

**Gold – Packaged Goods – Food**

**Oh Henry!**

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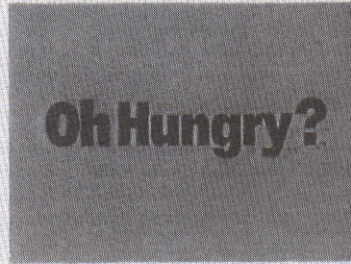
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ANNCR: Oh Hungry?



Oh Henry!



# **Oh Henry!**

## **Gold – Food**

### *Executive Summary*

By the end of 1993, Oh Henry! was a distant number two player in the Singles Chocolate Bar market with a 5.4 per cent share of market (SOM). The 1994 goal for Oh Henry! was to achieve the number one bar status in the Singles market. This was a significant challenge. A new, Oh Henry! Peanut Butter line extension was cannibalizing the base brand. Meanwhile, Oh Henry! faced some very strong and established competitors in their category segment of, so-called, “gut-fill” brands. Mars Bars, in particular, owned the number one share position and had a 1.8 share point advantage over Oh Henry!

The strategy was to reposition Oh Henry! as the “hunger” bar. This important segment benefit was not yet “owned” by any other gut-fill brand. The challenge was how to best communicate the bar’s superior hunger satiation abilities and maximize brand linkage so that hunger was unequivocally linked to Oh Henry! Candy bar eaters 12-to-34 years of age were targeted, and particularly 21-to-22 year old males who are high consumers in the gut-fill segment.

The creative campaign involved development of a core theme line that linked hunger to Oh Henry! – the line was: Oh Hungry? This theme line was first used in the outdoor transit teasers and also used in outdoor, superboards and transit to support the TV campaign running from February to July 1994. Two, 30-second TV spots were produced, “Corner Store” and “Apartment” which ran in rotation. The campaign theme line Oh Hungry? was fully integrated into the executions.

Over the campaign period, from September/October 1993 to January/April 1994, Oh Henry! captured the number one share of the Singles market. Increases were evident in both base brand sales and the Peanut Butter line extension. The source of volume was the competition, with Mars Bars suffering the greatest share loss (0.9 share points) over this period. Given that no other variable within the marketing mix was altered, advertising was the key success factor behind the Oh Henry! achievement.

### **Situation Analysis**

In 1993, Oh Henry! was the number two player in the Singles Chocolate Bar category enjoying a 5.4 per cent share of market. Volume increases of 37 per cent versus a year ago (VYA) were achieved during this period due to the strength of an Oh Henry! Peanut Butter line extension that was launched in January 1993 (Exhibit 1). Twelve weeks of TV supported this launch in 1993 (Exhibit 8).

At this time, the key competitive brands holding the number one and number three share positions in the Singles Chocolate Bar category were Mars Bars at a 7.2 per cent SOM and 1.0 per cent growth volume VYA and Coffee Crisp and Kit Kat tied for third with each holding a 5.2 per cent SOM and showing volume increases VYA of 15 per cent and 19 per cent respectively (Exhibit 3).

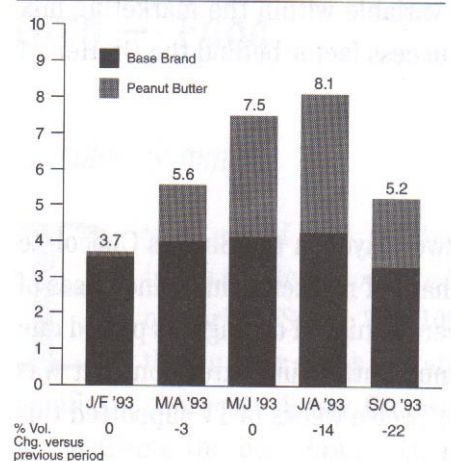
In 1992, total advertising spending for the Expanded Chocolate Bar category strongly increased over the previous year (up 37 per cent). But advertising spending

began to level off in 1993 (up only 3 per cent). In 1994, it appeared to be holding (first six months spending in 1994 was 43 per cent of total 1993 spending).

### Exhibit 1 – Oh Henry! Singles Business Performance

	Latest 12 months as of J/A 1993	
	Share	Volume
	(%)	(% chg vs same period yr ago)
Oh Henry! Regular	3.9	-2
Oh Henry! Peanut Butter	1.5	n/a
Total Oh Henry!	5.4	+37

Exhibit 2 - Oh Henry! Share of Chocolate Bar Singles - % Volume Change



In 1992 and 1993, the top four advertisers in the category were Mars Bars, Caramilk, Kit Kat and Coffee Crisp. They also held the strongest share positions. The only exception to this rule was Oh Henry! whose share of voice (SOV) position did not reflect its strong market share (Exhibit 9).

In 1994, an aggressive goal was set for the Oh Henry! brand to become the number one bar in the Singles Chocolate market. Although this meant increasing market share by only one or two share points, it should be noted that each share point in the Singles Chocolate Bar category represents approximately \$6.2 million in sales and, share increases of this magnitude are rarely obtained in this market (Exhibit 3).

Other challenges were also evident. Despite good volume growth behind the new Peanut Butter line extension, cannibalization of the base brand had occurred. In addition, the Peanut Butter share which showed steady growth leading up to January/April 1993 was beginning to slow (Exhibit 2). Oh Henry! also had some strong established competitors that were also gut-fill brands. For example, Snickers launched an aggressive new TV campaign in October 1993 called “Wolf/Soccer” that focused on hunger

satisfaction and used a growl mnemonic quite effectively. For these reasons, achieving the number one share position in the Singles market was going to be difficult.

### Strategy and Execution

In the fall of 1993, the Oh Henry! brand was repositioned to aggressively own “hunger”. This important segment benefit was not owned by the other gut-fill brands and presented a real opportunity for Oh Henry! The challenge was how to best communicate superior hunger satiation versus competing brands, and do this in a distinctive and intrusive manner so that hunger was unequivocally linked to the Oh Henry! brand.

### Exhibit 3 – Performance of Top Chocolate Bar Brands within Singles Bar Market (Grocery, Variety & Drug)

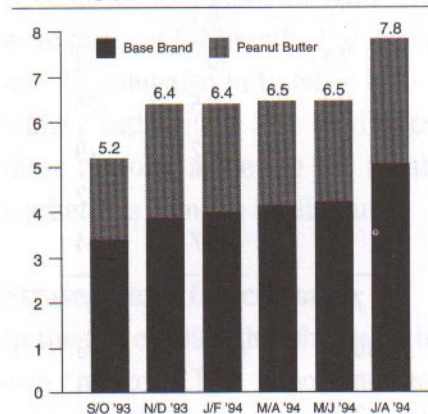
		L 12 Mos as of J/A '93		L 12 Mos as of J/A '94		
		SOM (%)	% Vol Chg VYA	SOM (%)	Pt Chg VYA	% Vol Chg VYA
Oh Henry!	G	5.4	+37	6.4	+1.0	+15
Mars Bars	G	7.2	+1	6.3	-0.9	-9
Coffee Crisp		5.2	+15	5.3	+0.1	-1
Kit Kat		5.2	+19	5.4	+0.2	±0
Caramilk		5.0	+1	5.1	+0.1	-2
Reese PBC		4.7	-1	4.5	-0.2	-8
Crispy Crunch		4.7	+1	5.1	+0.4	+5
Aero		4.4	+13	4.9	+0.5	+8
Mr. Big	G	3.3	+6	3.5	+0.2	+2
Smarties		4.2	+11	3.5	-0.7	-20
Glosette		3.2	+11	2.9	-0.3	-12
Wunderbar	G	2.7	+95	3.0	+0.3	+7
Snickers	G	2.9	+6	3.1	+0.2	±0
M+Ms		3.1	-6	2.7	-0.4	-16
Crunchie		2.9	+7	2.8	-0.1	-7
Skor		2.3	+2	2.3	±0	-4
Nestle Crunch		1.7	n/a	2.2	+0.5	+26
Eatmore		1.8	-6	2.0	+0.2	+9
Twix		2.1	+21	2.1	±0	-2
Choclairs		2.4	+77	1.7	-0.7	-34
Sub-total		74.4		74.8		
Total Market		100.0	+9	100.0		-3
“Gut-fill brands”		21.5		22.3		

G= “Gut-fill”

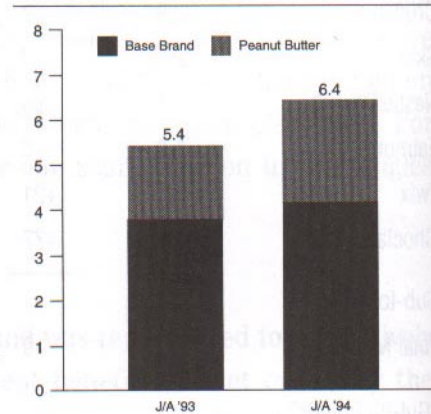
**Exhibit 4 – Oh Henry! “Oh Hungry?” Advertising Campaign Over S/O 1993 to J/A 1994**

<b>Medium</b>	<b>Duration/Weight</b>	<b>Coverage</b>
1993 Transit Shelters	8 weeks in total 4 weeks @ 40 daily GRP's 4 weeks @ 25 daily GRP's	Toronto, Ottawa, London, Vancouver, Edmonton, Calgary, Montreal (F), Quebec City
1994 Transit Shelters	8 weeks in total 4 weeks @ 40 daily GRP's 4 weeks @ 25 daily GRP's	Winnipeg, Halifax, Regina
1994 Posters/Superboards	8 weeks in total 4 weeks @ 45 daily GRP's 4 weeks @ 25 daily GRP's	Toronto, Ottawa, London, Calgary, Edmonton, Vancouver
1994 TV	11 weeks of Base TV 4 weeks @ 150 daily GRP's 7 weeks @ 100 GRP's  13 weeks of Specialty TV Much Music/Musique Plus 4 weeks of TSN/Blue Jays 2 weeks of Olympics	Ontario, Alberta, Man/Sask, Quebec, Maritimes, BC

**Exhibit 5a - Oh Henry! Share of Singles over “Oh Hungry!” Advertising Campaign**



**Exhibit 5b - Oh Henry! Share of Singles over Latest 12 Months Ending**



**Exhibit 5c – Oh Henry! Singles Volume Change over “Oh Hungry?” Advertising Campaign (versus a year ago)**

	<b>S/O 93</b>	<b>N/D 93</b>	<b>J/F 94</b>	<b>M/A 94</b>	<b>M/J 94</b>	<b>J/A 94</b>
Oh Henry! Base Brand	-22	+20	+8	+2	+2	+12
Oh Henry! PB	n/a	n/a	n/a	+40	-37	-36
Total Oh Henry!	+20	+97	+73	+13	-15	-11
Total Singles Market	+1	-6	±0	-4	-1	-7

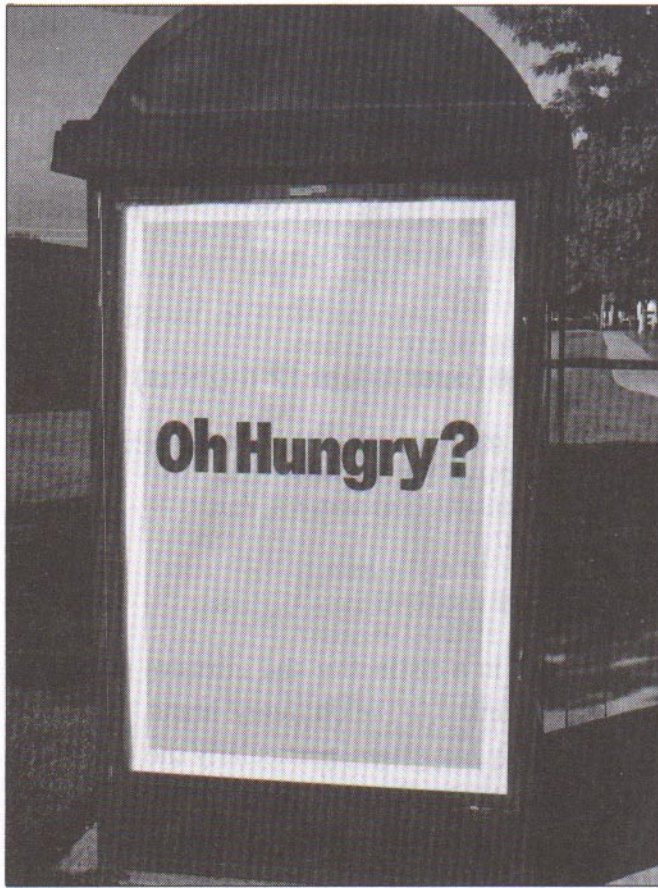
**Oh Henry! Singles Volume (over latest 12 months)**

	<b>J/A 93</b>	<b>J/A 94</b>
Oh Henry Base Brand	-2	+2
Oh Henry PB	n/a	n/a
Total Oh Henry	+37	+15
Total Singles Market	+9	-3

The target group was candy bar eaters, particularly the gut-fill bar consumers of Oh Henry! competitors, which included Mars Bars, Snickers, Wunderbar and Mr. Big. Target consumers were 12-to-34 years of age. However, creative focus was placed on the 21-to-22 year old male because their consumption of gut-fill brands was high.

The benefit was hunger satiation and the support was the Oh Henry! Bar’s tasty combination of ingredients. The Oh Henry! brand identity was popular, contemporary and perceived as a market leader. The creative campaign involved development of one core theme line that set about to link hunger to Oh Henry! The line was Oh Hungry? visually presented in the Oh Henry! core brand colours.

The campaign theme line was first used throughout the outdoor transit teaser campaign which ran in major markets over the September-to-December 1993 period. It continued in transit shelters, posters and superboards in early 1994 to support the TV campaign that kicked off in February 1994 and ran to July 1994 (Exhibit 4).



*MacLaren* LINTAS

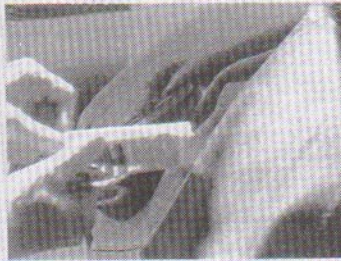
HERSHEY CANADA INC.  
OH HENRY!  
"Corner Store" 30 sec. TV



SFX: MUSIC THROUGHOUT  
MAN: Oh.



MAN: Oh yeah.



MAN: Oh no.



**Exhibit 6 – Selected Tracking Results**

**Total Chocolate Bar Sample**

	Qtr 4 '93			Qtr 3 '94		
	Mars Bars	Oh Henry!	GAP	Mars Bars	Oh Henry!	GAP
Particularly Filling	50	49	-1	46	57	+11

**Past 4 week Mars Users**

	Qtr 4 '93		Qtr 3 '94
Who Bought Oh Henry!	%		%
Past 3 months	43	▶▶▶▶▶▶▶▶▶▶	63
Past 4 months	35	▶▶▶▶▶▶▶▶▶▶	42

**Tracking Study Results**

	Top 10 Bar Norms	Oh Henry!	
		Qtr 1 '94	Qtr 2 '94
Total Unaided Brand Awareness	18	35	30
Bought in Past Month	26	30	27
Intrusion index	n/a	+13*	

\* Ranks campaign in Top 10 ads for intrusion power  
 Source: Confectionery Adgraph – Chocolate, Q4 '93, Q1, 2, 3 '94

TV creative consisted of two executions, “Corner Store” and “Apartment.” Both executions set up typical situations where hunger can hit you. Through exaggerated and humorous communication, the main characters are seen to do whatever is necessary to satisfy their need to find and eat an Oh Henry! bar. The campaign theme line, Oh Hungry? was superimposed to set up the hunger craving and the Oh Henry! super was used to reinforce the solution. Use of these theme lines ensured integration of the campaign idea in all media.

These two TV spots ran in rotation during this time frame.

**Exhibit 7 – Quantitative Research on “Corner Store” / “Apartment” Based on 41 One-on-One Personal Interviews**

	“Apartment”	“Corner Store”
<b>Communication:</b>		
Overall Communication	100%	88%
<ul style="list-style-type: none"> <li>• Single Most Frequent Message is “Oh Henry! eases your hunger”</li> <li>• Key benefit is well communicated</li> </ul>	46%	42%
Hunger bar/Satisfies hunger	46%	42%
Desire for Product	66%	46%
<ul style="list-style-type: none"> <li>• Aided communication of “Best bar to eat when you’re hungry”</li> </ul>	85%+	85%+
<b>Big Idea/Entertainment</b>		
<ul style="list-style-type: none"> <li>• Strong Unaided Likes of the “Big Idea”</li> <li>• Overall Likeability</li> </ul>	49% like search	51% like search
	88% said very good/good	
<b>Brand Link</b>		
<ul style="list-style-type: none"> <li>• Very Strong Brand link</li> </ul>	54% versus norm of 22%	
	Twice the norm on “Nearly everyone will notice the ad is for Oh Henry!”	
<b>Purchase Intent</b>		
<ul style="list-style-type: none"> <li>• Top Box (no norms available)</li> <li>• Overall Positive Purchase Intent</li> </ul>	29%	27%
	90%	83%

**Results**

Over the campaign period from fall 1993 to spring 1994, Oh Henry! captured the number one market position in the Singles Market. Oh Henry! total SOM increased one share point to 6.4 per cent from 5.4 per cent, measured over the latest 12 months ending July/August 1994 compared with the previous year. Oh Henry! share and volume increases were evident on both the base brand, which was declining over the same period in the previous year, and on the Peanut Butter line extension, whose share had peaked in July/August 1993.

The source of volume was Mars Bars. They experienced the strongest share loss over this period. The Oh Henry! hunger positioning and advertising worked effectively against Mars. By overtly establishing the Oh Henry! hunger benefit, Mars users began more actively choosing Oh Henry!

**Exhibit 8A - Hershey Canada Inc.  
Oh Henry! Peanut Butter Launch 1993 Media Plan**

**Market/Medium**

Television: 30 seconds

Target Group:  
Adults 12-34

# of weeks 12

**Ontario**

Toronto/Hamilton  
Kitchener/London  
Ottawa (E), Sudbury

**B.C.**

Vancouver/Victoria

**Alberta**

Calgary/Edmonton

**Quebec**

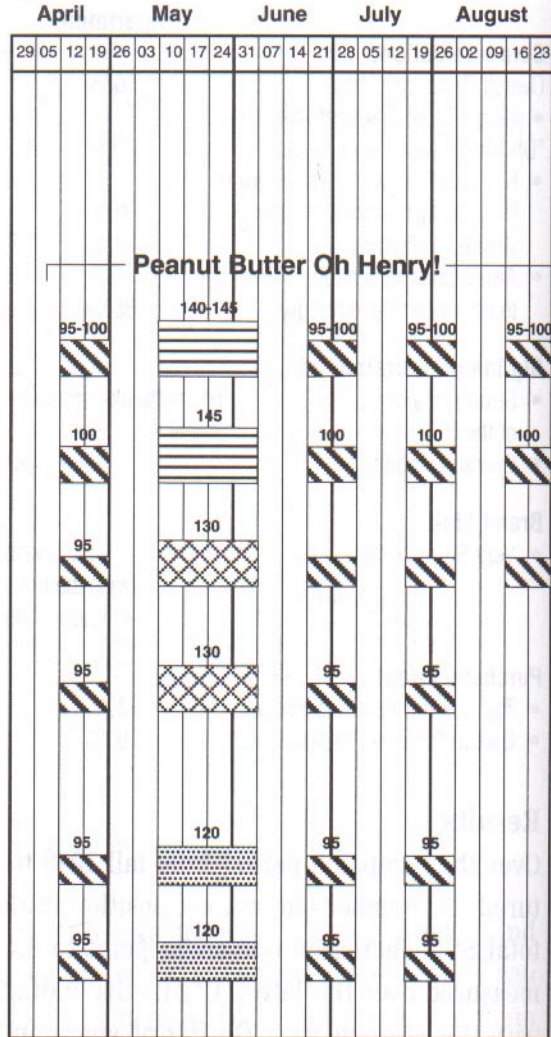
Montreal (E)  
Montreal (F)  
Quebec City,  
Sherbrooke

**Maritimes**

St. John's, Halifax  
Sydney  
Moncton/Saint John

**Man/Sask**

Winnipeg, Regina  
Saskatoon



**Exhibit 8B - Hershey Canada Inc.  
Oh Henry! Oh Hungry? Campaign 1993-1994 Media Plan**

**Market/Medium**

Target Group:  
Adults 12-34

**1993 Transit Shelters**

**Ontario:** Toronto,  
Ottawa (E), London  
**B.C.:** Vancouver  
**Alberta:** Edmonton, Calgary  
**Quebec:** Montreal (F),  
Quebec City

**1994 Transit Shelters**  
Winnipeg, Halifax, Regina

**1994 Posters/Superboards**  
Toronto, Calgary, Edmonton,  
Ottawa, London, Vancouver\*

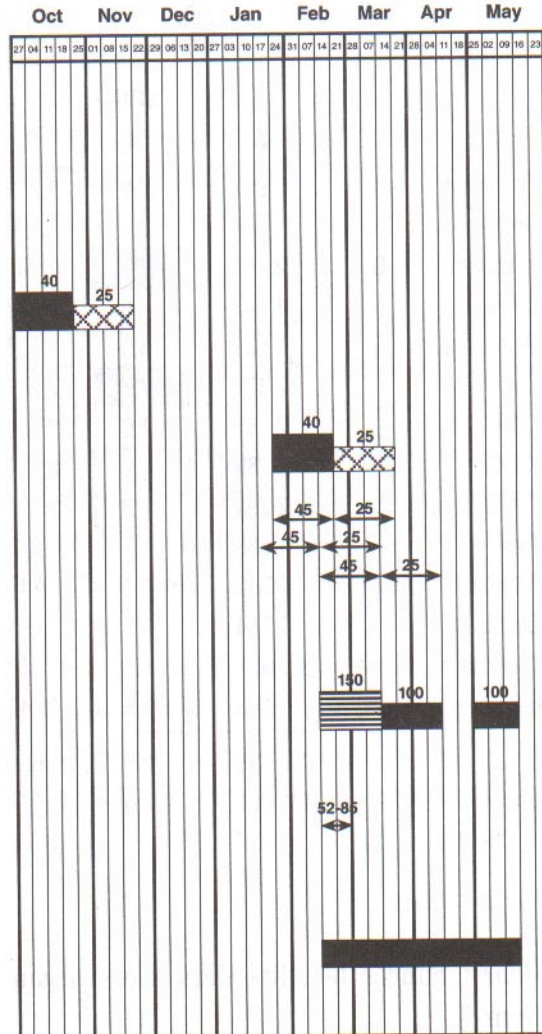
**1994 Television - :30 Wks**

Base TV Ont., Alta. 11  
Que., Mtms.  
Man/Sask  
B.C.

Olympics 19 spots 2  
19 BB's

Specialty TV 13  
MuchMusic  
Musique Plus  
(8 Occ/Wk)

TSN Blue Jays Promo 4



\* Excludes Superboards

1993 Reach/Frequency	- Transit Shelters:	83/22.7
1994 Reach/Frequency	- Television:	95/12.6
	- Posters/Superboards:	82/23.1
	- Transit Shelters:	85/22.2

## Exhibit 9 – Competitive Spending within Chocolate Bar Market

		1992		1993		1994 (1 <sup>st</sup> 6 mos)	
		\$	SOV (%)	\$	SOV (%)	\$	SOV (%)
Oh Henry!	G	971	3.0	1619	4.9	1618	11.2
Snickers	G	1064	3.3	1096	3.3	546	3.8
Mars Bars	G	2443	7.7	1295	3.9	583	4.0
Mr Big	G	1143	3.6	1032	3.1	886	6.1
Wunderbar	G	1581	5.0	1884	5.7	643	4.5
Caramilk		2461	7.7	2205	6.7	1172	10.1
Crispy Crunch		2261	7.0	2139	6.5	1583	11.0
Kit Kat		2289	7.2	2437	7.4	862	6.0
Coffee Crisp		2299	7.2	2322	7.0	--	--
Twix		588	1.8	653	2.0	186	1.3
Eatmore		542	1.7	749	2.3	1147	7.9
Choclairs		2064	6.5	1895	5.8	785	5.4
Crunchie		1487	4.7	932	2.8	452	3.1
Reese		1145	3.6	1542	4.7	1100	7.6
		22,293	70.0	21,800	66.1	11,563	82.0
Total		31,901	100.0	33,017	100.0	14,444	100.0
% Chg VYA		+37		+3		TBD	

G= "Gut-fill"  
Brands

Tracking study data supports this conclusion. Over the course of the Oh Hungry? campaign, consumer belief that Oh Henry! was particularly filling increased by 8 percentage points, while consumers' belief that Mars Bars were particularly filling decreased 4 percentage points. In addition, past four weeks Mars users who bought Oh Henry! over the previous three months increased 20 points and, past four weeks Mars users who bought Oh Henry! over the previous four weeks increased 7 points (Exhibit 6). In addition, the Oh Henry! unaided brand awareness and past month's purchases well exceeded Top 10 chocolate bar norms.

The two 30-second TV spots, "Corner Store" and "Apartment" were tested quantitatively (Exhibit 7). The research indicated four consumer perceptions:

- Strong overall communication ratings on hunger
- Strong entertainment value and high intrusiveness
- Extremely strong brand link (twice the norm)
- Positive top box purchase intent

Oh Henry! and Mars Bars pricing remained constant during the 12-month campaign period, so the Oh Henry! success cannot be attributed to this changing variable. Furthermore, Oh Henry! display levels remained flat over the campaign period and in line with display level averages established between 1992 and 1994. Co-op activity was slightly more variable but still very much in line with the past 24 month average levels.

These findings eliminate the possibility of shifts in pricing and promotional support as a cause of share growth.

The only changing variable in the marketing mix was the launch of the Oh Hungry? advertising campaign. A 66 per cent increase in advertising spending generated a 270% increase in SOV. For these reasons, the Oh Henry! share and volume growth are clearly a result of the advertising.