

Cassies 2005 Cases

Brand: Broadcast Sponsorship (Athens Olympics)

Winner: Events & Seasonal—Silver

Client Credits: Volkswagen Canada Inc.

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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 6. Should the product be improved?

Crossover Note 11. The Eureka Insight.

Crossover Note 12. Changing the Goalposts.

Crossover Note 29. Pre-emptive Media.

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): August – September 2004.

Period of Communication/Advertising Effort: July 12 - September 19, 2004.

Base Period for Comparison: Prior months in 2004, and Calendar Year 2003.

Automotive advertising in Quebec, like anywhere else, is constantly in rush hour mode. On TV, radio and newspapers the manufacturers run bumper-to-bumper trying to capture consumer attention—with special sales and deals blowing their horns at the public from every angle. Could Volkswagen bypass all this on the jam-packed advertising highways? We found our answer in the 2004 Athens Olympics.

With highly original, captivating ads, plugging consumers “live” into the lives and performances of Olympic athletes, Volkswagen saw its unaided awareness climb into the #2 spot, with a 34% sales increase for its Golf model in August, 2004—traditionally a slow month. And all this for a brand in the last year of a five year product cycle, with no product news, and a budget reasonable enough to make competitors blush. **Crossover Note 6.**

SITUATION ANALYSIS

Auto manufacturers all have transitional years. Such was the case for Volkswagen in 2004. There would be no new vehicle launches until 2005. Three challenges faced us:

- Return Golf, Jetta and Passat to the podium, even though they were nearing the end of their natural life cycle.
- Renew brand image, which was suffering as these products got older.
- Inject adrenalin into Golf’s declining sales.

The Golf in particular had been hit by new arrivals: the Mazda 3 and Toyota Echo. Volkswagen’s Quebec market share was barely at 20% of total Volkswagen sales in 2004, whereas it had been at 30% in 2003.

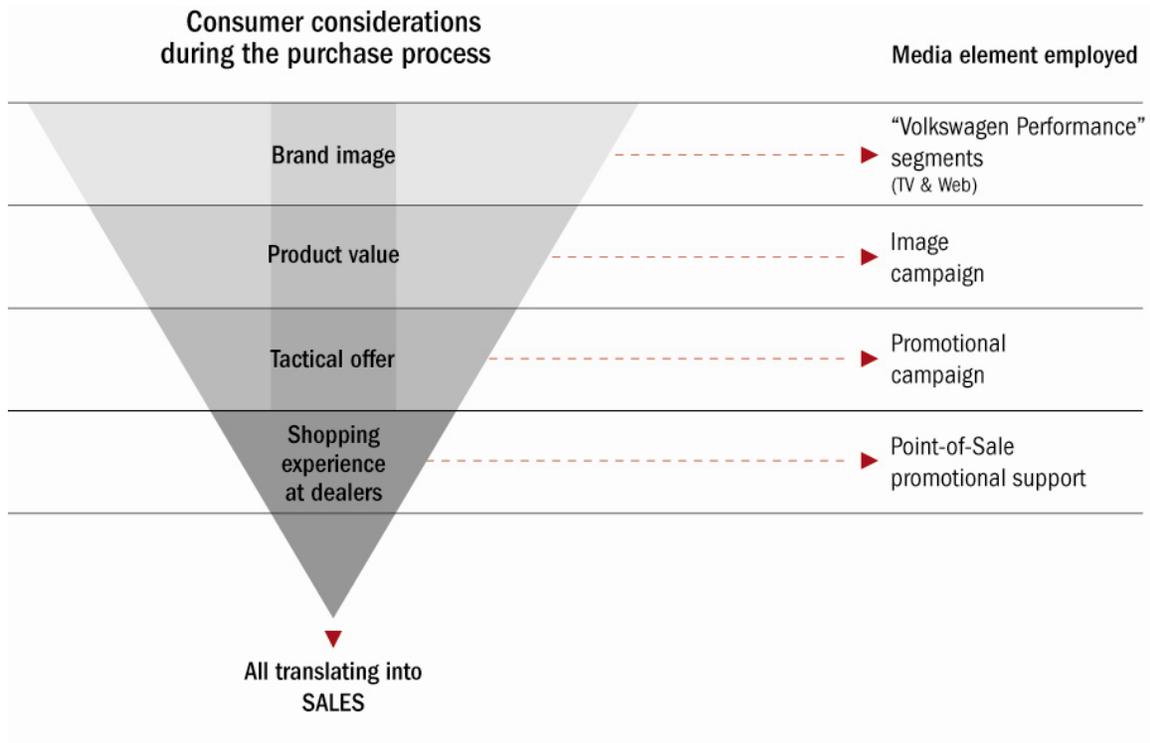
With most advertisers emptying their vast budgets into conventional advertising, Volkswagen had to take on Goliaths with its David of a budget. What could VW do?

STRATEGY & INSIGHT

Most insights in the Cassies are about consumers, but this one was different. Olympic sponsorship is hugely expensive. But what if a company became a *broadcast* sponsor on Radio-Canada? This would take the competition by surprise. And it would be much less costly than being a sponsor of the Games themselves. **Crossover Notes 11 and 12.**

As to creative, the idea was to give viewers a true Olympic experience while underscoring the presence of Volkswagen. We knew from PMB data that a large part of the target audience would gather around the TV to watch their athletes go for gold. So Volkswagen got exclusivity in auto advertising for the whole event.

The plan had four elements, as follows:



A: Brand Image

Objective: create a “live” Olympic performance feeling, aligning it with the excitement of driving a Volkswagen.

B: Product Value

Objective: demonstrate the characteristics, technologies and benefits of the products, while showing Olympic performances, with a touch of wry Volkswagen-style humor.

C: Tactical Offer

Objective: get the crowds running to the dealerships. Show athletes in the heat of their activity, and conclude with a price offer on Golf.

D: Carrying the Experience into the Dealerships

Objective: Link the TV campaign and the showrooms with “Olympian” materials.

E: Getting out of the Gate Early.

From July 12, one month before The Games began, promotional messages for Golf took off, giving Volkswagen visibility long before the competition had unfurled their colours.

Crossover Note 29.

EXECUTION

The image campaign had three 30-second ads; marathoners on the course, wrestlers near the end of a match, cyclists hammering along a country road, each drew people in. Each was narrated by commentators who also covered the games. Each had a touch of VW humor, linked to an attribute of the featured automobile.



The promotional offensive had real bite, with two 30-second ads specifically for the Golf. In one, a diver is on his springboard, and in the other a team of cyclists are on an indoor track. The announcers describe the performance, twisted momentarily by a pause when the athletes check out the Golf billboard and its price offer.



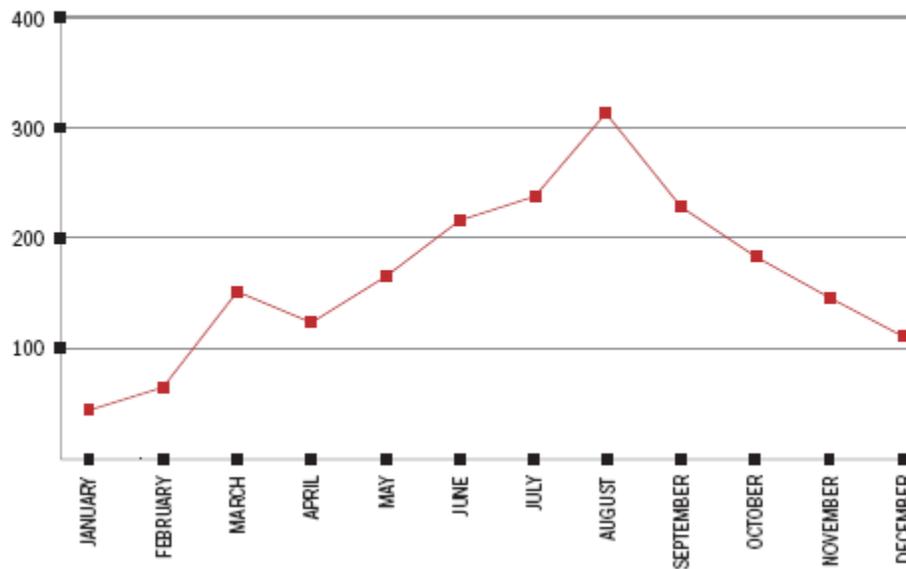
“Volkswagen Performance” segments underlined the advertising thrust. These small clips of film had a “live” feel from the athletes’ point of view, breathtaking moments capturing the essence of sport. Again, these were all introduced by Radio Canada announcers.

Meanwhile, point-of-sale added Olympic “bigness” at the showroom level.

BUSINESS RESULTS

Golf sales in August 2004, the Olympic month, were up 34% over the preceding month, even though August is typically a slow month. They accounted for 37% of national sales, compared to the previous ceiling of 20% in 2004, and an average of 30% in 2003. In fact, Golf was selling almost as well as it had in its very first year.

2004 Quebec Golf sales



Furthermore, according to the study by Descarie et Complices in September 2004, Volkswagen was second in unaided awareness during the Olympics, just behind McDonald's. With these results, Volkswagen topped Bell and the Milk Producers of Canada, who, along with McDonald's, were official sponsors of the Games, paying premium prices to post their logos next to the Olympic rings.

Spontaneous Awareness of Olympic Sponsors

- McDonald's* 25%
- Volkswagen 15%
- Bell* 12%
- Subway 6%
- Milk Producers of Canada* 4%
- Air Canada 3%

*Official sponsor of the Olympic Games

According to another study, by NOP World Automotive in October 2004, VW racked up spectacular points in Quebec.

Advertising Recall among Car Intenders

	June 04	Sept 04	Variance
Total recall	82%	89%	+7
General opinion	56%	70%	+14
Unaided brand awareness	42%	53%	+11
Unaided awareness	32%	44%	+12
Perceived quality	18%	33%	+15

CAUSE & EFFECT BETWEEN ADVERTISING AND RESULTS

The impact of the campaign needs to be assessed against four factors:

Seasonality

August is traditionally a relatively calm period in auto sales. Also calm in terms of advertising activity. So we were creating “performance” during a month outside the natural sales cycle.

Product Cycle

By 2004, the Golf model was in its 5th year, placing it one year behind its competitors, whose models are cycled on 4 years. Golf was going head-to-head against the latest models and offers of Mazda 3 and Toyota Echo. What’s more, the Golf had nothing new to offer consumers.

Price

The price during the promotion, though attractive, was neither new, nor lower—being the price at which the model had been offered in June 2004. In fact, the price was identical to that offered across Canada, where sales dropped during the same period.

Rivals

August 2004 showed nothing out of the ordinary. The compact category saw a drop of 10.4% in sales. Golf was swimming against the tide.

In light of all these factors, it’s evident that our Olympic campaign was the main event in getting Volkswagen onto the podium.

End of Case. Crossover Notes follow.

INTRODUCTION TO CROSSOVER NOTES — CASSIES 2005

[For Volkswagen Quebec Olympic Sponsorship]

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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VW 2004 Olympics

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

VOLKSWAGEN OLYMPIC SPONSORSHIP (QUEBEC)

CROSSOVER NOTES. CASSIES 2005

- 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.¹

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.

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.

¹ 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

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.
- 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.

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*.) 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. In an echo of Apple vs. IBM, Fido saw that consumers needed the human touch. See also Clearnet and “the future is friendly” in Cassies 2001.
- Diet Pepsi in Cassies 2002. Being youthful without being too young with “forever young.” 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 SUV buyers do. Cassies 2004.
- Irving's Cruisin' to Win. Saw the power of *small* prizes. Cassies 2005.
- Crescendo. Like Oh Henry! saw unoccupied high ground. Cassies 2005.

- Butter. Saw a way to use “natural” to connote taste and health. Cassies 2005.
- Anti-Smoking. Saw the power of “Stupid.” Cassies 2005.
- Jergens Ultra Care. Saw a way to reposition skin. Cassies 2005.
- Whiskas saw things from the *cat’s* point of view. Cassies 2005.
- Moores used the fact that their target audience hates shopping. Cassies 2005.
- Harvey’s realized the significance of The Grill.
- Quebec Lotto 6/49. If 6/49 winners are so generous be nice to them.
- United Way saw power in the Hand icon.
- Leucan realized that there is still hope, despite childhood cancer.
- CIBC Run for the Cure saw the power in the Pinnie idea.
- Juicy Fruit saw how to build a new image by (almost literally) destroying the old one.
- Quebec Milk saw power in the obvious—if one glass is good, two are better.
- Plus virtually all the cases in *Crossover Note 10*.

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

- Cow Brand Baking Soda’s extended usage.
- Johnson’s Baby Shampoo’s re-positioning against adults.
- Cereals trying to get eaten as a late night snack.
- Baileys (2005) going against wines and beer occasions.

Insights can also spring from what is *not* being said. Eggs in Cassies 99 is an example. Word-association tests played back benefits, but did *not* identify that eggs are natural. Somehow, this caught the agency’s eye. They made “natural” into a powerful campaign using real farmers, and 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 these back as the important benefits, reinforcing conventional wisdom. 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.

This also points up another way to get insights—to look beyond Canada. PAL dogfood in the UK had earlier arrived at similar thinking, and produced the famous “prolongs active life” campaign.

29. Pre-emptive Media. Quite often budgets are not enough to deliver high SOV by sheer muscle. Budweiser in Cassies III, Tourism New Brunswick in Cassies 2001, and Campbell’s in Cassies 2002, all started *early* in order to stand out. It was quite a break with conventional wisdom to advertise beer before summer, and to advertise summer vacations to Quebecers in the depth of the Quebec winter—but it worked. VW did something similar with their Athens Olympic sponsorship in Cassies 2005.