

Cassies 2005 Cases

Brand: Stouffer's Bistro

Winner: Best Launch—Certificate of Excellence

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Crossover Notes: All winning cases contain lessons that cross over from one case to another. 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 1.** What a Brand Stands For.
- Crossover Note 3.** Core Equity versus Price and Promotion.
- Crossover Note 6.** Should the product be improved?
- Crossover Note 21.** Likeability.

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): October 2003 – January 2005.

Start of Advertising/Communication Effort: October 20, 2003.

Base Period for Comparison: None as this was a launch.

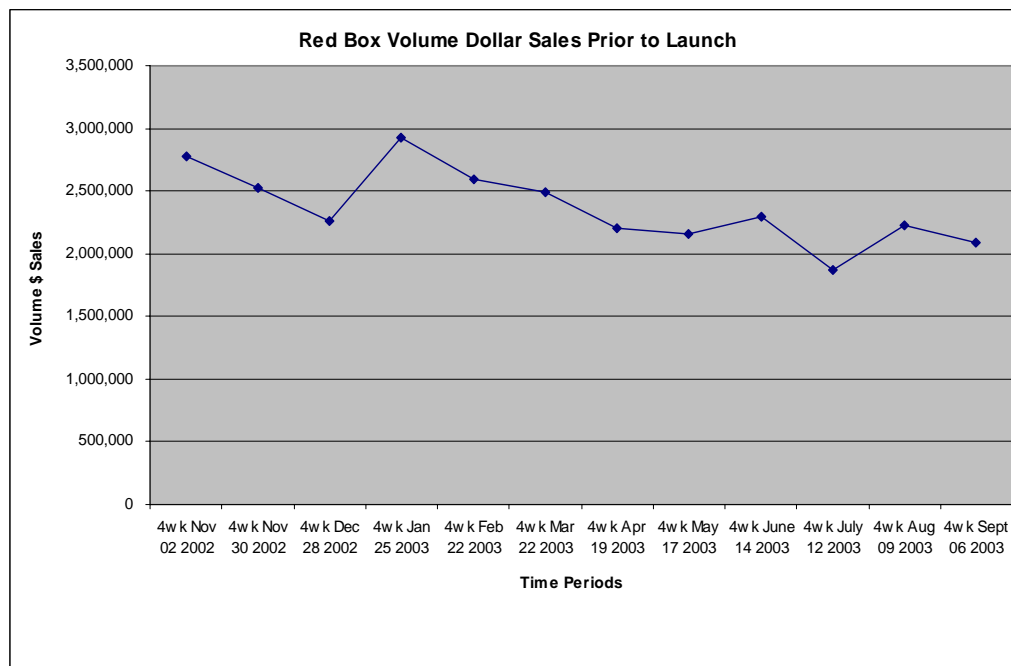
Stouffer's volume brand, Red Box, was under pressure from low price entrants such as Control Label—and it would be a challenge to gain profitable market share. As a result, Stouffer's launched Bistro, a premium product in the Frozen Dinner Entrée (FDE) category.

This submission demonstrates that advertising was directly responsible for excellent overall sales results, with minimal cannibalisation. As well, it shows that despite having stagnated earlier, both in image and sales, the Stouffer's brand overall benefited greatly from the launch of Bistro. Bistro will also be a vehicle for future expansion into a range of new offerings.

SITUATION ANALYSIS

a) Overall Assessment

Since 1982, Stouffer's Red Box had performed well in Canada offering home-style favourites to adults 45 years and older. However, the perception amongst consumers and the trade was that it had become old-fashioned. It yielded below norm scores as a modern brand when imagery was tested against the competition¹. It was also under attack from economy brands. This was depressing price and margin, and sales prior to Bistro's launch had flattened (see the chart).



¹ Millward Brown Media Tracking May 2005.

Stouffer's had margin objectives for 2004, and it was clear that Red Box alone could not deliver them. Stouffer's needed to find a way to co-exist with Control Label rather than enter a price battle. **Crossover Note 3.** The opportunity lay in an untapped niche, the premium FDE market. Previous attempts to enter it, however, had been unsuccessful. The focus for Bistro, therefore, was to gain share from Michelina's and Swanson's, and bring new users into the category.

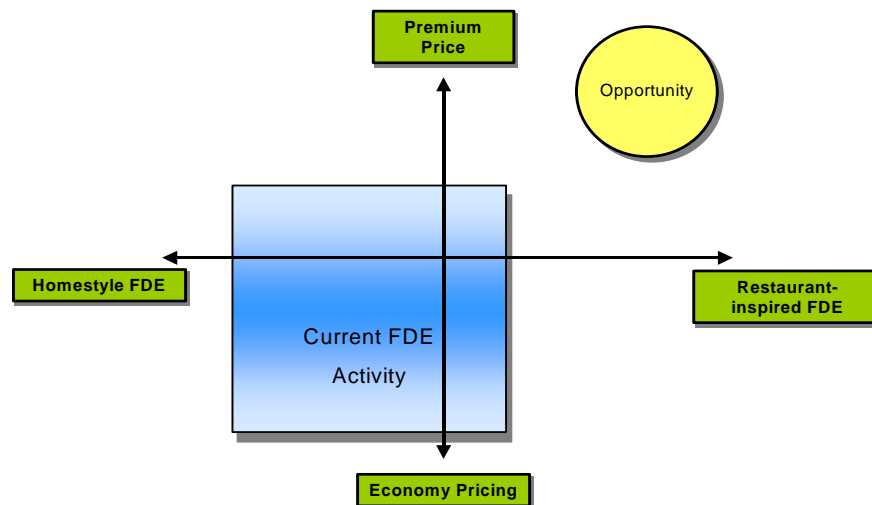
b) Resulting Objectives

Launch Bistro, and deliver margin-enhanced growth for the business, with minimal cannibalisation.

STRATEGY & INSIGHT

The key to margin-enhanced growth was a new brand—at a premium—with growth that was incremental to Stouffer's, and ideally incremental to the category. The latter was a challenge. It meant that we would have to develop a brand that offered much more than consumers traditionally expected from the FDE category. **Crossover Note 6.**

The positioning was driven by a niche at the premium end of the FDE category. The majority of FDE products are home-style recipes at mid to economy prices. There was very little at the high end—i.e. reflecting what is available at restaurants and casual eateries. Recognizing this, Stouffer's identified a positioning of "Restaurant-inspired." **Crossover Note 1.** This positioning differentiated Stouffer's from the competitive set and provided a foundation for what would become the Bistro brand.



The name was next. Research² showed that the Bistro name was rich with “restaurant-inspired” imagery, setting up an expectation of casual sophistication. Consumers saw it as approachable and modern, suggesting better quality than current FDE offerings. It also had international appeal, which set up opportunities for future expansion into different cuisines and categories under the Bistro name.

EXECUTION

Creative built on the “bistro” idea, and the experience of eating out. Our goal was to convince consumers that they could enjoy restaurant-inspired meals in the comfort of their own homes.

“Waiter :30” launched on October 20, 2003. It ran from October 2003 – March 2003, with staggered flights to give a long presence at launch. Television was selected for its ability to achieve high awareness quickly, and convey the visual and audio cues needed to position Bistro as more than an FDE, but a sensory eating experience.

It was essential for creative to convey the whole experience that consumers enjoy when they dine out—and that Bistro delivered this at home. This would help elevate the Stouffer’s brand from traditional and homemade to contemporary and restaurant-inspired.

In “Waiter” we follow what happens to a meal of Pesto Grilled Chicken. We start with preparation in a European-style bistro kitchen (with the sounds and visuals setting the scene). It then goes to a waiter who exits the bistro and travels a long distance to a couple sitting down for a romantic dinner in their home. The waiter serves them. The mood is as if they were at a bistro themselves, relaxing and enjoying a delicious meal.

The tag line that brought all this to life was *Bring the Bistro Home*.

Later, for the back half of 2004, we adapted “Waiter” to communicate new recipe news. Outstanding likeability scores for the spot have allowed this longevity, and we used the creative into 2005 without concern of wear-out.³ [Crossover Note 21](#).

² Maggy Faddoul Communication Inc. Research June 26, 2003.

³ Millward Brown TVLINK™ Data, October 27, 2003.

'Waiter' Launch TV:30



OPEN ON CHEF PREPARING PESTO GRILLED CHICKEN IN BISTRO OPEN KITCHEN. 'BISTRO' LOGO ON GRILL. MIXING CHICKEN IN PAN WITH PESTO.



CUT TO WAITER WALKING INTO BISTRO DINING AREA, PASSING COUPLES ENJOYING THEMSELVES. COUPLES ARE CLINKING WINE GLASSES OVER FOOD.



CUT TO WAITER HEADING OUT THE FRONT DOORS OF BISTRO. AWNING OVER THE PATIO BRANDED 'BISTRO'.



CUT TO WAITER ON THE PLANE WITH BISTRO MEALS.



CUT TO WAITER ENTERING CONDO UNIT, WHERE WE SEE AN EXCITED COUPLE AWAITING THE DISHES.



CUT TO WAITER SERVING PLATES OF PESTO GRILLED CHICKEN IN FRONT OF COUPLE.



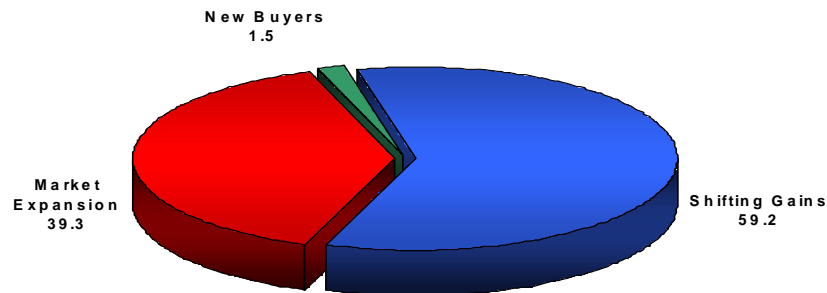
CUT BACK TO COUPLE ENJOYING DISHES WITH THE WAITER STILL PRESENT.

BUSINESS RESULTS

1. It was extremely important for Bistro business to be incremental, and this was indeed the case. Seventy-seven percent of volume⁴ was incremental to the franchise.

⁴ ACNielsen Source of Volume. 52 Weeks End October 2, 2004.

2. Similarly, in line with another key objective, almost half (41%) of incremental volume came from category expansion⁵ - New Buyers + Market Expansion:



Bistro Source of Volume

3. Margin goals were achieved, with a 5.5pt Marginal Contribution increase over base Stouffer's. Consumers accepted the \$3.99 price point—notable considering 60% of the category was selling at under \$2.00 per entrée at the time of launch.
4. The first year sales target was \$11.5MM. Actual sales were \$11.8MM. Sourced from FDE Category achieved despite continued growth from Control Label. Bistro established its strong position primarily as a result of a significant decline for Michelina's.
5. Despite the growth of economy brands and a continued decline for Red Box, Bistro helped Stouffer's share increase by 0.4 points.
6. The Bistro concept was extremely well accepted by the trade. Loblaws, who have 45% of the market, listed all of the Bistro SKUs at launch. Historically, they would list 70-80%.
7. Bistro lends itself to a broad range of products, across a number of cuisines and formats. This allows Stouffer's to grow and expand in a way that was not possible with Red Box. Two Bistro line extensions are planned for Summer 2005.

CAUSE AND EFFECT BETWEEN ADVERTISING AND RESULTS

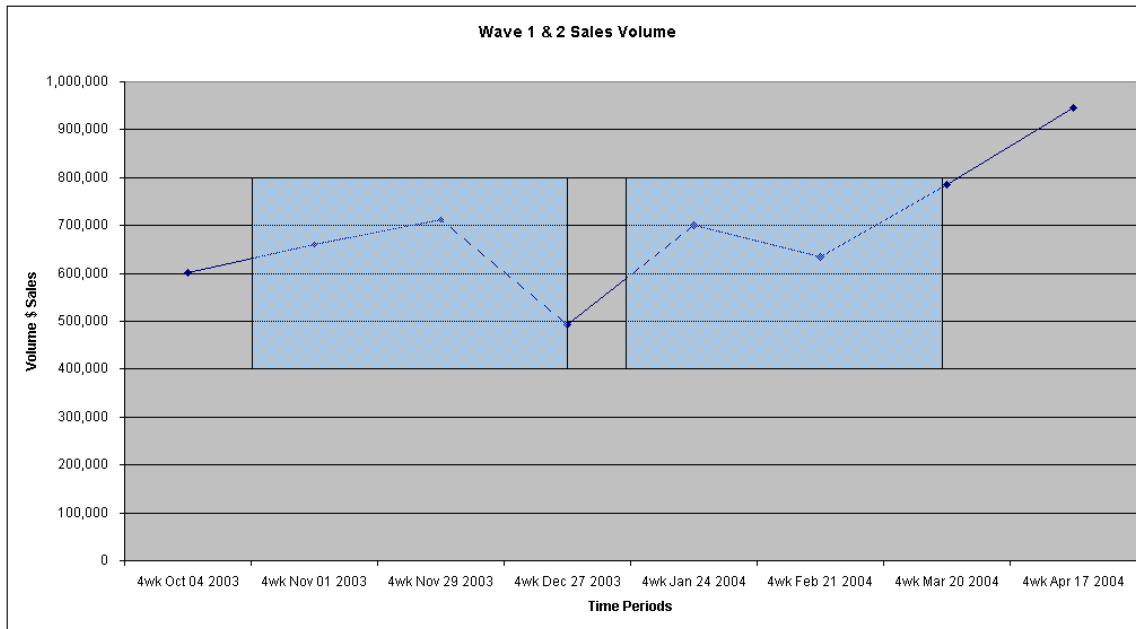
This can be demonstrated by two main measures:

1. The timing of the advertising and its effect on sales.
2. Creative testing and tracking studies.

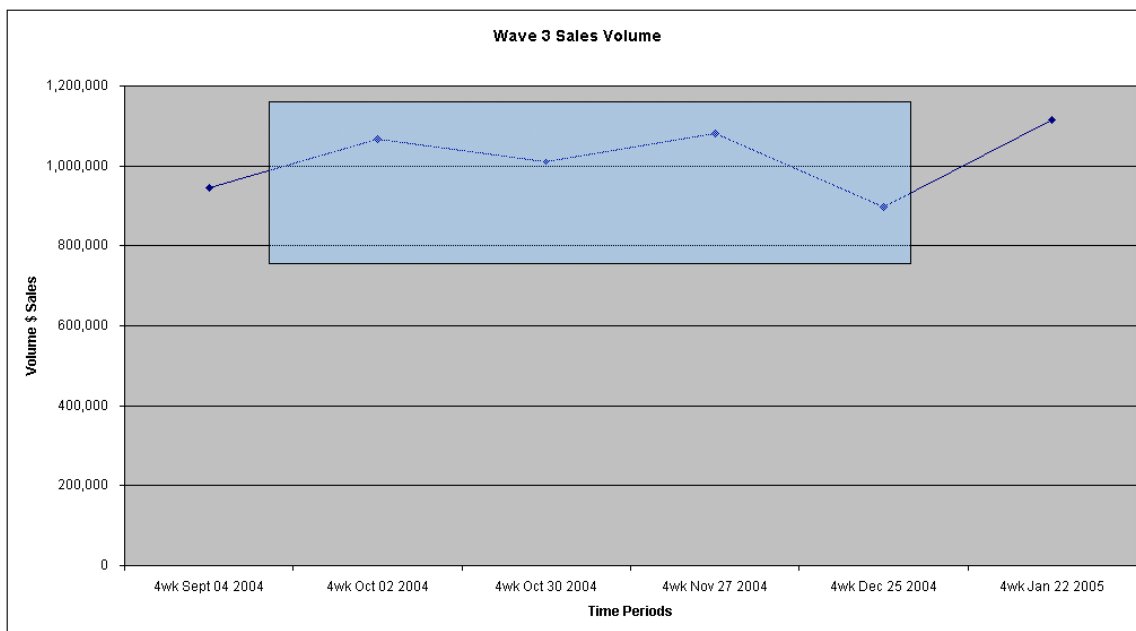
SALES INCREASES ATTRIBUTED TO ADVERTISING.

Waves 1 & 2 ran from October 2003 – April 2004 (2 weeks off air in Jan 2004). We can see a 43% increase in sales from just prior to the advertising launch to one month after the end of wave 2.⁵

⁵ The dip in sales in December can be attributed to Mad Cow Disease. This adversely impacted the entire food industry.



The third wave of advertising from September 2004 to December 2004 assisted with an 18% lift in sales.

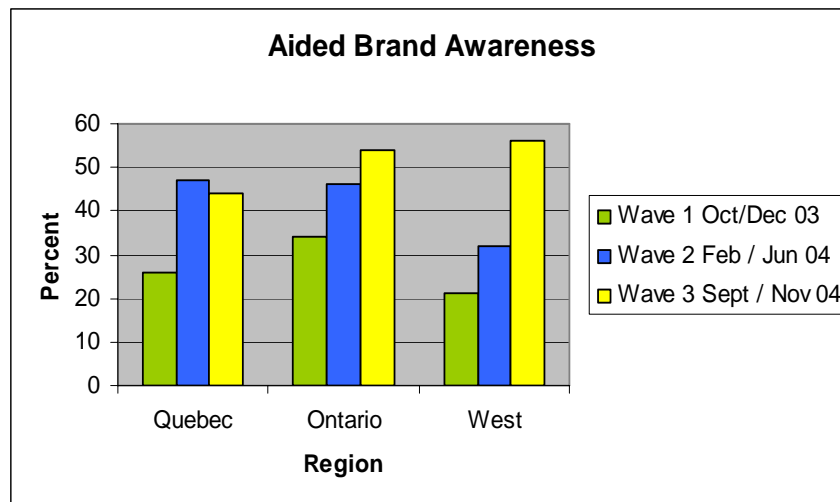


OVERALL APPEAL AND RELEVANCE OF “WAITER”

1. In Millward Brown⁶ TVLINK™ testing for Persuasion, “Waiter” scored 21% higher than the Canadian average and in the top 10% of all ads tested by Millward Brown.
2. Against a tested target of primary shoppers, 30-55 years of age, 59% said that “Waiter” was Very Relevant, and 35% said it was Somewhat Relevant.

EFFECTIVENESS AS MEASURED THROUGH REGIONAL TRACKING⁷

Different regions got different media plans, and the brand awareness pattern confirms the effectiveness of the creative.



Note the strong improvements in Western Canada. This can be traced to the fact that in Wave 1, the GRP level in Western Canada was less than 50% of the level in Ontario & Quebec. In Wave 2, Western Canada received no support at all. In Wave 3, for the first time, it got equal weighting to Quebec & Ontario.

Increases in aided awareness in Western Canada were greatest between Waves 2 & 3. Simply put, at minimal GRP's “Waiter” drove better than expected performance in Western Canada. And when supported more heavily in that region, it drove the highest increases in aided awareness.

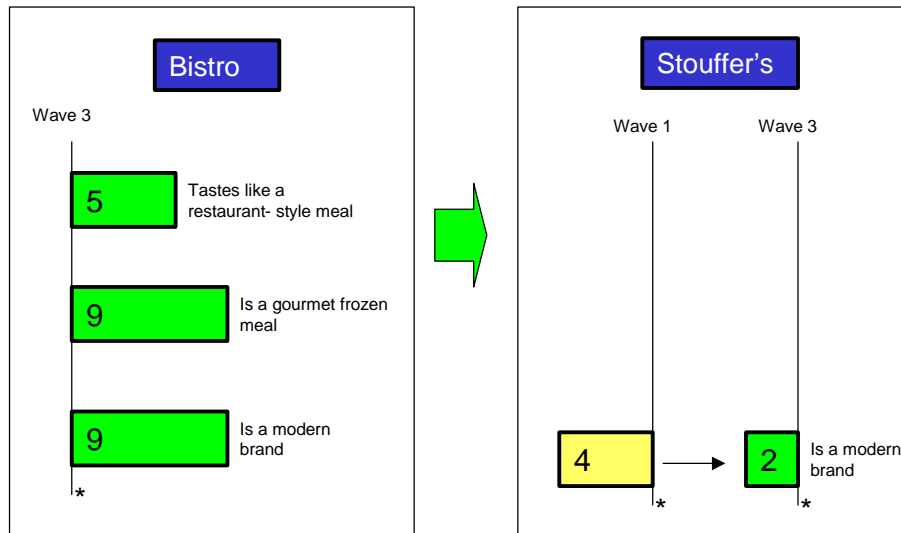
ESTABLISHING DESIRED IMAGERY.

“Waiter” had a decidedly positive effect on Bistro and Stouffer's imagery. Of 21 image statements tested, Bistro scored strongest against: ‘Is a gourmet frozen meal’ and ‘Tastes like a restaurant-inspired meal.’ Stouffer's, though still not seen as modern, also improved on this dimension by 50% (refer to the following chart).

⁶ Millward Brown TVLINK™ Data, October 27, 2003.

⁷ Millward Brown Frozen Foods Media Tracking, May 2005.

Brand Imagery



DRIVING TRIAL AMONGST NON-CATEGORY USERS.

“Waiter” scored 25% higher than the English Canadian average for those who indicated they would be inclined to try the product featured in the advertising (46% vs. 21%).

With 41% of Bistro volume coming from new category users, the creative clearly helped in converting awareness to trial for non-users.

End of Case. Crossover Notes follow.

INTRODUCTION TO CROSSOVER NOTES — CASSIES 2005

[For Stouffer's Bistro]

Crossover Notes have been going for several years, and now run to 28 pages.

We used to attach a full set to all cases, but to save a few trees, we now include only the Notes particular to any case.

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

I was a consultant by then. Before that I had reached the category manager level at P&G (what they quaintly called the Associate Advertising Manager). I had then clambered up the ladder at O&M, eventually becoming President and later Vice Chairman—both in Toronto. P&G and O&M were both passionate about “lessons learned,” and so was I. In those days (it seems hard to believe now) we felt rushed off our feet. But we did have 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 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 150 published cases. They're a growing body of experience. I hope I've helped pass some of the learning on.

David Rutherford

Toronto: December 2005.

For 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 2005

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

STOUFFER'S BISTRO. CROSSOVER NOTES. CASSIES 2005.

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

This doesn't, of course, answer the question, "how do you build these beliefs?" There are widely varying notions, but most 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 Communication*: www.ica.adbeast.com

- 3. Core Equity versus Price & Promotion.** From a financial point of view, a brand is not an abstract notion. It has to make good money as long as you hold onto it, and it has to be valuable if you want to sell it. A brand under price and promotion pressure has to make tough decisions. If you don't fight fire with fire, you lose business in the short term. But if you don't invest in brand-building, you're likely to lose much more over the long term.

This is the choice between a "clear and present danger" and a "worse but less immediate one." It's hard to get it right, but we probably succumb more than we should to short-term pressures. Fido in Cassies 99; Clearnet and KD in Cassies 2001; Nautilus and Sidekicks in Cassies 2002; Molson's Bubba, Dodge SX 2.0, Manitoba Telecom, MINI, Sola Nero and Toyota Matrix in Cassies 2003; Cottonelle, Réno Dépôt and Toyota Sienna in Cassies 2004; All Bran, K&G Stores, Energizer Lithium, Hubba Bubba, Moores, Stouffer's Bistro and Familiprix in Cassies 2005 all faced this issue. All emphasized brand value, rather than price and promotion.

Core Equity has more than one meaning. One comes from the "bundle of meanings" in the audience's mind. Another is the equity in financial terms. This is a developing area, and for more information contact the ICA about the publication *Measuring And Valuing Brand Equity*.

- 6. Should the product be improved?** Some years ago it was an axiom that your product, functionally, had to have an advantage over competitors. In packaged goods, 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 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 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.

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

There's no question that the cost to upgrade can be daunting. Nevertheless, many 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.
- Coricidin II in Cassies 2005 (Re-launching a new version, after the original brand had been withdrawn)
- Penaten, Hubba Bubba, Stouffer's Bistro, and Juicy Fruit, all launching line extensions in Cassies 2005.

Still others achieve their gains with no change—though the existing product is in all cases good, and sometimes better than the competition. These cases include:

- Crispy Crunch and Pepsi 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.
- Crescendo, Jergens Ultra Care, Whiskas, Twix, Energizer Lithium, Moores, Familiprix in Cassies 2005.

Technology cases usually have improvements. Services (e.g. Desjardins, Gaz Metro, Réno Dépôt in 2004) usually improve as part of the "total brand experience." Some cases (e.g. Clearnet in 2001 and Lipton Sidekicks in Cassies 2002) say that if your functional advantage is going to be matched, you'd better develop an advantage through brand personality/character/equity. There is no cookie-cutter answer. Each situation has to be assessed on its merits.

21. Likeability. Nowadays, It's generally felt a advertising should be *likeable*. But there was once an opposite school of thought. The poster-child was "Ring around the Collar" for Wisk—highly disliked *and* highly effective. Dissonant views on likeability, in part, reflect the long-running feud between creativity and selling power—do they work together, or does creativity get in the way? Cassies winners demonstrate that *they work together*, and the day may come when this ancient vendetta is put to rest.

Likeability hit the headlines in the mid 80s, with a paper by Alex Biel. Later, in the early 90s, the Advertising Research Foundation caused another stir. The ARF Copy Research Validity Project⁴ examined major copy tests. The results showed modest predictive ability on shipments and share, but no technique did particularly well. This caused a blizzard of rebuttal from the research firms. But it also caused a surprise. Likeability, which until then had been seen as a bit of a non-issue, was (apparently) one of the better predictors of in-market success.

A bandwagon started. For quite a lot of people their mental model is that advertising has to (mostly) entertain to do its job. They seized on the “entertaining” meaning of liking. Others pointed out that “liking” means different things to different people. Alex Biel found that it is closer to “meaningfulness” than “entertainment.” Others say that it is a combination of positives (Entertaining, Relevant, Newsworthy, Empathetic) and/or the absence of negatives (Unfamiliar, Confusing, Alienating). In other words, it’s simplistic to assume that liking just means “entertaining.”

In the Cassies, much of the advertising is likeable in the ordinary sense of the word, but some (Big Brothers Vancouver, Dove Litmus, Ethical Funds, Pfizer’s ED, SAAQ’s anti-speeding, Canadian Blood Services, Motrin, United Way, Leucan, Run for the Cure come to mind) could only be called likeable in the “meaningful” sense.

And then, as with so much in advertising, we must also be alert to exceptions. Tim Broadbent, in his speech at the 2004 Cassies, showed a very unsettling UK winner from the 2003 IPA Awards. Lennox Lewis, talking about wife abuse, smoulders with repressed rage in a very disturbing (but effective) commercial for police recruitment.

For myself, I’ve found the best approach is to think of liking on the broader lines defined above.

For more, see such papers as *Love the ad. Buy the product?* Alexander Biel. Admap 1990. *Do our commercials have to be liked?* Colin McDonald. Admap 1995. *Like it or Not, Liking is not Enough.* Nigel Hollis. Journal of Advertising Research 1995.

End of Bistro Crossover Notes.

⁴ It tested commercials that were known to be effective (or not) to find out if copy tests could pick winners from losers. This required pairs of commercials for the same brand (to remove the “brand” effect). The commercials also had to have shipment/share results (good or bad) over at least a year in split-cable test markets. It was hard to find these pairs of such commercials, but eventually five pairs were validated. The ARF replicated the major techniques, and “pre-tested” each commercial. The results, while modestly positive, did not show especially strong predictive ability for any technique.