Cassies 2004 Cases

Brand: Kit Kat

Winner: Packaged Goods Food—Silver
Sustained Success—Silver

Client Credits: Nestlé Canada
Ed Marra, President & CEO
Bob Leonidas, President Confectionery
Ken Shaver, VP Confectionery
Ann Taylor, Brand Manager
Michael Rossi. Hira Verma, Brand Champions
Elizabeth Frank, Marketing Champion

Agency Credits: J Walter Thompson (over four years)
Martin Shewchuk, Executive Creative Director
Paul Wales, Senior Copy Writer
Lili Shalev, Vice President, Client Service
Karen Devine, Group Account Director
Tim Dass. Fred Roberts. Bart Smith, Art Directors
Malcom Roberts. Chris McGrodery. Jason Buback, Copy Writers
Hilary Roberts. Alex Grey, Account Executives
Rick Kemp, Creative Director
Donna Heffernan, Producer
Monique Zarry, Account Director
Laurie Chodelka, Account Supervisor
Sarah Morran, Senior Vice President, Planning
Jack Perone, Vice President, Planning

Crossover Notes: All winning cases contain lessons that cross over from one case to another. David Rutherford has been extracting these lessons (he calls them Crossover Notes) since Cassies 1997. The notes for this case are as follows, and are attached. The full set can be downloaded from the Case Library section at www.cassies.ca

Crossover Note 9.	Turnarounds.
Crossover Note 13.	Immediate vs. Long-Term Effect.
Crossover Note 1.	What the Brand Stands For.
Crossover Note 26.	Awareness Alone.
Crossover Note 6.	Should the product be improved?
Crossover Note 33.	Changing the Target Audience.
Crossover Note 16.	When a campaign stumbles.
Crossover Note 14.	Refreshing a continuing campaign.
Crossover Note 15.	Baby with the Bathwater.

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

Executive Summary

Results Period: 2000 - 2003.

Start of Advertising/Communication Effort: March 2000.

Base Period: Historical comparisons.

This is the story of how a once #1 brand, fallen to #8, got back to the top. It was not an overnight effort. It required four years of hard work, learning and retooling.

1999 was a watershed year for Kit Kat as it dropped to its lowest share ranking in decades, at #8 in the highly competitive confectionery category.

The turnaround needed a two-pronged strategy. Crossover Note 9. First, Nestlé had to reinvest in advertising. Second, Kit Kat needed a line extension for teens. They prefer "big eat" bars like Oh Henry! [See also the Oh Henry! case in Cassies II.]

Kit Kat's journey back to #1 was in three phases.

Phase 1 started in 2000, with the return to advertising, and the launch of Chunky—a single Kit Kat finger, 22% bigger than 4-fingered Kit Kat Original. Advertising for the overall brand (there was no specific advertising for Chunky) and was a modernized version of Kit Kat's long-running "Have a Break" campaign. This "brand" effort worked, and by the end of 2001, Kit Kat overall was at #3. Original was selling more than it did in 1999, and Chunky had a good foothold.

For Phase 2 (2002) Nestlé wanted to push Chunky higher, and shifted all advertising to it. This also worked, and Kit Kat overall got to #2. However, Kit Kat Original had flattened out, which would be a problem if Kit Kat was ever to get back to #1.

For Phase 3 (2003), the team wrestled with how keep Chunky growing, and re-energize Original, without a significant media increase. The two bars appeal to very different audiences. Was the solution a return to the "brand" approach of 2000 - 2002, or was there a way to advertise the bars individually, without fragmenting the message?

The solution was individual advertising, but with the common platform: "If he deserves a break, you certainly do." This spawned the Cannes-winning "Male Model" for Original, and "Josh & Jason" for Chunky. By mid-year, Chunky and Original were both growing. This propelled Kit Kat to #1—with all-time high dollar shares.

Meanwhile, there were no significant changes in the marketing environment, making this a clear example of advertising success.

Situation Analysis

a) Overall Assessment

Kit Kat was Nestlé's flagship chocolate bar and had been well-established in Canada for over 50 years. However, in the 90s, as a result of inconsistent and spotty communications support, the brand hovered in 4th to 6th place. In 1999, after 3 years of no advertising support at all, it reached an all-time low 8th place.

Exhibit 1: Chocolate Bar Brand Rankings (tonnage consumption)

National	**1993**	**1994**	**1995**	**1996**	**1997**	**1998**	**1999**
Reese's	7	10	8	4	5	8	3
Oh Henry!	2	3	1	1	1	2	1
Kit Kat	4	5	5	6	4	5	8
M&M	3	2	4	2	2	1	2
Caramilk	4	3	3	3	8	6	4
Coffee Crisp	4	9	6	8	6	3	5
Snickers				10	10	10	
AERO	9	8	10	9	9	9	9
Smarties		6	7	7	3	4	6
Hershey							10
Crispy Crunch	8	7	9				
Mars	1	1	2	5	7	7	7

Source: A.C. Nielsen Marketrack Data – National All Channels, 52 weeks

To break back to #1, Kit Kat would have to surpass the other "controlled eat" brands: Reese's, Caramilk, and M&Ms. Unlike Kit Kat, these were heavily supported with advertising. Ultimately, Kit Kat would also have to unseat Oh Henry!, a very different product. Oh Henry was a "big eat." It was consistently well supported, and targeted a younger audience than Kit Kat Original. Crossover Note 13.

Fortunately for Nestlé, Kit Kat still had high awareness, and residual equity in its historic "break experience" advertising. This was first launched in 1957 in the UK, and first used in Canada in the 1980s. However, with no advertising support for three years, these measures were slipping. Unaided brand awareness dipped from 24% in 1997 to 20% in 1999. Equally concerning, only 53% of consumers agreed that "Kit Kat is perfect when you want a break" in 1999, compared to 70% in years prior. Crossover Notes 1 and 26.

b) Objectives

To "break back to #1," over the next three years (2000 – 2003).

[Editor's note: because this is a 3-year story, each separate phase follows individually]

Strategy & Insights: Phase 1 (2000 – 2001)

This phase was based on a threefold strategy:

Strategy 1: Reinvest in advertising at levels in line with competitors.

Insight: Kit Kat had to re-establish itself top-of-mind to regain market share.

Kit Kat had been supported in line with competitors in 1993, but this had dropped to zero. Competitors—supported by advertising—took the opportunity to pass Kit Kat in sales.

Exhibit 2: Historical SOV (%) and dollars spend ($M)

National		1993	1994	1995	1996	1997	1998	1999
Oh Henry!	SOV	5%	7%	8%	8%	10%	12%	12%
	$ Spend	$1,619	$1,644	$1,839	$2,050	$2,077	$2,134	$1,854
Reese's	SOV	5%	5%	5%	5%	8%	9%	10%
	$ Spend	$1,542	$1,104	$1,128	$1,338	$1,592	$1,576	$1,625
Caramilk	SOV	7%	7%	9%	5%	0%	2%	7%
	$ Spend	$2,205	$1,606	$2,200	$1,441	$0	$446	$1,550
Coffee Crisp	SOV	8%	1%	2%	0%	3%	5%	0%
	$ Spend	$2,322	$168	$480	$70	$670	$856	$0
Kit Kat	SOV	8%	5%	3%	2%	0%	0%	0%
	$ Spend	$2,438	$1,154	$776	$650	$0	$2	$0

Source: Nielsen Media Research

Strategy 2: Launch a line extension that offers young people a "big eat."

Insight: To get to #1, Kit Kat needed to appeal to teens. Crossover Notes 6 and 33.

Teens eat more bars per capita than any other group. They are looking for a "big eat," and are willing to pay a higher unit price along the way. Oh Henry! had got much of its success by targeting this segment. But teens, especially boys, were not interested in Kit Kat. They saw it as a brand Moms share with their kids, not a gut-fill bar like Oh Henry! A Kit Kat for teens (Chunky) would have to be created.

Strategy 3. Contemporize the "Have A Break" idea. Crossover Notes 16 and 14.

Insight: The campaign had potential, but in its old form was not motivating enough to today's consumers, especially teens.

"Have A Break" had residual equity amongst Canadians. However, the ways we take breaks have changed over 40 years. The days of the cart going through the office for a ritualistic break have vanished. Today's consumers need an emotional release in a stress filled day. Traditional breaks have become less acceptable. There is now more guilt associated with such breaks.

Execution: Phase 1

a) Advertising: In March 2000, an outdoor campaign launched, and ran through July. In 2001, outdoor and magazine advertising ran throughout the year. The new campaign updated the break idea, with a more contemporary and youthful feel. Over the two years, there were 37 outdoor and 27 magazine executions.

b) Chunky: In June 2000, Chunky was launched.

c) The "Brand" Advertising Decision: It was decided to launch Chunky without dedicated advertising support—to put it on-shelf next to Kit Kat Original, and rely on the halo effect of the newly developed "brand" advertising. Media levels were as follows.

Exhibit 3: Kit Kat and Key Competitor Media Investment 1999-2001

National	1999	2000	2001
TOTAL KIT KAT	$0	$1,338.8M	$2,071.1M
"Brand" Advertising	$0	$1,338.8M	$2,071.1M
KK Original alone	$0	$0	$0
KK Chunky alone	$0	$0	$0
Oh Henry!	$1,854.4M	$2,269.1M	$1,507.2
Reese's	$1,624.7M	$1,563.2M	$1,606.5M
Caramilk	$1,185.3M	$985.4M	$779.5M

Source: Nielsen Media Research

Business Results: Phase 1

Kit Kat vaulted from #8 in 1999 to #3 in 2001. Over the two years, total brand volume grew 29%. Chunky was well established, and Original was ahead of 1999 levels, with little apparent cannibalization from Chunky.

Exhibit 4: Kit Kat Tonnage Volume by Format 1999-2001

National	1999	2000	2001
TOTAL BRAND			
Volume	1,365,532	1,678,556	1,765,477
Rank	8	5	3
Advertising	None	"Brand"	"Brand"
KIT KAT ORIGINAL			
Volume	1,365,532	1,557,664	1,427,523
Media	None	"Brand"	"Brand"
CHUNKY			
Volume	0	120,892	337,954
Media	None	"Brand"	"Brand"

Source: ACNielsen

Cause and Effect: Phase 1

Clearly, Chunky contributed to the brand's growth. Advertising was also seen as a strong driver given the "brand" approach and Original's growth. Original saw some distribution gains in Grocery, but otherwise had retail conditions that remained relatively flat:

Exhibit 5: Kit Kat Retail Conditions by Format 1999-2001

National	1999	2000	2001
KIT KAT ORIGINAL			
Average Price (Grocery)	$0.69	$0.67	$0.69
AC Distribution (Grocery)	84	91	97
Display (Grocery)	465	678	711
Average Price (Drug)	$0.65	$0.64	$0.68
AC Distribution (Drug)	99	98	98
Display (Drug)	797	977	918
CHUNKY			
Average Price (Grocery)	NA	$0.70	$0.74
AC Distribution (Grocery)	NA	8	39
Display (Grocery)	NA	17	65
Average Price (Drug)	NA	$0.74	$0.71
AC Distribution (Drug)	NA	40	82
Display (Drug)	NA	92	516

Source: ACNielsen

Strategy & Insights: Phase 2 (2002)

Strategy: Develop teen-dedicated Chunky advertising, and run this exclusively.

Insight: Chunky is a significantly different product, but many teens (especially those who had not tried it) still saw it as much the same as Kit Kat Original.

The 'brand" advertising in 2000 - 2001 had helped get strong Chunky growth, with reasonable distribution levels, and total awareness around 20%. However, Chunky's four-week share never exceeded 2.8%. In the absence of its own advertising, a baseline pattern had been set.

Many teens who had not tried Chunky still believed it was just another light snack. We heard comments like, "same as the other stuff but in a bar." This contrasted to those who had tried it. They saw it as a heavyweight hunger-buster. We knew we had a product that teens would eat. The challenge was to have them realize that it was "way better than the Kit Kat their mothers and little sisters ate," and expand awareness beyond 20%.

Execution: Phase 2

a) Exclusive Chunky Advertising: We ran an edgy TV :30 called “Piranha,” with outdoor. Millward Brown LINK testing measures enjoyment, engagement, persuasiveness, memorability and brand linkage—and generates an Awareness Index which has been shown to correlate with in-market effectiveness. “Piranha” had an AI of 10, double the Canadian norm. Outdoor advertising modified the previous year’s campaign, reinforcing Chunky’s big eat in teen language—with headlines like “Choc-o-lot”, “Kit Kong”, “Beat hunger with a big stick” and “Katlossal.” We continued the break theme by signing off TV and outdoor with “Have a bigger break.”

b) Exclusive Teen Media: We ran “Piranha” on the Super Bowl, and continued on teen-rich programming for 15 weeks. We rotated four outdoor billboards where teens hang out—for 17 weeks in 17 English and 6 French Markets. Spending was somewhat lower than in 2001, but continued to be competitive.

Exhibit 6: Kit Kat and Key Competitor Media Investment 1999-2002

National	1999	2000	2001	2002
TOTAL	$0	$1,338.8M	$2,071.1M	$1,630.8M
“Brand”	$0	$1,338.8M	$2,071.1M	$0
KK Original	$0	$0	$0	$0
KK Chunky	$0	$0	$0	$1,630.8M
Oh Henry!	$1,854.4M	$2,269.1M	$1,507.2	$2,101.7M
Reese’s	$1,624.7M	$1,563.2M	$1,606.5M	$643.1M
Caramilk	$1,185.3M	$985.4M	$779.5M	$2,016.6M

Source: Neilsen Media Research

Business Results: Phase 2

Kit Kat overall reached #2 with Chunky up 58% and Original basically flat. There was no cannibalization of Kit Kat Original, but equally, it was hardly growing.

Exhibit 7: Kit Kat Tonnage Volume by Format 1999-2002

National	1999	2000	2001	2002
CHUNKY				
Volume	0	120,892	337,954	534,609
Advertising	None	“Brand”	“Brand”	Chunky
KIT KAT ORIGINAL				
Volume	1,365,532	1,557,664	1,427,523	1,492,291
Advertising	None	“Brand”	“Brand”	Chunky
TOTAL BRAND				
Volume	1,365,532	1,678,556	1,765,477	2,026,900
Rank	8	5	3	2
Advertising	None	“Brand”	“Brand”	Chunky

Source: ACNielsen

Cause and Effect: Phase 2

a) The Chunky advertising was noticed: Six months after Chunky advertising was launched, its brand awareness doubled (Source: Thompson Lightstone and Company, Brand Heather Monitor).

b) This correlated with increased trial. The same study showed a corresponding doubling of the trial rate.

c) Other variables were flat, or consistent with advertising-driven growth: The table shows Original in a hold pattern. Chunky has increased distribution and display, but this is a consequence of Chunky's growth, not a cause.

Exhibit 8: Kit Kat Retail Conditions by Format 1999-2002

National	1999	2000	2001	2002
KIT KAT ORIGINAL				
Average Price (Grocery)	$0.69	$0.67	$0.69	$0.71
AC Distribution (Grocery)	84	91	97	98
Display (Grocery)	465	678	711	684
Average Price (Drug)	$0.65	$0.64	$0.68	$0.71
AC Distribution (Drug)	99	98	98	98
Display (Drug)	797	977	918	623
CHUNKY				
Average Price (Grocery)	NA	$0.70	$0.74	$0.75
AC Distribution (Grocery)	NA	8	39	72
Display (Grocery)	NA	17	65	243
Average Price (Drug)	NA	$0.74	$0.71	$0.70
AC Distribution (Drug)	NA	40	82	93
Display (Drug)	NA	92	516	576

Source: ACNielsen

Strategy & Insight: Phase 3 (2003 on)

Strategy 1. Run separate advertising for Chunky and Original, because they have very different audiences.

Insight: With support only on Chunky, Kit Kat Original had stopped growing.

Kit Kat Chunky advertising had little to no impact on Kit Kat Original sales because: 1) the "big eat" message is not relevant to the "controlled eat" consumer. 2) it was in teen language. 3) the media plan was teen directed.

Strategy 2. Even though they are to be advertised individually, find a common "Have A Break" platform for Chunky and Original.

Insight: Kit Kat's financial plan would not support the media increase needed to support different positionings for Chunky and Original. Kit Kat needed a common theme, to avoid fragmenting its message.

To get to #1, we needed Kit Kat Original and Chunky to grow *at the same time.* Despite impressive growth for the brand overall, this had not happened since 2000—and this was a special case because it marked the return to advertising after a 3-year hiatus, and the launch of Chunky.

It was clear that "Have a Break" still had pulling power. For 2003, the key would be to find the "break" positioning that big eat Chunky and controlled eat Original could share.

Strategy 3. Create advertising that embraces "break" insights in an entertaining, uplifting and humorous way to engage both consumers—teens and adults.

Insight: The "Have A Break" platform needed to be contemporized once again.

While teens and adults see breaks very differently, they are still relevant to both. Teens tend to relax and chill, even when they have nothing to relax from. Adult breaks are more forced or planned, because they face more daily pressures.

How did this relate to the "break" campaign? Over its long history, it had an impressive track record. But its long-running format [people doing (deliberately) mundane tasks for :20 sec, eating a Kit Kat, and then having their mood moderately improved] was not engaging teens or adults any more. We produced over 60 scripts along these lines, and two were LINK tested. Results proved that break was the right concept, but executionally things had to change. Crossover Note 15.

Execution: Phase 3

a) Kit Kat Original Advertising: The breakthrough came with the creative idea: "If they deserve a break, you certainly do," which came to life in the "Male Model" :60 and :30 scripts. This ad motivated purchase, and generated a highly positive response to the "break" storyline. Instead of the problem-solution "break" advertising of the past, "Male Model" captured the universal need to take a break in a more motivating way.

b) Kit Kat Chunky Advertising: "Jason & Josh" :30 was a perfect companion for "Male Model." It brought the same message to life with a teen storyline.

c) Spending Levels: These continued to be competitive, though by no means excessive.

Exhibit 9: Kit Kat and Key Competitor Media Investment 1999-2003

National	1999	2000	2001	2002	2003
TOTAL KIT KAT	$0	$1,338.8M	$2,071.1M	$1,630.8M	$1,926.6M
“Brand” Advert’g	$0	$1,338.8M	$2,071.1M		
KK Original	$0	$0	-	-	$1,095.9M
KK Chunky	$0	-	-	$1,630.8M	$830.7M
Oh Henry!	$1,854.4M	$2,269.1M	$1,507.2	$2,101.7M	$1,782.0M
Reese’s	$1,624.7M	$1,563.2M	$1,606.5M	$643.1M	$1,938.7M
Caramilk	$1,185.3M	$985.4M	$779.5M	$2,016.6M	$2,141.1M

Source: Nielsen Media Research

Business Results: Phase 3

For the first time in over a decade Kit Kat broke back to # 1, as both Kit Kat Original and Chunky grew. Overall Kit Kat volume grew 10% in 2003 (tonnage), while the category was flat. Kit Kat reached its highest four-week dollar-share in history at 8.0 in June ’04, and 8.2 in July ’04.

Exhibit 10: Kit Kat Tonnage Volume by Format 1999-2003

National	1999	2000	2001	2002	2003
KIT KAT ORIGINAL					
Volume	1,365,532	1,557,664	1,427,523	1,492,291	1,615,115
Advertising	None	“Brand”	“Brand”	Chunky	Chunky & Original
CHUNKY					
Volume	0	120,892	337,954	534,609	624,383
Advertising	None	“Brand”	“Brand”	Chunky	Chunky & Original
TOTAL BRAND					
Volume	1,365,532	1,678,556	1,765,477	2,026,900	2,239,498
Rank	8	5	3	2	1
Advertising	None	“Brand”	“Brand”	Chunky	Chunky & Original

Source: ACNielsen

“Male Model” also won a Silver Lion at the 2004 Cannes Festival. It was one of only two TV spots to receive a Lion in the sweet foods category, and one of only eight Canadian Lion broadcast winners. It was also a finalist at the London International Advertising awards.

Cause and Effect: Phase 3

From LINK Testing and subsequent tracking it was clear that the advertising was breaking through and motivating people to buy. [Numbers were supplied.]

Once again, retail conditions on Kit Kat Original remained the same and, other than minor distribution gains, remained the same on Chunky. Furthermore, over the 3 year Results Period, there was no innovation on the brand beyond the launch of Chunky.

Exhibit 11: Kit Kat Retail Conditions by Format 1999-2003

National	1999	2000	2001	2002	2003
KIT KAT ORIGINAL					
Average Price (Grocery)	$0.69	$0.67	$0.69	$0.71	$0.76
AC Distribution (Grocery)	84	91	97	98	98
Display (Grocery)	465	678	711	684	731
Average Price (Drug)	$0.65	$0.64	$0.68	$0.71	$0.76
AC Distribution (Drug)	99	98	98	98	97
Display (Drug)	797	977	918	623	681
CHUNKY					
Average Price (Grocery)	NA	$0.70	$0.74	$0.75	$0.79
AC Distribution (Grocery)	NA	8	39	72	87
Display (Grocery)	NA	17	65	243	259
Average Price (Drug)	NA	$0.74	$0.71	$0.70	$0.77
AC Distribution (Drug)	NA	40	82	93	93
Display (Drug)	NA	92	516	576	478

Source: ACNielsen

End of Case. Crossover Notes follow.

INTRODUCTION TO CROSSOVER NOTES — CASSIES 2004

[Kit Kat Version]

Crossover Notes have been going for several years, and now run to 30 pages.

We used to attach the full set to each case, but to save a few trees, we are now customizing each attachment. It can still be still be quite long, but not 30 pages.

The idea of Crossover Notes occurred to me while I was editing Cassies 1997.

I was a consultant by then. But before that I had clambered up to the group product manager level at P&G, and been President and Vice Chairman at O&M—both in Toronto. These companies were passionate about "lessons learned," and so was I. It's hard to believe now, but we felt rushed off our feet even then. Compared to today, though, we had time to study if campaigns were working or not, and come to conclusions about why.

There are lessons, like gold dust, in all the Cassies cases. So in 1997 I decided to extract them. This started with bite-sized footnotes about lessons that "cross over" from one case to another. And the idea kept growing. It is still anchored to the winning cases, but I also draw on other thinking for more complex issues.

You can use Crossover Notes in two ways. Although they didn't start out 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 over 120 published cases. They're an immense and growing body of experience. I hope I've helped pass some of this on.

David Rutherford
Toronto: November 2004.

For comprehensive advice on brand-building, see *Excellence in Brand Communication*—authored by leading Canadians from across the marketing and advertising spectrum. It is published by the ICA. See www.ica.adbeast.com.

INDEX OF CROSSOVER NOTES FOR CASSIES 2004

	All Cases	Kit Kat
1.	What a Brand Stands For.	✓
2.	Brand Truths.	
3.	Core Equity versus Price & Promotion.	
4.	Business Strategy dictated by the Brand Positioning.	
5.	The Total Brand Experience.	
6.	Should the product be improved?	✓
7.	Fighting for the Same High Ground.	
8.	Classic Rivalries.	
9.	Turnarounds.	✓
10.	Conventional Wisdom—should it be challenged?	
11.	The Eureka Insight.	(✓)
12.	Changing the Goalposts.	(✓)
13.	Immediate vs. Long-Term Effect.	✓
14.	Refreshing a continuing campaign.	✓
15.	Baby with the Bathwater.	✓
16.	When a campaign stumbles.	✓
17.	Turning a liability into a strength.	
18.	Keeping it Simple.	
19.	Great minds think alike.	
20.	Emotional versus Rational.	
21.	Likeability.	
22.	Humour in a Serious Category.	
23.	Problem versus Solution.	
24.	Tough Topics.	
25.	Brand Linkage (when should the brand name appear).	
26.	Awareness Alone.	✓
27.	Share of Mind, Share of Voice, Spending.	(✓)
28.	Media Learning.	(✓)
29.	Pre-emptive Media.	
30.	Reach and Frequency versus Large-Space Impact.	
31.	Transcending Advertising.	
32.	Internal Marketing.	
33.	Changing the Target Audience.	✓
34.	Longer and Broader Effects, and **A Closing Thought.**	(✓)

The Notes for this case are marked ✓and are attached. Some of these refer to others—marked (✓) and also attached. This then starts a chain reaction—because some of the (✓) Notes *themselves* refer to others—but we decided to stop at this point. The full set can be downloaded from the Case Library section of www.cassies.ca

KIT KAT. CROSSOVER NOTES. CASSIES 2004.

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 what is the *essence* of this, or the *abiding truth* of that.

   But 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 on 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
   b) Higher price
   c) Higher cash flows
   d) Higher long-term profitability
   e) Facilitating brand extensions
   f) Withstanding competitive attack
   g) Motivating staff and attracting new talent
   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 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, "what the brand stands for" is critical.

---

[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, and evolve? See *Excellence in Brand Commnication :* www.ica.adbeast.com

6. **Should the product be improved?** Some years ago it was an axiom of marketing that your product, at a functional level, must have an advantage over its competitors. In packaged goods, for example, it was considered foolish to launch a new brand unless it was a blind test winner over its major competitor—ideally overall, and at least for a highly desirable benefit.[3]

   That thinking has shifted, and it's commonly said today that it's impossible to sustain a functional advantage; that competition can match you in a matter of weeks or months, or even days with some technological products. This has had a paradoxical effect. Some people are almost frenzied in their desire to keep their product (or service) improving—fearing that if they don't, they will be left behind. Others go into a slipstream mode—letting others face the headwinds, then matching what they do.

   John Philip Jones (the much published Professor of Communication at Syracuse University) is vocal on this, saying that we do *not* live in a parity world—that imitators may try to match the innovators, but they often don't quite succeed. His view (and I share it) is that it is dangerously complacent to assume that functional parity is the way of the world.

   Another danger is the belief that "marketing" can compensate for a weak product. This led to the debacle a decade or two ago when North America systematically under-invested in product. The Japanese, and later the Europeans and others, did exactly the opposite—and carved out the market shares we see today.

   There's no question that the cost to upgrade a product can be daunting, especially with the financial pressure to deliver short-term returns. Nevertheless, many Cassies cases reflect the investment. For example:

   - Listerine in Quebec in Cassies II, with an improved taste.
   - Chrysler in Cassies III, with the NS Minivan.
   - Pontiac Sunfire in Cassies III.
   - St Hubert in Cassies 99, upgrading their entire operation.
   - Sunlight in Cassies 99, with improved cleaning.
   - Home Furnace in Cassies 2002.
   - Lipton Sidekicks in Cassies 2002.
   - Irving Mainway Coffee and Source Yogurt in Cassies 2003.
   - MINI in Cassies 2003.
   - Motrin in Cassies 2003, adding stronger skus.
   - VodKice in Cassies 2003, remodelling the Boomerang portfolio.
   - Cirque du Soleil in Cassies 2004, by adding Zumanity to their portfolio.
   - Kit Kat in Cassies 2004, keeping Original the same, but launching Chunky.
   - Toyota Sienna in Cassies 2004, with multiple upgrades.

[3] There was still the "pre-emptive" possibility i.e. staking out a convincing claim for a parity benefit before anyone else did. But, in general, having a product edge was seen as important

6. **Should the product be improved? (cont'd).** Still others achieve their gains with no change in product—though the existing product is in all cases good, and sometimes better than the competition. These cases would include:

- Crispy Crunch in Cassies I.
- Pepsi in Quebec in Cassies I.
- Oh Henry! in Cassies II.
- Buckley's, Dove, and Philadelphia Cream Cheese in Cassies III.
- Eggs, becel, and Wonderbread in Cassies 99.
- Kraft Dinner and Lipton Chicken Noodle in Cassies 2001.
- Campbell's, Diet Pepsi, Listerine, and Pro•Line in Cassies 2002.
- All the major beer winners over the years.
- Aero, Dodge SX 2.0, Familiprix, Super 7, in Cassies 2003.
- Cottonelle and Milk in Cassies 2004.

Technology cases are harder to categorize, but usually have improvements. Service companies (e.g. Desjardins, Gaz Metro, Réno Dépôt in Cassies 2004) may not have radical surgery, but often make improvements as part of the "total brand experience." Some cases make the point (e.g. Clearnet in Cassies 2001 and Lipton Sidekicks in Cassies 2002) that if your functional advantage is going to be matched, you had better develop an advantage through brand personality/character/equity. There is no cookie-cutter answer. Each situation has to be assessed on its merits.

9. **Turnarounds.** There are a number of these in the Cassies:

Cassies I
- Crispy Crunch.
- Molson Canadian.
- Pepsi. Quebec.

Cassies II
- Listerine. Quebec.
- Oh Hungry? Oh Henry.

- Cassies III
- Dove. "Litmus."
- Molson Canadian. "I AM."
- Philadelphia Cream Cheese.

Cassies 99
- becel. "Young at Heart"
- Eggs.
- Sunlight. "Go Ahead. Get Dirty."
- Wonder Bread

Cassies 2001
- Kraft Dinner.
- Lipton Chicken Noodle.

Cassies 2002
- BMO Quebec.
- Campbell's Soup.
- CFL.
- Sleeman Quebec.
- Listerine.
- Pro•Line.

Cassies 2003
- Aero.
- Bait Cars.
- Crown Diamond Paint
- Dodge SX 2.0.
- Motrin.
- Pro•Line and Super 7.
- Université de Montréal.
- VodKice.

Cassies 2004
- Cottonelle.
- Gaz Metro.
- Kit Kat.
- Milk (Quebec and Prairies).
- Toyota Sienna.

13. Immediate vs. Long-Term Effect. The effects of advertising (a) at all and (b) 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:

In physics, the search continues for a theory called the theory of everything. Einstein came across the Theory of Relativity about 100 years ago. It explained a lot, but not everything. Twenty or so years later, Planck and others came up with Quantum Theory, and Hiesenberg advanced his Uncertainty Principle. They did not explain everything either. Since then, physics has been a hotbed of enquiry, but there's still nothing that explains it all. In a less cosmic way, advertising has followed the same course. A top UK researcher identified over a hundred theories of how advertising works, all capturing part of what happens, but none explaining the full picture.

This may seem academic, but it's not. 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[4] (while right some of the time) are not right all of the time. But (a key point) *we all make the mistaken assumption that our own model is right.*

For example, there used to be a view (diminishing, but still there) that creativity gets in the way of effectiveness. Some years back, the CEO of one of the big packaged goods companies unrepentantly took this line. I'm sure that in his own mind he was criticizing "irrelevant creativity" or "self-indulgent creativity." But to others this was the mental model that is suspicious of anything that isn't tried and true.

At the other extreme, there is the mental model that creativity is all that matters. When people say this, they don't mean "outstandingly irrelevant" or "outstandingly self-indulgent creativity" though there are people at the other end of the spectrum who suspect that they do.

Between these extremes is 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 the IPA Effectiveness Awards in the UK. (Cassies was modelled on these Awards.)

In terms of the theories of how advertising works, many of us carry a subconscious version of the 100 year-old AIDA model in our 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 term "low interest" or "low involvement"). Many campaigns act by positive reinforcement.

It seems self-evident that advertising has to "cut through the clutter" but even that is being re-examined. In neuroscience, there is something called "Low-Involvement Processing." It seems that we, as a species, take in huge amounts of data through the primitive parts of our brain. It does not blast its way in. It goes in without our knowledge. To people with an AIDA mental model, this is about as whacky as it gets. LIP is unproven, but I think there could be something to it, based on a common sense test. It you examine all the thoughts, feelings, knowledge and memories you have, isn't it true that a great many of them have somehow got in by osmosis? (For more, see papers by Robert Heath and Jon Howard-Spink in Admap.)

---

[4] I'm not sure who coined this term, but I first saw it in a Paul Feldwick paper.

In any event, there is no "theory of everything," and hence there are scores of different mental models. 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-based view has four scenarios, based on the different degrees of visible success:

1. Shipments/share etc. respond within days/weeks of new advertising.[5]
2. Advertising has helped an established brand deliver good volume/share/profit. But it is no longer causing growth—it has more of a "retention" role.[6]
3. The advertising is not working, confirmed by careful analysis.
4. The situation is hard to read, either because it is "too early to tell" or there is not enough information to sort out what's happening.

Scenarios 1 and 3 (when assessed correctly) are relatively straightforward. Scenario 2 can be more difficult, because some decision-makers are not satisfied with a "retention" role for advertising—even though this is sometimes more cost-effective than trying to make a brand grow.

Scenario 4 needs great care. Imagine a new campaign, a couple of months in-market. Media weight has been sufficient, but the business has not taken off. Angst creeps in as you face the question, "Is it working?" The following could all be valid:

- **The advertising is working, but the effect is masked.** Pricing, promotion, in-store activity, distribution etc. can all have a greater short-term effect than advertising. It they are masking the underlying trend, then given time, the masking effect will recede, and all should be well.
- **The "slow burn" situation.** This accepts that the advertising needs time to wear in, and when this has happened, all will be well. Some researchers reject wear-in, saying that if a campaign does not have a quick effect, it is unlikely to have one at all. On the other hand, campaigns like "I AM" for Canadian were spectacularly effective, but only after a slow burn.
- **The "arm wrestler" stand-off.** Two equally matched arm wrestlers can hold each other immobile for an agonizing length of time. This can happen with offsetting ad campaigns i.e. you have to assess the strength of the competition's campaign before coming to a conclusion about your own.
- **The advertising is not working.** It may be too early to know for sure, but this may be the early sign—in which case you need to be preparing some sort of fix.

From the academic side, one question has been, "If advertising works in the short-term, why is this so hard to see?" And, "If advertising has a long-term effect, is it just the accumulation of short-term effects, or a different long-term process?" These issues are still debated, but the following have been influential:

---

[5] And is hopefully evolved into a long-running business-building campaign—See *14. Refreshing a Continuing Campaign.*

[6] This is a big topic in itself. See *Crossover Note 34.*

- **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 within a week of exposure to advertising. The study needs to be read in detail [there are detractors] 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.* (This flies in the face of conventional wisdom about frequency. *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: see above.]

- **The IRI on long-term effects.** IRI run state-of-the-art split-cable test markets in the US. Test 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. From this, they were able to analyze 44 tests for long-term advertising effect. Test areas (A) were measured against control areas (B). A only got special effort in Year 1. After that, the test and control plans were identical. In other words, the long-term effect was caused entirely by the effort that occurred 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%.

  The momentum in Year I held up, with the 3-year effect double the one-year effect. The study concluded that payout for one-year effort should be calculated over three years. (See the reference at the end of *Crossover Note 27*.)

- **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.

- **The Observations of Paul Feldwick**. Paul Feldwick is a top researcher/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.

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

14. Refreshing a continuing campaign. When I was at P&G, and later at O&M, all the big advertisers and their agencies thought in terms of campaigns. If we were developing new advertising, the comment "that's just a one-off" was a kiss of death.

In those days, a campaign was usually defined by what a brand did on television. There would be one commercial, or a pool, and they would be refreshed over time. Nowadays, influenced by the ideas of "media neutrality" and "every point of contact," 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.[7]

The belief in campaigns evolved intuitively. But more recently, the idea of "the brand relationship" has taken hold. This is the notion that (in a way) we treat brands like friends. Brand Truths can come out of this type of thinking, as can other insights. I know of one researcher who says, "I want to know what you think of the brand, but I also want to know what the brand thinks of you."

Relationships themselves can be very different, but for most people, they are based on thinks like trust and consistency, without being boring or predictable. This has led to the idea that brands should present a consistent face over time (assuming, of course, that they are standing for the right thing in the first place.)

So the intuitive belief is in line with the "relationship" view. 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 do not have to be this tightly formatted. The following list starts at the most rigid and extends to the most holistic. All the examples have successes and failures, and the list is not a comprehensive because some campaigns don't lend themselves to being categorized. It will give an idea of the possibilities, however and (I hope) free up what can be rigid thinking:

- **Strict Pool-Out.** Campaigns like "Who wants Gum? I do. I do." A similar situation is pooled out time after time, in a repeated format, often with a USP demo or slogan. Some people think this type of advertising is passé. Others remember it fondly, and wonder what happened to the way it used to be.
- **Hall of Fame Pool-Out**. Some think pool outs are dull, boring, predictable and clichéd. Not necessarily. The 20-odd year campaign for Hamlet cigars in the UK is rigidly formatted, but is spectacularly creative and effective.
- **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. So are Fido (dogs) and Clearnet/ Telus (flora and fauna). Huggies "Happy Baby" is one of the longest-running.

  This category includes 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 example, where the idea of "break" continues, and the challenge is to keep it up to date.

[7] A 30-something creative friend said to me, "where does this belief in campaigns come from? Young people today want constant change. What's so wrong with a stream of one-off ideas?" This would have been seen as heresy at one time, and perhaps still is. But it's food for thought.

- **Icons.** These can anchor a campaign (Maytag Man, Marlboro Cowboy) or be a property (Tony the Tiger, Pillsbury Doughboy). As I write this Michelin is trying to make more of the Michelin Man. Some see icons as a yesterday idea, but I think that's a mis-call—it depends how it's done. Absolut Vodka uses its bottle as an icon, and it's brilliant. The Familiprix pharmacist is hilariously effective, and could become an icon (the creative is in the case history section at www.cassies.ca)
- **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 one of the longest-running examples. 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 than anthems, slogans, structure, and icons. Perhaps the most impressive was Volkswagen in the 60s. Individual executions were very different (some serious, some comical, some ironic, some dramatic) but they all had the Volkswagen voice and attitude. Brands like Nike are in this category. Benneton is an extreme example. As I write this, I'm remembering some Fedex ads that would fit this category ("I have an MBA" and "You're a heck of a man doing a heck of a job, Lewis.")
- **Same core message. Customized execution.** To people with a "pool-out" mindset, this hardly qualifies as a campaign at all, because individual executions are totally different. But the overall effect can be very powerful.

  The best Cassies example is the 4-year Dove case, which has been used to illustrate a number of points in these notes. The campaign started in late 91 with "Litmus," a scrupulously simple demonstration, with a haunting music track, no voice over, no people, and the story in supers. Then came the exact opposite: a raucous candid-camera commercial of women in a focus group doing the litmus test for themselves. Then another shift—to a talking-head message from the scientist who invented Dove. Finally, back to another demonstration—this one like "Litmus" in tonality, repeating the haunting music.

  Someone with a strict pool-out mental model What held the campaign together was a continuing promise (mildness), an element of surprise, and a straightforward & honest brand character. The format varied completely, with no continuing slogans or visual icons.

Note: It is usually not a good idea to pre-set the type of campaign you need. Best practice is (1) define the issue (2) create the best solution (3) let the type of campaign fall out of this.

It's an open question whether today's obsessively short-term attitude is causing us to lose the drive we once had for creating great campaigns. I hope it isn't.

15. Baby with the Bathwater. Campaigns can run out of steam, and it may be right to throw everything out *(Crossover Notes 14 and 33).* But it's worth checking to see if anything should be kept. "I am Canadian" from the "I AM" campaign in Cassies III was discarded when the campaign later faltered. It came back with "Joe's Rant," with a twist. The Campbell's Kids re-appeared in Cassies 2002 after years in oblivion. It will be interesting to see how this plays out. Cottonelle in Cassies 2004 knew that they had properties in the cottony soft jingle etc. But these were also dating the brand. So they found a way to use the jingle in a tongue in cheek way.

Quite often, long-running properties get discarded because the people who believe in them move off the brand. On Smarties, this happened with "Red Ones Last," though I see that it has come back, in a back-handed way. (I'm referring to the ad with two nerdish guys in the office who—in their own minds at least—get the girl.) Sometimes they are discarded for a good reason. Dove's "pour shot" had appeared in every commercial since launch. For Litmus (Cassies III) the Canadian team decided to drop it—to help consumers see Dove in a new way. Despite this logic, the international powers-that-be (at client and agency) reacted as if Dove was at risk of imminent death, and said so in no uncertain terms. Their sense of bereavement turned to horror when their advice was ignored. The "Litmus" commercial ran without the pour shot, and was immensely successful. Interestingly enough, when people were asked if the commercial had the pour shot in it, a goodly number said yes.

This is an important point about long-running properties. Many people believe they should be used in every piece of communication—and in the normal run of things, this is a good idea. But if you have reason to drop a property for a while[8] consumers will not forget it. These images have a grip on long-term memory. Think about it this way. Imagine you want to *erase* an image that has got its hooks into the consumer's mind. Could you do it? I watched Lever try for years to erase Wisk's "ring around the collar" image. It wouldn't budge. That said, my view is that (in general) we are too quick to change things—probably because we want to leave our imprint on the brands we are entrusted with.

One of the main reasons brands are valuable, as covered in *Crossover Note 1*, is that they accumulate added values over time. There is no formula for doing this, but the evidence says it does not happen if a brand keeps changing the face it presents.

I need to stress that I am *not* advocating no change, but something closer to Paul Feldwick's "exercise" model in *Crossover Note 13*. Let the effort on the brand be part of a coherent program, evolving as needed over time, all building brand muscle.

---

[8] On Prairie Milk in Cassies 2004 they dropped the classic pour shot because it is a cliché to teenagers.

16. When a campaign stumbles. This might be a momentary stutter and (if we were clairvoyant) we would make a minor fix, and keep a long-running campaign going. But it might be the first clue that something is going dangerously off the rails. There's no crystal ball, and the pressure of the situation can lead to snap (and wrong) judgments. The best answer usually comes from applying a blend of experience, judgment, intuition, vision, and research. Here are some pointers.

1. **Dig deep into trends and tastes.** You could be on the wrong side of a tectonic shift: a remorseless re-shaping that transforms everything. Tectonic shifts can be massive. "Made in Japan" used to mean a cheap, shlocky, knock-off, and North American business took years to see what was coming. *Crossover Note 6.* The entire geography of marketing and communication is a tectonic shift, with the added thrill that the tectonic plates are moving fast. In terms of brands, consider Listerine. "Always a bridesmaid, but never a bride" started life in a Listerine advertisement, reflecting a bad breath positioning that had been in place for as long as anyone can remember. But a shift was happening, towards the idea of a healthy mouth. (See Cassies 1995 and 2002). Something similar has happened in toothpaste. At one time, Pepsodent ("you'll wonder where the yellow went...") was the leader, and whitening was the high ground. Crest came along with fluoride (and dental association endorsement). This transformed the market, and Pepsodent slid into history. Over the next generation, though, cavities stopped being the problem they once were.[9] The market started to shift towards "mouth health" and Colgate got there first with Colgate Total, knocking Crest off its #1 perch. Crest responded with Crest Complete—and now the whole market has come full circle with a furious battle for whitening again.

2. **Look at the goalposts**. If they really haven't changed, then it's likely that you just have a short-term stutter to fix. But if they have, try to envisage the new game. See *11. The Eureka Insight, and 12. Changing the Goalposts.*

3. **Think through the change needed.** See *6. Should the product be improved? and 14. Refreshing a Continuing Campaign*.

4. **Make change for the right reasons.** It's broadly true that long-running campaigns—kept fresh and relevant—are great brand-builders. And it's sadly true that new people, wanting to make their mark, make change for change's sake. But once in a while, wholesale change is right.

   Molson Canadian (Cassies I) was a niche player when it launched "What Beer's all About" in the late 80s. This put Canadian in the mainstream, and it took over from Labatt Blue as market leader. You'd think they'd want to keep going with "What Beer's all About." And they did for a few years. But they realized tastes and trends were shifting. To stay ahead of this, they launched "I AM" in the mid 90s (Cassies III). This was successful but eventually it too ran out of steam, and Canadian re-incarnated again with "Joe's Rant," as described in Cassies 2001. See also *15. Baby With The Bathwater*.

Note: Many "turnaround" cases have faced issues of this sort. In Cassies 2004, Desjardins, Quebec Milk, Kit Kat and Sienna would be examples.

[9] Ironically, Crest had helped make this happen, by driving the whole market in this direction.

26. Awareness Alone. Many cases refer to increases in awareness (unaided, top of mind, aided etc.) It needs to be kept in perspective, however. Bud Light had high awareness but a miniscule share. Nautilus had high awareness, but business was suffering. Familiprix, Pro●Line and Viagra all said that awareness was not the issue. "I don't care what they say as long as they get my name right" is too simplistic.

Strong brands are based on *relevant differentiation*. Of course, you must imprint what the brand stands for—and awareness shows you are doing that. But relevant awareness is what counts. Y&R has a huge study of this: the Brand Asset Valuator. It has a worldwide database with hundreds of brands. Key findings are in the public domain, namely that brands are a combination of Relevance & Differentiation on the one hand, and Knowledge & Esteem on the other (awareness is part of Knowledge & Esteem). Very important, though, Relevance & Differentiation are more important than Knowledge & Esteem. This works for new and growing brands, and old and declining ones. With new brands, Relevance & Differentiation "lead" Awareness and Esteem. Older brands often retain Knowledge and Esteem, but decline when they lose Relevant Differentiation. In other words, a brand can have high awareness, but still be in trouble. This is why awareness alone is not enough.[10]

33. Changing the Target Audience. Many brands aim at the same target for years. It's not necessarily wrong, though it's always worth zero-basing conventional wisdom.

From time to time, a brand keeps the same target, but someone sees a new way to think about them. This is fertile ground for insights—see *Crossover Notes 11 and 12.* Occasionally, the target is radically changed. The most famous is probably Marlboro. Marlboro was originally positioned against women, complete with red filter tip so that lipstick didn't show. I have an extraordinary B&W commercial, featuring a night-club vamp, fluttering her false eyelashes and crooning, "wouldn't a Marlboro be good right now…." The Leo Burnett people changed all that with the Marlboro cowboy. This type of shift looks easy with hindsight, but when the decision has to be made in real time, it can be tough. There's usually a fair amount of angst about losing current users, leading to the sort of creative brief that says "appeal to X without alienating Y."

I recall two spectacular IPA examples where, to get maximum impact on the new target, they were prepared to alienate the previous one. The brands were Batchelor's SuperNoodles and Peperami meat snacks (chewy, spicy sausagey things that look a bit like liquorice sticks). The advertising for each brand had been aimed at Moms for years. They decided to aim at young men, a smaller group, but heavy users. Batchelors came up with hilariously unseemly ads in the "men behaving badly" school. Peperami came up with a riotously sadistic cartoon campaign—bringing Peperami sticks came to life, and subjecting them to dreadful indignities. These couldn't be further from "Mom" advertising, but in both cases the business took off. That's not to say we should always crash around in the china shop, wilfully alienating longstanding audiences. But there may be less risk than we think.

Cassies winners who successfully took the risk of alienation, include the CFL and 5 Alive in Cassies 2002, and Family Channel in Cassies 2004. Pizza Pops—the campaign with the filling splatting all over the place—is also in this camp.

---

[10] This will vary by category and brand, of course. But even in high impulse categories (I worked for some time on confectionery brands) pure awareness, if it was not relevant awareness, did not seem to be enough.

ADDITIONAL (✓) CROSSOVER NOTES

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

- Oh Henry! None of the gut-fillers had tried to own hunger, even though it was the high ground for the category. Cassies II. See also *Crossover Note 7*.
- Buckley's. Rather than side-step their bad taste, Buckley's relished it. Cassies III.
- Chrysler. Minivans were "my most expensive household appliance." Even so, *emotion* was the key to an immensely successful launch. Cassies III.
- Philadelphia Cream Cheese. In research, people often do not own up to what they really want, which in this case was "permission to indulge." Cassies III.
- Richmond Savings. Almost everyone hated banks, but it still took insight to turn this into the "Humungous Bank." Cassies III.
- Eggs are natural, but in word-association tests, consumers did not say so. (See *12. Changing the Goalposts* next.) The farmer campaign 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. Competitors were fighting on promotion/price. 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 found a way to be youthful without being too young in the “forever young” campaign. Cassies 2002.
- Listerine in Cassies 2002: healthy gums, after a century talking about bad breath.
- Pro•Line in Cassies 2002: Appealed to non-experts with “Anyone can win.”
- Aero. Saw the power of “melting” in Cassies 2003.
- Crown Diamond. Used the fact that men hate to paint in Cassies 2003.
- Super 7. Ignored the political correctness of being tasteful. Cassies 2003.
- Cottonelle. Talked to women as women, not as “family.” Cassies 2004.
- Quebec Milk. Saw the blindingly obvious. That just asking people to drink more milk might cause it. Cassies 2004.
- Toyota Sienna. Realized that the answer lay not in what minivan buyers do, but in what SUV buyers do. Cassies 2004.
- Virtually all the cases in *Crossover Note 10.*

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

- Cow Brand Baking Soda's extended usage.
- Johnson's Baby Shampoo's adult re-positioning.
- Cereals trying to get eaten as a late night snack.

Insights can also spring from what is *not* being said. The Eggs case in Cassies 99 is an example. Word-association tests played back any number of benefits, but did *not* identify that eggs are natural. Somehow, this omission caught the agency's eye, and they turned "natural" into a powerful campaign using real farmers. This 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 back that these were important, reinforcing the conventional wisdom. Suddenly, the team at Scali/Purina 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.

Purina also points up another way to get insights—by looking beyond Canada. Similar thinking had produced the famous "prolongs active life" campaign for PAL dogfood in the UK.

27. Share of Mind, Share of Voice, Spending. When we assess media effort vs. competition we usually measure spending and share of voice. Everything being equal, SOV is important. But there are many times when things are *not* equal. What do we know about weight versus creative content? Split-cable markets show that extra-spend tests work quite often, but far from all the time. The conclusion is that weight alone is not enough. This is why Share of Mind (what gets through) is a better measure than Share of Voice (what is spent).

A host of research studies show that creative effectiveness has much more leverage than media weight. This means that if you have effective creative, increased media spending *may* [11] work. But without proven creative, there is not much point in spending more on media.

This field is far more complicated than a Crossover Note can cover. If you are interested, you should get on the WARC website and find papers by Lodish, Jones, Blair, Ehrenberg, McDonald, Feldwick, Hollis and others. You'll find a kaleidoscope of views amongst these experts, from guarded agreement to withering attacks cloaked in academic politeness. A good place to start is the paper that summarizes the split-cable results: *General truths? Nine key findings from IRI test data,* by Lodish and Lubetkin, Admap 1992.

---

[11] The reason for the "may" is that most models of media effort show diminishing returns as weight increases past a hard-to-find optimal level. See also *28. Media Learning*.

28. Media Learning. Many years ago, studies (mainly in packaged goods) led to the idea of "effective frequency." It was based on two broad notions:

a) That advertising (assuming the creative was any good) had its best effect after 2-3 exposures in a purchase cycle.
b) That increased exposure led to diminishing returns.

This matched learning theory i.e. that it takes a certain amount of repetition before a message sticks, but then boredom sets in, and repetition does not increase the learning much, if at all.[12] This thinking has dominated media planning (particularly in TV) for years, and I think I'm right in saying that many planners embrace it today, not necessarily knowing its origins. It has gone by names such as "effective frequency" and 3+ planning. The idea is for the audience to get 2-3 exposures in a purchase cycle, without wasting excessive frequency on them.[13]

Other models also exist. There are "pulsing" models. There is an "impact" model for making a big splash. And there are markets like beer, with heavy seasonal spending, that have developed their own notions as to the best way to schedule effort.

In the mid 90s, John Philip Jones—formerly of JWT UK/Europe and for some time Professor of Communications at Syracuse University—published a study that seemed to say that *just one* TV exposure (in the week before purchase) was enough. See *13. Immediate vs. Long-Term Effect.*

This put the cat among the pigeons. Some have embraced the thinking. Some have attacked it. Jones's findings were in harmony with those of Erwin Ephron (see the Pepsi paper in 2002) and the whole field has come to be called Recency Planning. It proposes lower weekly weights than have historically been recommended, with longer weekly duration. Programs are also selected to avoid loading up frequency on the same shows. This is drip-drip rather than impact, and it.flies in the face of some long-held beliefs. It seems to have worked for Pepsi, but its detractors say that it has its fair share of failures too. For more on this fascinating and still controversial topic, the WARC website is invaluable—with papers by Jones, Lodish, Ehrenberg and McDonald being a good place to start.

34. Longer and Broader Effects. This aspect of advertising came from the IPA Awards in the UK. They turned their attention to it because their early winners were mostly "growth and turnaround" cases. This is one way that advertising can, in the words of the Cassies mandate, be a prudent commercial investment that pays out. However, such cases don't capture another value of advertising—often a greater one—its role in helping build a powerful and enduring brand that stands the test of time.

Andrex is a case in point. It is a toilet tissue in the UK—a good but not especially great product. It had been supported by a long-running campaign, always featuring a Labrador puppy getting up to high jinks. Over 20 years, through the early 90s, Andrex added 5 share points, going from about 30% of the market to 35%. In itself, that may not seem so spectacular, in that it's an average of about a ¼ point a year.

[12] There are even findings that continued exposure *depresses* learning, though I find that hard to believe.
[13] In practice, this is hard to do.

What is spectacular is that those 5 points came in a rising market. As a result, Andrex's sales tripled. More spectacular still, they did this at a 20% price premium to the market. This threw off enormous amounts of money. Econometric modelling showed £300 million in incremental sales, for an advertising investment of £54 million. Andrex is an example of a "longer" effect, and we have similar (though not as long) examples in the Cassies with Dove (Cassies III) and becel (Cassies 99).

The "broader" effect can also be massive. Orange was an upstart UK telecom, with any number of disadvantages vs. established companies. It launched with an extra-ordinary campaign—very little about features and benefits; more a vision of optimism for the future. It was highly successful in building the business. It also had a profound effect on the City. The winning IPA paper included a calculation by Lehmann Brothers, assessing the effect of advertising on subscriber growth, revenue and churn, and hence share price. It showed that Orange's share price was almost double its "unadvertised" value. This made Orange one of the most valuable brands in Europe, and the company eventually sold for £33 billion.

These broader effects can be hard to isolate, and UK brands often have econometric modelling and other research to support their argument. Here, the case has to be more inferential—such as the correlations made by Molson Canadian between the Joe's Rant campaign and Molson's stock price.

A CLOSING THOUGHT

Throughout my career the unspoken assumption is that advertising has to help make things *grow*—brands, businesses or both. And what could be wrong with that?

But the engines on an airliner not only help it climb, they save it from falling out of the sky. There is inescapable evidence that if a brand is unsupported, it may glide for a while, but eventually it will fall. Or, to use another analogy, a successful brand is like a goose laying golden eggs. If it didn't lay as many eggs as you wanted it to, would you starve it? I don't think so. But that is what we seem to do with brands.

David Rutherford