more subtle. Perhaps the most impressive was Volkswagen in the 60s. Individual executions were different (serious, comical, ironic, dramatic) but they all had the Volkswagen voice and attitude. Brands like Nike are in this category. Benneton is an extreme example.
- **Same core message. Customized execution.** To people with a strict "pool-out" mindset, this hardly qualifies as a campaign at all. But the overall effect can be powerful. The best Cassies example is the 4-year Dove Case from Cassies III.[7]

  The campaign started in late 91 with "Litmus," a strikingly simple demonstration, with no people or voice over—just haunting music, and some supers. Then came a raucous candid-camera commercial of focus group women doing the litmus test. Then a talking-head commercial with the scientist who invented Dove. Then another demonstration, similar to "Litmus," with the haunting music again.

  The first three executions are so different that some people would not have approved them. Given the subsequent results, that would have been a pity. What holds it all together? The continuing promise of mildness. A scrupulously honest and consistent brand character. And an element of surprise in each execution. Note that there are no continuing slogans or visual icons.

More generally, It's an open question whether today's obsessively short-term attitude is causing us to lose the drive we once had for great campaigns. I hope not.

[7] Another example is Budweiser in Quebec. Its 10-year campaign has always been centred on rock 'n roll, but it has always evolved.

32. Internal Marketing. When the Cassies started in 1993, internal marketing, as an idea, hardly existed. Now it's seen as a crucial part of brand-building, and it had an important role in most of the cases listed under *5. The Total Brand Experience*. Laurie Young and Guy Stevenson give a spectacular example in the ICA book *Excellence in Brand Communication:*

> Between 1990 - 1995, British Airways flew every employee from around the world to London, in batches of 100, to explain the idea behind the World's Favourite Airline campaign. The brand idea wasn't just about serving business travelers. It meant treating coach passengers (World Traveler Class) with great respect and dignity, because their once-a-year trip most likely had more emotional impact than any trip a frequent business traveler took. And British Airways was the world's most profitable airline during that era.

In Cassies 2005, Harvey's, United Way, and Familiprix touch on this topic. WestJet, Sick Kids, Royal Bank, and Purlolator so in Cassies 2006. SickKids, WWF, Capital G Bank, WestJet (again) and Canada Trust do so in Cassies 2007.