Cassies 2009 Cases

Brand/Case: “Become the Doritos Guru” Campaign

Winner: Events, Seasonal & Short-Term—Gold

Best Launch—Gold

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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 Cassies1997. The full set for Cassies 2009 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 9. Turnarounds.
Crossover Note 10. Conventional Wisdom—should it be challenged?
Crossover Note 12. Changing the Goalposts.
Crossover Note 16. When a campaign stumbles.

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 2009– June 2009
Start of Advertising/Communication Effort:	February 4, 2009
Base Period for Comparison:	January – December 2008

a) Synopsis of the Case

We set out to create Canadian marketing history and ended up with the most successful user-generated campaign in the world. This was accomplished through three strategic decisions: (1) Shifting from "push" to engagement in a way that was accessible to our entire target group and not just a select few. (2) Segmenting our target based on engagement data and enabling each segment to play its key role. (3) Creating a world's first online experience using an integrated YouTube and Facebook platform, making a huge impact on a small budget.

Doritos is an iconic teen snack brand that had lost momentum as a result of several unsuccessful flavour launches in recent years. New flavour SKUs drive brand growth and relevance for Canadian youth who are constantly looking for new experiences. Pressure on these new flavours is immense—the Canadian business can only support one or two launches each year, making each one critically important.

The "*Become the Doritos Guru"* campaign demonstrates great understanding of the youth target, and delivered outstanding results. Crossover Note 9. It shows how insights about engaging them in a new way, a bold and surprising stance, innovative technological firsts, and a compelling, head-scratching advertising campaign can work together to break through and make the brand relevant again. But above all else, it demonstrates what can happen when we put them, not us, in control. Crossover Note 12.

b) Summary of Business Results

Response to the campaign surpassed all expectations from a business as well as an engagement standpoint. As detailed later, overall Doritos sales were up 25% versus year ago during the key campaign period, and indexed at 118 VYA through June 4 09. Brand and Engagement results were similarly strong.

SITUATION ANALYSIS

a) Overall Assessment

Over the past several years, while maintaining a dominant share in the Flavoured Tortilla Chip (FTC) category, the Doritos brand had seen a slow yet steady decline in business. Three of the last five innovations had been discontinued within 8 months. Household penetration, past 4 week usage, and key performance indicators (KPIs) such as 'favourite brand', 'for today's teens', 'increasing in popularity' were all in decline, foreshadowing a serious downturn if things did not change. [See the tables that follow.]

	Annual Dollar Share				
Flavoured Tortilla Chips (FTC)	**2004**	**2005**	**2006**	**2007**	**2008**
Doritos	89.3	88.7	88.0	86.9	86.2
Old Dutch	3.8	5.8	4.9	5.5	4.9
C/L	3.9	3.5	5.1	5.5	5.3

Share to TOTAL FTC, National, AC Nielsen 2009

Key Perf. Indicators	Q1 2007	Q1 2008
Past 4 Week Usage	44	35
Favourite Brand	10	7
For Today's Teens	55	52
Increasing in Popularity	163	143

Total Doritos brand, Marketing Dashboard, 2009

This told us that innovations launched with traditional "push" campaigns were not driving the brand to success. We needed to completely change how we approached the Doritos brand if we were to regain relevance with today's teens. Crossover Notes 10 & 16.

b) Resulting Business Objectives

We wanted to grow the trademark 6% – this was an equity play, not just a flavour launch – and regain saliency and engagement with loyal users. In terms of KPIs, the objectives were to stem the declines and increase each of the measures by +2 points.

We also had to establish engagement goals to truly reflect the success of the campaign. Time spent is an accepted metric for a site's stickiness. However, we wanted our metrics to go deeper and reflect how the audience was participating with Doritos. We added a number of metrics: submissions, video views, votes, site visits, and unique visitors. We then set very aggressive targets.

c) Budget Range/Share of Voice

The net media budget for the national English and French campaign was $1.45 million. Of note however, was the decrease relative to traditional Doritos support. Compared to the previous flavour launch (Doritos Collisions in the summer of 08) the "*Guru*" media costs indexed at 76. Clearly, success was not driven by spending.

STRATEGY & INSIGHT

a) Analysis and Insight

We wanted to create a campaign that would be so buzz-worthy that the whole country would talk about it. However, to make this shift from "push" to engagement, we needed more than a buzz-worthy idea. We would need to turn the brand into a form of social currency and cultural capital. Crossover Note 5.

We set out to create a user-generated campaign (UGC) around an unidentified flavour in a white bag. But we didn't want another "make us an ad" campaign. We needed to push the boundaries of UGC campaigns by handing our audience complete control and ownership of the brand.

The consumer proposition became: Name the new Doritos flavour. Create a commercial for it. And in return we'll pay one winner $25,000 + 1% of the flavour's sales. Forever. This gave us our creative platform: *You could become the next Doritos Guru.* Now we had to get teens to embrace it.

To understand how to engage the audience, we conducted early research on the concept. It revealed that we had a big problem—that teens thought you had to be a budding Scorcese to participate.

Addressing this triggered our central insight: that the program had to be easy to participate in; that sophisticated skills and equipment weren't important. We would ensure that any communication we did would itself take on a user-generated feel.

We also revisited our traditional target. While many things still hold true (17-year old teens are intensely socialable explorers, are open to the people and opportunites around them, and want to control their world and have a voice) we knew we had to take a more in-depth look to truly connect.

We needed an engagement platform that encouraged everyone in our target group to participate, not just those who would be creating content. Insights from the social media and online environments showed that engagement audiences fall into three segments.

i) At the heart of a user-generated campaign, we have *Creators*, at approximately 5% of the target. They are critical, of course, but they alone wouldn't drive enough volume to achieve the business goals.

ii) The next segment are the *Critics*. Comprising about 15% of our target, *Critics* are active and vocal online. They review products and services and are generally engaged with anything that gives them a voice and an opportuntiy for feedback. Critics would help spread the word and buzz of the program, as well as delivering a degree of credibility to the program.

iii) The largest and least active segment, but the most important for driving volume, are the *Joiners,* representing 80% of our target. They maintain profiles on social networking sites and will come along for the ride, watching, voting and occasionally commenting on submissions – all the while buying a ton of Doritos.

Every aspect of the campaign, from the voting structure to prizing to commenting, was built so that each segment – *Creators, Critics* and *Joiners* - would feel there was something in it for them.

b) Communication Strategy:

Beyond communicating the program, we needed to remain true to the Doritos brand, which had always been irreverent, provocative and unexpected. Crossover Note 2. This DNA had to carry forward as we invited consumers to take over. With each piece of communication, we wanted to provoke our target to say "WTF?"

To ensure accessibility, we also had to make it as easy as possible for our target to participate. This meant a thorough understanding of online behaviour.

In examining how millenials engage online, we concluded that we couldn't make them come to us; we needed to go to them. Dragging them to a destination site is old school. In the new world, the key is distribution over destination. Strategically then, we knew that Facebook and YouTube would be essential. We needed an online platform that would enable teens to engage with "*Become the Doritos Guru"* wherever they felt most comfortable.

Finally, if we were going to engage teens in conversation, we needed to keep that conversation going. To the end, we created Chip Muncher - a Doritos online persona who filled many roles. From answering technical questions to simply talking about Doritos or whatever was on someone's mind, Chip Muncher would build rapport with our Guru participants.

CREATIVE EXECUTION

From the beginning, it was clear that this would not be your typical user generated campaign. The "WTF?" factor figured into every step. The new flavour profile was kept secret and packaged in plain white bags – with only limited prizing details and a short drive to web. The prize set the campaign apart by giving the winner true ownership of the brand through 1% of the future flavour sales.

Creatively, we didn't want the advertising to feel any different from the content we were asking for and expecting from our audience. To that end, all our creative would maintain a distinctly "lo-fi" user-generated feel, and be targeted in a way to generate different reactions from each of the segments we had identified.

We wanted *Joiners* and *Critics* to be scratching their heads and asking "WTF?" From *Creators*, we wanted "I could do that." These two reactions would drive engagement and get our target to learn more about the program.

All offline messaging drove to DoritosGuru.ca, a highly dynamic yet distinctly "lo-fi" design—in keeping with our user-generated campaign feel—where consumers could view, comment and vote on the user-generated content or register and upload their own.

These insights led us to a powerful technical innovation that would greatly enhance engagement.

We created the first website that integrated YouTube and Facebook. Partnering with one of Facebook's preferred back-end suppliers we created a seamless web experience. For the first time ever, all activity would be mirrored in real time across any platform. The brand's website Doritosguru.ca: the integration of Facebook Connect, a customized Facebook contest application: and a YouTube channel became the #1 most subscribed channel for YouTube in Canada. This would let participants consume the contest wherever they felt most comfortable.

Another significant and planned benefit of our online platform was earned media. As teens joined our Facebook group, posted comments and voted on submissions, newsfeeds across the country filled up with Doritos Guru buzz. This was a significant factor in regaining relevance and engaging teens. In effect, our online platform became another advertising medium.

Our "lo-fi" ethic was also extended through the various website properties. Polished yes, but in a deliberately unpolished sense. A series of random background tiles helped drive home that anything goes. Even chocolate pudding, if that was your thing.

We launched on the Super Bowl—the world's biggest advertising stage—with *"Talking Toys,"* a spot made in the creative team's office with a handheld camera and a webcam. We also had a YouTube homepage takeover on game day that used the same creative. By the end of the day, the video had close to 100,000 hits and we had accomplished our first goal. As quoted from one YouTube post: *"Chip hat.... LIKE WTF"*

The delivery of all subsequent campaign messages, from explaining the campaign, to communicating secondary prizing, to announcing the last day for submissions, would be as off-beat and crudely produced as the launch ad. This ranged from an unfortunate melting snowman to a talking cat with "man lips." Special effects would be limited to anything we could do on our laptop with the same software our users were likely to already have. Film was out of the question. We joked that keeping the camera in focus was optional.

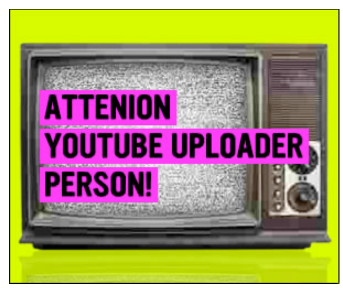
MEDIA EXECUTION

Working with a media budget of $1.45 million, we knew we had to be laser-focused with our dollars. Our target lives and breathes online so digital had to be a huge part of our media strategy. 37% of our dollars were spent online.

We got noticed through some common methods: online display ads, a YouTube channel (which became the #1 subscribed channel in Canadian YouTube history), a Facebook Fan page, and our own brand site. But we knew we had to go beyond these familiar tools.

This led us to creating the first-ever expandable YouTube Home Page takeover—used on two occasions—and the first ever YouTube 3D video. Throughout the campaign we also leveraged contest submissions and ran them on broadcast television to keep momentum and engagement with our target. This was yet another media first.

Web-only video ads, targeted YouTube Uploader placements, Facebook video and Fan ads, and In-Game ads were all employed to ensure that we were constantly present with our target.



In addition to this, we also entered into more traditional media partnerships. While our target lives online, they still consume other media and to ensure we achieved mass awareness we spent all of our broadcast dollars on Canada's two premier teen stations, MUCH and MusiquePlus.

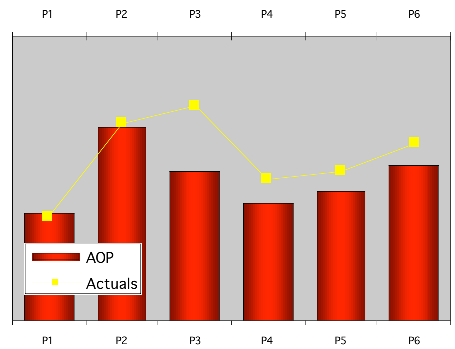
We worked with the networks to develop unique spots that leveraged their on-air talent, and the stations promoted and integrated the contest into their programming, and featured it on their websites.

The entire campaign culminated in a successful reveal. For the entire final week of the campaign, MUCH On Demand was commercial free except for a daily 3-minute Doritos Guru segment. MUCH On Demand had never gone commercial free for an episode, much less an entire week. On MusiquePlus, unique :45 spots showcasing each of the five finalists' entries were created and aired to stimulate voting to determine the eventual winner.

Finally, on May 1st, we had a live reveal on MUCH On Demand with the five finalists present and the winner—Ryan Coopersmith's Scream Cheese—announced on live television (and simulcast on MusiquePlus).

BUSINESS RESULTS

Doritos has effectively turned the business around. During the promotional period P3, ending March 18th, the Doritos brand performed at a 125 index VYA.



Sales through the first six periods of the year, culminating on June 4th, are at 118 VYA. The accompanying chart shows dollar volume through each of these periods, compared to plan.

Further demonstrating the renewed health of the brand and the return of Doritos to iconic status, six of the eight existing Doritos flavours were growing VYA with one flat and only one lagging 2008 results.

In terms of the unidentified flavour itself, demand was so strong that a second production run was required and that particular flavour indexed at 198 compared to the original business plan. To put that figure into context of the overall brand, it's only the 7th ranked sku in terms of unit sales so although it drove a significant increase over its plan, it is the overall strength of the trademark that is driving the 2009 success.

Other results have similarly surpassed expectations.

Sales Results

- Overall Doritos sales were up 25% vs. year ago during the key campaign period
- Share advanced by 2.1 points – to 88.3.
- There was significant growth in all regions – 109-128 VYA through June 4th

Brand Measures (Compared to Q1 2008.)

- Unaided Awareness +3
- Past 4 week usage +9
- Favourite brand +4
- For today's teens +8
- Increasing in Popularity +10
- A true equity driving campaign, not just pushing an innovation

Engagement Results

- 2,130 approved submissions. Comparatively, in its third year in the US, *Doritos' Crash The Super Bowl* garnered only 1,961 submissions, with the prize being your spot airing on the Super Bowl and the potential of a $1 million prize.
- 1,554,518 unique visitors
- 8,500,000 visits
- 14,429,408 page views
- 6:29 average time spent online
- 30,184 fans on Facebook.com
- 75,666 registered users at DoritosGuru.ca

- 1,742,068 views of user generated ads
- 429,523 views of agency spots on YouTube
- 2,171,591 total spots viewed
- 82,348 comments
- 588,841 votes cast

METRICS	GOAL	ACTUAL	INDEX
Submissions^	500	2130	426
Video Views*	600,000	1,742,068	290
Votes	150,000	588,841	393
Unique Visitors	100,000	1,554,518	1555
Time Spent	4:00	6:29	157

^Submissions based on approved submissions. More than 4,000 submissions were received.

*Based only on consumer video submissions. Including agency generated ads, total views were 2,171,591

All engagement metrics were based on UGC programs that we could obtain results for. The majority were PepsiCo global campaigns including US *Doritos: Crash the Super Bowl*, a UK Doritos Campaign, and PepsiCo Canada's *Bring Home The Stanley Cup*. We also included CBC's *Canadian Hockey Anthem Challenge* among others.

After analyzing those metrics as well as Canadian internet and population stats we created our metrics, which were aggressive. For example, our submissions metric was more than double that of the US (1961/10 = 196 submissions based on population), our unique visitors metric (based on 50,000 visitors/month) was double the Canadian average, and time spent was almost double the Pepsi Canada average. Even with these aggressive targets, every measure was achieved by the beginning of the fourth week of the campaign ending March 7th.

CAUSE & EFFECT BETWEEN ADVERTISING AND RESULTS

It wasn't an especially tasty new flavour. It wasn't pricing and it wasn't the media spend. It could only have been the advertising that drove the results. We have, however, examined other variables:

a) Previous Flavour Launch Success

The chart below shows results of the last two Doritos flavours, Collisions and White Bag, as well as their effect on the overall Doritos trademark.

The chart shows that while Collisions was a higher selling individual flavour, growth of the total Doritos trademark was by far higher during the Guru/White Bag campaign.

This demonstrates the effect *"Become the Doritos Guru"* had on the total portfolio and proves the campaign was a true equity driver as opposed to simply driving share for a flavour innovation. In fact it drove more trademark growth than any of the previous five flavours.

		P1	P2	P3	P4	P5
Collisions	$ Vol	238,511	567,406	595,965	795,486	612,359
	$ Shr	3.6	7.9	7.6	9.4	7.5
TL Doritos	$ Vol % Chg VYA	1%	4%	8%	4%	12%
	$ Shr Pt Chg VYA	0.6	0.6	2.6	0.7	0.5
		P1	P2	P3	P4	P5
White Bag	$ Vol	14,193	606,562	416,438	119,671	511,872
	$ Shr	0.2	7.1	5.3	1.7	6.5
TL Doritos	$ Vol % Chg VYA	17%	26%	25%	7%	15%
	$ Shr Pt Chg VYA	2.8	2.3	2.2	2.1	3.8
		P1	P2	P3	P4	P5
Index Doritos TM	$ Vol % Chg VYA	1700	650	313	175	125
WB vs. Collisions	$ Shr Pt Chg VYA	467	383	85	300	760

b) Promotional Pricing

Pricing was not a factor in the success of the campaign. Compared with 2007 and 2008, there are no differences.

	2007	2008	2009 YTD Guru/White Bag	Index to 2007	Index to 2008
Avg. Retail Unit Price*	$2.52	$2.47	$2.48	98	100

***Avg. Retail Price** = Blend of regular and Temporary Price Reduction price (Total $/Unit Vol)

c) Trade Spending

Trade spending was not a driving factor either. When compared to the Collisions launch, co-op support was up, with White Bag indexing at 140. However, display support was down to an almost identical degree with White Bag indexing at 64. Our conclusion is that the two factors cancelled each other out.

d) Campaign Spending

As previously mentioned, when compared to the launch of Doritos Collisions in 2008, the "*Guru*" media costs indexed at 76.

e) Regional Performance

Performance was strong in all regions, indicating that the national success did not trace to an aberration in a single region.

	Key Period VYA (P3)	YTD VYA (thru P6)
National	26%	18%
Atlantic	47%	28%
Quebec	26%	23%
Ontario	26%	20%
West	23%	9%

Share to TOTAL FTC, National, AC Nielsen 2009

f) Key Performance Indicators (KPIs)

Doritos uses a continuous tracking system so the Q1 results include responses for the five weeks before we launched on Super Bowl and go through the end of March, prior to the end of the campaign – our winner was revealed on May 1.

Even still, the numbers are outstanding. Compared to Q1 2008, Past 4 Week Usage jumped 9 points, Favourite Brand was up 4 points, from 7 to 11, For Today's Teen's was up 8 points, from 52 to 60, and Increasing in Popularity was up 30 points from 143 to 173. All metrics matched or surpassed the scores from Q1 2007—the first quarter that we broke out our teen target.

KPI	Q1 2007	Q1 2008	Q1 2009	Index to 08
Past 4 Week Usage	44	35	44	126
Favourite Brand	10	7	11	157
For Today's Teens	55	52	60	115
Increasing in Popularity	163	143	173	121

KPI results for total Doritos brand, Marketing Dashboard, 2009