THE GLOVES ARE OFF
RETAILERS PUT A NEW SHINE ON AN OLD FIGHT

HOW MARIJUANA BRANDS ARE SWEETENING CANADA’S POT

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ON THE COVER: Getting customers to shop in your store has always been a difficult task, but the past couple of years have seen the market heat up even more, particularly in luxury. Competition is stiff, but retailers aren’t afraid to get in the ring – a message photographer Michael Crichton and stylist Jason Charles Hatton at P1M helped us capture perfectly. They added a bit of luxe to a pair of old boxing gloves to show it’s an old fight being fought in shiny new ways.
Some parting thoughts

I joined the strategy team in 2008 having never written about marketing. I spent much of my first week googling (what does OOH stand for? KPI? BBDO? When you say “Taxi” you’re not talking about the vehicles?). I had a lot to learn. It took me six months to feel like I wasn’t entirely clueless, and a full year before I felt I understood this industry. And now, after seven-and-a-half years, I’m moving on to the next phase of my career and writing my last editorial for strategy.

But you know what? I’m still learning. That’s what I’ve loved about covering this industry. There’s always an insight to be gleaned, a new social media platform, an innovative way to use a billboard that has never been thought of before. Covering this business has opened my eyes to the boundless possibilities of communication.

I want to leave you with some food for thought, based on some basic truths I’ve learned along the way.

First, an agency or marketing department is only as good as its people. This isn’t a new concept, but nowhere is this more true than within the ad world where ideas are currency. Many of the companies we’ve seen fail over the years have folded not because they lost a big client or were just too small or niche to survive. They failed because people didn’t like working there, so the clever ones left, and when you have no clever people, you have no clever ideas. So if you’re not incenting your talent to stay and fostering a positive work environment, you’re probably in the wrong business. Luckily, a lot of companies have caught onto this and it shows in the work they produce and awards they win.

Second, your reputation extends beyond your four walls. As reporters, there’s a lot we hear about that we don’t write. A lot. I’m not writing this to scare anyone, only to say that if you think a problem is contained, it probably isn’t. If we know these things, who else might know? So be proactive in solving issues and be as transparent as possible. There’s a reason transparency became popular. If you can’t be transparent, ask yourself why, and then fix it.

Third, yes, this industry still has far to go when it comes to equality. If you don’t agree, go to Cannes and count how many women come to the stage to accept awards among the teams of men. But, despite recent headlines, we’re seeing positive changes, like the Glass Lions and the 50/50 Initiative by the ADC. It’s really not that difficult to fill half an awards jury with qualified female members, which strategy has been doing for many years. I like to think we’re just at the start of a long-overdue tidal wave of change.

Early on in this job, someone warned me about all the egos I was going to encounter in the industry, so I braced myself for the onslaught. But something funny happened – it never came. Sure, I’ve met the odd egomaniac in my time, but the majority of my interactions have been with kind, talented and – yes – humble folks who understand that this industry is way bigger than they could ever wrap their heads around, and there’s really no time for egos. They’re far too busy concerning themselves with the boundless possibilities.

Goodbye, readers. Thanks for letting me into your fascinating world.

Emily Wexler, editor
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Source: Vividata Q2 2015; comScore Q4 2015; Internal Globe Stats Q4 2015; Multi-platform figures are internal estimates.
Ever heard of “adulting”? If you look it up in Urban Dictionary, you’ll learn that it means having “a nine-to-five job, a mortgage/rent, a car payment or anything else that makes one think of grown-ups.” Millennials have been all over the argot lately, and apparently so has Nescafé. In March, the instant coffee maker introduced a campaign for its Sweet & Creamy product to show millennials that while being an adult can be complicated, the 3-in-1 coffee mix is not.

The campaign is the first for Sweet & Creamy, and it’s more heavily targeted at a younger audience than the brand is used to. Ryan Saunders, marketing director for beverages at Nestlé, admits the company hadn’t given the product much support in the past, but felt there was room to grow. After extensive research (which showed that consumers didn’t quite understand what was inside the packaging, but that once they actually tried the product, they loved it), the brand repackaged and relaunched the SKU one month before debuting the “Adulting” campaign.

Research from NPD Group last year indicated that while Canadian boomers comprise 37% of coffee servings, millennials increased their consumption by 6% in 2014. Out-of-home coffee servings have also been declining year-over-year by 3%, mostly as a result of single-serve devices, suggesting consumers are altering their habits to drink at home.

For this campaign, OneMethod produced a series of online spots that harken back to the days of live telethons: a presenter speaks about the difficulties of being an adult, and recommends a helpline (which actually exists) for viewers to call for advice. Throughout the spots, the brand contrasts the complexities of adulthood with an educational shtick about the simplicity of its product (“Just stir, sip and love. Easy, right?”).

From creative to experiential (led by Mosaic, with the brand touring campuses and giving away samples), every piece of the campaign is centred around getting Sweet & Creamy into consumers’ hands, says Saunders. “It’s really important for us to have consumers make the coffee to feel the simplicity of it,” he says.

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CAPLANSKY’S FAST-CASUAL EVOLUTION

By Josh Kolm

Since opening its College Street deli in 2009, Caplansky’s has become iconic in Toronto. Owner Zane Caplansky has plans for a national footprint by 2018, so he approached Jackman Reinvents to develop a store concept that could be scaled.

“Deli has existed in mainstream for a long time with plenty of famous locations, but there’s no national chain,” says Joe Jackman, CEO of Jackman Reinvents. “Taking real stories based in authenticity and cultural roots and making them relevant for today is a massive part of the millennial mindset, so there’s a real chance to get people excited about this on a bigger stage.”

The Caplansky’s brand is rooted in the traditional Jewish deli. “Chutzpah” was a term that came up frequently while planning the expansion, since replicating the experience for a mass audience while still basing things in tradition was no small feat. Jackman moved away from the current locations’ casual dining in favour of a fast-casual concept, which he says is underdeveloped in Canada.

“It’s an opportunity to offer your consumer convenience, but to still have the space to create some theatre around it,” Jackman says.

“There’s a massive trend around ‘affordable luxury,’ and we pay more for brands like this when they are appreciably differentiated.”

Caplansky’s is targeting family neighborhoods open to trying food from different cultures and to paying a slightly higher price than they would from a QSR, starting with Toronto’s Yorkville neighbourhood, where the new store concept will debut next month.

A brighter blue logo over clean, off-white walls is paired with full-length windows that allow customers to see the food being made. The concept gets playful with Caplansky’s signature elements: the pickle on the side of every sandwich has been incorporated as a pickle bar, while its selection of mustards is deployed in a row of taps.
WHAT CAN THE CAN DO?

Muskoka Brewery and Cameron’s Brewing launched in the mid-90s, a less crowded craft beer era. While craft’s share of the beer market is growing, hundreds of independent breweries are competing for it. Most sell in single can or small package formats, so design is essential. Here’s how Oakville, ON-based Cameron’s and Bracebridge’s Muskoka approached recent redesigns.

MUSKOKA has a lot going on in the new design for Winter Weiss. Leaves — and buildings — are tossed around by gusts of wind, but Jeff Harrison, co-founder and CD at 123w, the firm tasked with the brand’s redesign, says the message is simple: the feeling of being outdoors in Muskoka.

Be it the dock and chair on Muskoka’s Cream Ale or the deranged-looking man from campfire tales on Mad Tom IPA, each package tells a story about the great outdoors in the brewer’s home region.

“The trend right now is to get to a pure message that’s a quicker read on the shelf,” Harrison says. “We’ve got 100 different brands competing for it. We’ve modernized and incorporated that evoke camp or scout badges. The cans depict outdoor scenes that evoke camp or scout badges. The “barley man” in the logo has been modernized and incorporated into the silver top to create a common thread.

“People experimenting in craft beer tend to not remember the name of the beers they’ve tried,” says Ian Fleming, principal at Cactus. “If they do, they remember something like ‘it had a bear on it.’ An easy identifier is the way to get people to come back.” JK

CAMERON’S enlisted Toronto’s Cactus to design the first cans for its three core beers, whose look had hardly changed since they launched.

“We were a little bit serious for some consumers,” says Bill Coleman, president and co-owner of Cameron’s, of its old, wood-cut look. The new design is more energetic, aimed at 19- to 24-year-olds who don’t know the brand’s history.

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MULTICULTURAL MARKETING BY THE NUMBERS

By Harmeet Singh

Canada is a nation of immigrants and many brands have already figured out that they can’t afford to ignore our growing populations. Kruger Products, for example, creates Chinese-language ads for its Scotties, Purex and SpoonTowel brands and Pepsi has created a specific cricket-focused program to speak to the South Asian community.

In particular, the Chinese and South Asian populations are both set to grow over the next several years. Here are just some of the key figures.

### WHO THEY ARE

<table>
<thead>
<tr>
<th>WHO THEY ARE</th>
<th>CHINESE</th>
<th>SOUTH ASIAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Considered either “Traditionalists” or “Transitions,” the two least acculturated segments.</td>
<td>31%</td>
<td>32.1%</td>
</tr>
<tr>
<td>Newcomers who identify with their homeland.</td>
<td>30.4%</td>
<td>26.5%</td>
</tr>
<tr>
<td>Considered “Bi-cultural,” identifying with their homeland and Canada.</td>
<td>12.9%</td>
<td>9.4%</td>
</tr>
<tr>
<td>Are either “Fusions,” or “Next-gen,” the most acculturated segments.</td>
<td>25.7%</td>
<td>32%</td>
</tr>
</tbody>
</table>

### HOW THEY FEEL ABOUT BRANDS

<table>
<thead>
<tr>
<th>HOW THEY FEEL ABOUT BRANDS</th>
<th>CHINESE</th>
<th>SOUTH ASIAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider themselves to be “very brand loyal”</td>
<td>52%</td>
<td>58%</td>
</tr>
<tr>
<td>Say they feel closer to a brand when it uses “ethnic language.”</td>
<td>48%</td>
<td>39%</td>
</tr>
</tbody>
</table>

### HOW THEY CONSUME MEDIA

<table>
<thead>
<tr>
<th>HOW THEY CONSUME MEDIA</th>
<th>CHINESE</th>
<th>SOUTH ASIAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hours spent online each week.</td>
<td>24</td>
<td>19</td>
</tr>
<tr>
<td>The average number of connected devices owned.</td>
<td>3.6</td>
<td>3.2</td>
</tr>
</tbody>
</table>

### WHERE THEY SPEND

<table>
<thead>
<tr>
<th>WHERE THEY SPEND</th>
<th>CHINESE</th>
<th>SOUTH ASIAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>The average amount Fusions spend on restaurants annually, per household.</td>
<td>2,636</td>
<td>2,648</td>
</tr>
<tr>
<td>The average amount Fusions spend on auto purchases annually, per household.</td>
<td>5,111</td>
<td>5,105</td>
</tr>
<tr>
<td>The average amount Fusions spend on cellphones and texting annually, per household.</td>
<td>1,150</td>
<td>1,152</td>
</tr>
</tbody>
</table>

*Both 17% above the national average. *Both 21% above the national average. *Both 12% above the national average.

**Sources:** Environics Analytics, Acculturates, Household Spend 2015; IPG Mediabrands Multicultural Media Study 2016

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March 2016 | 7
HOT CAUSES

Every so often, a new issue comes to light and becomes the cause du jour, whether it’s because of an urgent need, the socio-political environment or consumers’ interest. Here are three ways brands have been creatively connecting with socially-conscious consumers lately.

BOOSTING THE BEES

If you’ve seen Bee Movie, you probably know that bees are crucial to our environment (even if you are a bit afraid of being stung). It seems that at least a couple of brands know it too.

In March, General Mills’ Honey Nut Cheerios brand made headlines with its “#BringBacktheBees” platform, led by Cossette. The social media campaign asked Canadians to sign up to get free seeds from PEI-based Vesey’s and help plant 35 million wildflowers to help stop the decline of the crucial bee population.

To get its message across, Honey Nut Cheerios also temporarily removed Buzz, its signature bee mascot, from its packaging.

The 35 million goal was quickly reached, and at press time, Canadians could still go online to get free seeds to continue the initiative.

Beauty brand Burt’s Bees and its Raleigh, N.C.-based agency Baldwin& has a similar “Bring Back the Bees” campaign, pledging to plant wildflowers for every purchase of a limited edition lip balm, or for every tweet that has dropped the letter B from its text.

EMBRACING (AND CHALLENGING) EMOJIS

Branded emojis aren’t new, but now they’re becoming a popular way to make a larger point about society and to make an impact.

The latest iteration of Always’ “#LikeAGirl” campaign by Leo Burnett Chicago earlier this year pointed out that emojis tend to reinforce a lot of harmful stereotypes about females (think bunny-eared dancers, brides and nail polish).

The campaign asks girls to share ideas for more positive, empowering emojis they’d like to see by either tweeting it or striking a pose and capturing it, then sharing it using the #LikeAGirl hashtag.

Unilever’s Dove has also used emojis to help celebrate women loving the way they look by working with New York’s Snaps to launch an emoji keyboard where all the characters have curly hair.

And for World AIDS Day last fall, Durex created its own condom emoji to help make talking about safe sex a little easier among young people. The brand worked with Havas, Isobar and Maverick in Canada to promote the campaign.

FOCUSING ON FOOD WASTE

It hasn’t been long since $8 cauliflower was all over the news, so we’re all aware of rising food prices.

In March, Loblaw expanded its No Name brand’s Naturally Imperfect line of apples and potatoes to also include peppers, onions, pears, carrots and mushrooms, and made it available in more grocery stores. The smaller, often misshapen items are discounted by around 30% and appeal to budget-conscious consumers, but the idea behind selling the not-so-pretty produce also helps curb food waste.

Whole Foods also recently began testing out selling ugly veggies, while across the pond, British supermarket chain Asda has begun selling boxes of its “wonky veg” with a line called Beautiful on the Inside. French chain Intermarché, for its part, has been selling ugly produce for about two years now.

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IS STAND-ALONE RETAIL THE NEXT CPG FRONTIER?

Why food and beverage brands are taking retail into their own hands, and how it could lead to the next chapter of in-store marketing.

Chris Lund thinks back to the pre-Apple store era. The CEO at retail agency Perennial recalls a scene at Costco. Nestled between the pool noodles and Kraft Dinner, he says you may have found an iPod shrink-wrapped and fastened to a piece of corrugated cardboard. The mass merchant was simply trying to keep thieves at bay, but it was also robbing (so to speak) Apple of a stage to showcase the tactility and simplicity of its products.

Since the late ‘90s, Apple has opened 481 stores, while other brands in appliance, luxury and shoe categories – such as Nespresso, Michael Kors and Nike – have jumped into similar direct-to-consumer store plays.

Now it appears to be the food and beverage category’s turn. A throng of grocery staples have, within the past two years, started opening up bars, cafés and restaurants in cities across the globe. Mustard on tap. Milk-infused sandwiches and soups. Sweet and savoury yogurt dishes. These are a few of the menu items being sold outside of shopping aisles by brands like Maille in Europe, Natrel in Canada and Chobani in the U.S.

In January, PepsiCo announced the spring opening of a 5,000-square-foot New York restaurant called Kola House, which will have scarce branding and focus on creating food and drink recipes using the bitter kola nut fruit. The idea for the new resto is to provide a “modern hub for consumers to share social and immersive experiences,” while the brand also hopes the space will help drive “innovation around our beverage offerings,” said Seth Kaufman, CMO at PepsiCo North America Beverages, in a press release at the time.

In Canada, Creemore joined the fray of beer brands getting into the restaurant game. It opened its first gastropub in March, called The Batch, also as a way to innovate around new beer products that can then be commercialized through retail, says Karen Gaudino, director of marketing at Creemore Springs Brewery and Six Pints. Other traditional CPG brands-turned-restaurateurs include the fast-casual...
Italian restaurants by Barilla, Amy’s Kitchen drive-thru vegetarian diners and Nestlé’s Toll House Café. “I think Apple went on the same journey [in the early 2000s] as the one we’re seeing today,” says Lund. For many years, he says, a retailer was seen as a “house of brands,” using its diverse portfolio to compete against other retailers.

But distribution has become ubiquitous, with brands available for purchase in myriad locations, from supermarkets and hypermarkets to gas stations and pharmacies. J.C. Williams senior marketing adviser John Torella adds that the arrival of services like Amazon Prime Pantry, where you can purchase low-priced, everyday products online, has added to the retail challenge.

“So now [as a retailer], I have to somehow articulate to you that the experience I can deliver for you is sufficiently different, because I can’t differentiate on the fact that I have Diet Coke. Everybody has it,” says Lund. “And as a result, retailers are switching from being a ‘house of brands’ to being a ‘branded house’,” with many focusing more on their private label brands, differentiating their banner and putting manufacturers in the back seat.

As a result, Lund says CPG brands are starting to look for new stages where they can create “a powerful, almost hyperbolic customer experience,” which Torella adds has become an important trend in the retail space.

“I think CPG companies are realizing that it’s not just the product, it’s not just the service, it’s the total experience that the company has with a brand,” Torella says.

Gaudino echoes this: while regular retail outlets such as the Beer Store and LCBO are good for selling beer, she says, the Batch gastropub “is a way for folks to be able to experience what Creemore is all about.”

The brand is telling its story by reflecting Creemore’s “good, old-fashioned, wholesome” nature through the decor and menu – which includes ice cream and homemade pies – providing a place for consumers to connect with it in a deeper way, she adds.

This direct-to-consumer play lends itself well to the food and beverage category because of the frequency and velocity with which people interact with fast-moving consumable goods, Lund says. “They’re not selling a Rolex watch, it’s not something you buy once in a lifetime...We’re all extremely aware of [these CPG] brands and we see reason to interact with them on a regular basis...It’s much less risky for the brands and much easier for me as a consumer to find a reason to go in.”

While Lund says the pendulum seems to be swinging more in favour of mass retailers investing in their own banners (such as through promotion of their generic house brands) – he still believes it’s possible to swing back, with some retailers starting to help CPGs build their brands through more encompassing partnerships.

Such is the case with Nutella. The chocolate spread recently opened up a branded café inside a Toronto Sobeys Urban Fresh store. It did the same in New York, Chicago and other cities in Europe when it launched the Nutella Café in Italian marketplace Eataly. The café (which sells Nutella crêpes, croissants and danishes) is actually operated by the retailer, says Allan Cosman, the former president of Ferrero Canada who now works as project lead and senior consultant on the Nutella Café.

“The food pairings in the café drive traffic and related item sales, such as bread, which is [a] ubiquitous and essential partner [for the Nutella] spread,” he says of the reason retailers have been quick to help bring the café concept to life in their stores.

Merchants will be more inclined to build a comprehensive retail program if it matches their own marketing and business goals, he says, so CPG companies need to show the retailer that the program is customized to their stores and not just about driving their brand.

“These [CPG] companies genuinely feel that they have a brand story to tell, that they have a point of differentiation...more at the brand level than just at the ingredient or price level, which they can genuinely or emotively connect with consumers. But they have no platform to tell their story. So they’re choosing to create their own.”

Not enough retailers are building brand partnerships with vendors, he says, but he thinks they will eventually figure it out.
The most complicated marketing execution Molson Canadian did this year was decided on during its head of marketing’s first week in her new role.

“The Epic Rink was just coming off its first year, and my first week on the job was deciding what to do for the second,” says Christine Jakovcic, VP of marketing at Molson Coors Canada since June 2015. “When we made the decision to put it on a rooftop, I thought, ‘This could be my first and last decision in this job.’”

Luckily, the rink was a hit. The mere glimpse of it being built on a roof in Toronto’s Financial District had the city buzzing for a week before Molson finally admitted to being behind it. Interest in skating on it led to a second round of the #AnythingForHockey contest, with the brand eventually opening it up for people to rent ice time.

A principle Jakovcic says runs through all of Molson Coors’ marketing is “ideas acting as currency.” Those are the kinds of ideas that end up being worth more than just a creative execution because consumers pick them up for themselves and don’t feel like they’re “being marketed to,” she says, a constant pain point when trying to reach millennials in particular. This not only means looking for innovative ways to get attention outside of a TV spot (like a hockey rink on a rooftop), but building off what’s already exciting to its customers. Though Molson Coors will still be doing the big campaigns that come to mind when thinking of its bigger brands, Jakovcic is particularly keen on smaller brands that have strong, organic momentum without a great deal of marketing support.

For example, a recent campaign for Old Style Pilsner saw young, hip, urban millennials take a trip up to a Quebec ice-fishing shack to share the beer next to the working-class guys who’ve been drinking it for years. “[Pilsner] has a unique positioning that’s starting to attract younger consumers without us having to do anything. People who are hunters or fishermen or outdoorsmen are still drinking it, and new consumers are picking up on that,” Jakovcic says, which echoes how Pabst Blue Ribbon became a popular “hipster beer” in the U.S. “[The campaign] is a lot different than what a Coors Light Games or Molson Rooftop Rink would do to generate excitement, but with that consumer group, that’s what’s authentic and real and connected to the brand.”

When she’s not looking at smaller brands to support, Jakovcic is helping Molson Coors launch new products to reach niche audiences, like the new John Molson Archival Series. Faithful recreations of real recipes pulled from the brewer’s 200-plus year history — beers like the John H.R. Molson and Bros. 1908 Historic Pale Ale — are providing new flavour profiles steeped in
tradition so they come across as more authentic.

“We probably have the broadest and most diverse roster of brands in Canada, which gives us more chances to tap into different consumer segments and meet their needs even as they change,” Jakovcic says. “If you’re trying to stay true to the core of what you stand for as a brand, that also means you can’t be everything to everyone. We need those other, smaller brands within the portfolio to reach everyone.”

The desire for new flavour profiles from authentic brands is part of what has been driving interest in craft beer, which Jakovcic says has been pushing Molson Coors to be on the top of its game. While the company keeps its craft-oriented brands – like Creemore and Granville Island – separate from its mainstream business, she’s been trying to tap into what’s been driving interest in craft, without outright imitating it.

“When you look at what some of the craft brewers are doing, it makes us think of what we used to do when we were a new brewer 200 years ago. We’ve taken it for granted as we’ve churned through traditional marketing models,” Jakovcic says. “Now, that’s been changing and we’re pushing ourselves to be better and different.”

Jakovcic took on her current role as part of a small executive shuffle that saw previous VP of marketing Dave Bigioni become VP of sales for Ontario and Western Canada. She was previously senior director of national revenue management, a role she says grounded her in the company’s business. “It was at the intersection of marketing, sales and finances, and we were responsible for drawing out what the drivers were for the business,” she says.

Jakovcic is not without traditional marketing bona fides, though, having spent more than 11 years in various marketing and sales roles at P&G in Canada and Western Europe, and almost three years as director of brand management and revenue strategy at Canadian women’s active apparel brand Lija before joining Molson Coors.

The previous year was a somewhat rocky one for the beer company. A declining dollar resulted in an extra hit to the company’s year-end report (it reports in USD), and an economic downturn has been especially hard on Alberta, one of its key markets. Overall sales volume decreased by 5.4% in Q4, while its market share declined by 1%. The company continues to face stiff competition from authentic brands is part of what makes it happen, so investing in the people working on a brand is an investment in the brand as well,” she says.

People are the priority, but the overall investment in Molson Coors’ brands is also increasing. While its marquee brands have always had some level of in-market presence year-round, the balance has traditionally tipped toward particular seasons to go along with their respective positionings – Molson Canadian in the winter to support its connection with hockey and Coors Light in the summer.

Jakovcic is looking to even out the scales again. The summer will see a new Molson Canadian campaign that will take the brand “on a journey only Canada’s beer” can make, and use the idea of “Canada’s beer” for activations around the Rio Olympics, World Cup of Hockey and the upcoming Canada 150 celebration. The Coors Light Games – a competition of backyard games like cornhole – will be returning for a second year, rounded out with activations in the winter months, as will the Mystery Mansion contest for VIP party access. A platform to tie all the various Coors Light activities together is being planned.

“Investing more in our people and our brands allows us to have more holistic, full-year programming,” she says. “We don’t want our consumers to have to make any other choices besides our brand. We want to make sure we’re there in all moments throughout the year.”
ne ordinary day in February, a slightly overexposed photograph of Snoop Dogg appeared in New York’s Times Square. The all-black tee he wore displayed a barber shop-style logo with the word “Tweed” in hipster vintage script. “Snoop Dogg partners with Tweed – Canada’s largest marijuana producer,” stated the Thomson Reuters billboard (which features PR Newswire announcements) to the 1.5 million people who make their way through the square every day. The no-frills image of the Long Beach rapper was only up there for a day, but it could have a more permanent impact on the marijuana industry in Canada. That’s because this was (pretty much) the closest a cannabis producer had ever gotten to mass advertising.

The (so far) 29 licensed producers (LPs) of medical cannabis in Canada today have to navigate an uphill marketing battle, and they’re doing a lot of the climbing in the dark. While the rules for marketing marijuana may seem simple, “it can be somewhat of a grey area,” says Eric Nash, a B.C.-based cannabis industry expert, business consultant and adviser, as well as co-owner of cannabis brand Island Harvest. Health Canada states that it “does not endorse the use of marijuana” and that the “publishing of promotional materials and advertisements are of serious concern.” While the department has to comply with court orders to allow Canadians a reasonable amount of access to legal, physician-prescribed marijuana, its regulations can be fairly ambiguous and sometimes met with confusion by the industry.

“I think producers are still testing the waters of Health Canada,” notes Nash. “It’s a brand-new, legitimate industry in Canada, [but] there are limitations to the
ability of LPs to market or advertise their product...You’re allowed to be on social media [for example], you just have to be very careful on the claims that you make about the benefits of your product.” For instance, you can’t make claims of efficacy or state that your strain of Hindu Kush (the street name for a popular and potent type of cannabis plant) will heal arthritis. You also can’t promote your brand in the mainstream media or to anyone who does not currently have a medical licence to purchase, and as such, create demand for the product. Images of dried marijuana buds aren’t even allowed to appear on a brand’s website. (If you go to Tweed.com, for example, you’ll only find logos that represent each of its 20-plus strains.) LPs can also only sell their products online and through a mail-order system.

Nash believes it could take a few more years for Bill Blair (former Toronto police chief and so-called architect of the federal government’s plan to fully legalize and regulate marijuana) and his expert task force to set up new policy for recreational production, sale and consumption. However, the medical marijuana industry is showing that it’s not one to lie in wait while the other side catches up. Dozens of dispensaries (illegal for-profit storefronts that stock and sell products from various LPs, and sometimes have a physician on-site) and compassion clubs (also illegal, but not-for-profit) have sprouted up in Canada’s biggest cities since Prime Minister Justin Trudeau pledged recreational legalization in October last year. Shoppers Drug Mart and London Drugs have also both expressed interest in distributing medical marijuana in their stores.

Right now, there are 40,000 licensed patients, a pittance compared to what the recreational market could be if legalized. Forum Research conducted a poll late last year with more than 1,200 Canadians, and found that just under one fifth (18%) had consumed marijuana within the past 12 months. Another 13% said that they would be willing to use cannabis recreationally if it were made legal. This means the potential total market could be a staggering 11 million Canadians (31% of the total population). Today, the medical marijuana industry is worth between $80 and $100 million, but it has a market potential of $5 billion if legalized for recreational use, said Dundee Capital Markets analyst Aaron Salz in an interview with the Financial Post. That’s (ironically) more than the Canadian video game industry, which currently sits at $3 billion.

It’s too soon to say exactly what the industry will look like once fully legalized. The recreational market could one day be government-run and regulated (similar to alcohol), it could be corporate-led, with LPs selling in privately owned dispensaries and stores, or even somewhere in between. In the meantime, three Canadian players are building their brands to be either pure-play medical or recreational (or possibly a hybrid), while also figuring out how to navigate the muddy minefield of Canada’s advertising legislation.

TWEED: IF YOU BUILD IT, THEY WILL COME

The aforementioned partnership between Snoop Dogg and Tweed not only elevated the cannabis producer’s name in Canada (and globally, with a second image of the musician wearing a Tweed shirt posted on his Instagram page reaching 9.4 million followers), it also marked a significant shift for Tweed.

Since its debut in 2014, Tweed has positioned itself as a player in the medical marijuana market. However, its branding and marketing have typically steered away from being seen as stiffly clinical, instead adopting an edgier, more lifestyle-oriented tone. Announcing its three- to five-year union with Snoop Dogg, which provides Tweed with exclusive Canadian access to content and products the musician produces, was a deliberate (and more obvious) move to position itself as a future recreational player.

“When I started Tweed, it had no name for about six or seven months,” says Bruce Linton, co-founder, CEO and chair of the brand’s parent company Canopy Growth. “I thought everyone else is going to be clever and use the word ‘Can’ or ‘Green’ and ‘Med...I didn’t want to do what everyone else was doing, I didn’t want a name that was useless in the likely event that recreational access happens.”

The brand was originally intended to play both sides, but putting Snoop Dogg next to clinical trials demonstrating the medical effects of Tweed’s products...
didn’t quite make sense. So Linton decided to purchase
the purely medical brand Bedrocan Cannabis Corp., with
the goal of the two brands eventually sitting in their own
respective categories, while still under the same Canopy
Growth umbrella.

But until that day, Tweed is being set up as the brand-
name face of the company, which recently rebranded its
four Canopy Growth clinics in Ontario to be called Main
Street Tweed. The stores, just like its products (from
tees and caps to muffin mix from its “Tweed Pantry”) are
designed with a clean, contemporary look and feel.

When it first made the announcement of the rebranding
in late March, the company called the stores “a
comfortable, welcoming environment where Canadians
can walk in to learn more and simply have a dialogue.”

While licensed producers aren’t allowed to sell
cannabis in a physical retail capacity, Canopy is using
the clinics as a showroom to educate people (with or
without a licence to purchase) about cannabis, as well as
its brands. Clinics are typically set up as patient in-take
centres, with on-site physicians issuing prescriptions
and redirecting people to various LPs, which they can
then purchase from online.

“Clinics are a way to get people into a program,” says
Nash. “The LPs can’t really go out there and advertise in
print or on TV or radio, so they need to find alternative
ways to find and speak to customers.”

With its heavily branded clinics and celebrity
partnerships, Canopy is looking to create high enough
visibility for the brand, which it hopes will help vouchsafe
a dominant “first-mover” position if recreational sale is
legalized. “You walk into an LCBO store [for example], and
you go to the corner with cannabinoïds and cannabis, and
there are six brands,” explains Linton of a potential future
scenario. “The first time you buy something you don’t
know so much about, it’s doubtful that you’ll go with the
company you’ve never heard of. So maybe [you’ll think
to yourself], ‘I should get the one that has Snoop Dogg’
as an ambassador. We’re trying to get people to feel
comfortable with the brand, and in a new market with
not so many [players], I suspect the dominant players will
have a large market share [right out the gate].”

TOKYO SMOKE: CLASSING UP THE STONER IMAGE

Alan Gertner has a pretty good idea of what mainstream
society thinks of cannabis. “Most know that pot makes
you hungry, that there’s potentially going to be Cheetos
at the end, and you might fall asleep – but there’s so
much more to it than that,” says the former Google exec,
who spent the past decade working abroad in places like
New York, San Francisco, Bangkok and Singapore, before
returning home to Toronto to launch Tokyo Smoke with
his entrepreneurial father Lorne Gertner in 2015.

For the father-son duo, cannabis culture is more than
the stereotypical couch-surfing stoner or back-alley head
shop image. They say many Canadians smoke marijuana
– which is why they launched a cannabis company that
speaks to the “creative class” (as Alan likes to call them).
“That’s an audience who believes that design is important
to them and their life. They believe in creativity and
making society better through creativity,” he explains.

The ironic thing about launching a purely recreational
cannabis company in Canada is that it can’t actually sell
its products, yet. But that doesn’t worry the Gertners
because Tokyo Smoke is also a coffee and clothing
brand. If you visit its retail showroom-cum-coffee

Tokyo Smoke
(left), Tweed and
Hydropothecary
counter the stoner
stereotype with hip
store concepts and
sleek package designs.
Hydropothecary, says the company spent a great deal of $10, expectations are set pretty high. To meet them, the average price for cannabis in Canada is between $8 and $10, so it's difficult for a brand to enter a consumer's mind. But by creating a three-pronged brand, they have more opportunities to reach consumers. “The clothing business gives us the chance to touch consumers in ways that we otherwise wouldn’t be able to,” says Alan. “It’s pretty unlikely that a [cannabis] brand is going to end up in a Hudson’s Bay store in Winnipeg, but we could.”

HYDROPOTHECARY: POT IN A LUXURIOUS BOX

Hydropothecary is so discreet, you wouldn’t even be able to find an accurate return address on its Purolator delivery boxes. It spent two months negotiating with the company to mask its location so that if one of its clients’ nosy neighbours or inquisitive kids decides to Google where the boxes keep coming from, they wouldn’t be able to trace it back to the cannabis company.

That’s just one component of the premium experience the Gatineau-based brand is offering to compete in the medical marijuana space. At $15 a gram (the average price for cannabis in Canada is between $8 and $10), expectations are set pretty high. To meet them, Adam Miron, co-founder and chief brand officer of Hydropothecary, says the company spent a great deal of time on the design of its packaging. Plastic Ziploc-style bags are the norm, but Miron says his team wanted the experience of unboxing its product to be luxurious.

So it worked with designers to create packaging that has the look of a “Chanel shoe box” and the functionality and ease of an “Apple Mac Book” box, he says of the current box, which is all-white with a thick, black satin ribbon, sealed with gold-embossed stickers. To add to its promise of discretion, the brand heat-seals the packaging and stores the product in glass jars to lock in the smell. Miron says his company is the only one in Canada to do this.

The company (which launched in 2013) also offers customer service that includes “concierge agents” who are available 24/7 and have done things like arrange for personal delivery of packages to a remote location by car when Purolator was unable to deliver.

While most of the market players target a broad range of age groups and consumers with various health issues, Miron and his partner Sebastien St-Louis launched the company to specifically speak to moms with sleep problems after focus groups indicated a high desirability for cannabis among women with children. “Instead of saying, ‘We know the good stuff, we know what people like, let’s just grow it and move it,’ we decided we wanted a fresh approach to the industry,” Miron says. “Let’s [speak to] upper-middle-class soccer moms about giving up sleeping pills and transition to an all-natural alternative.”

The tight regulations around advertising have made it tough for Hydropothecary to create awareness, but Miron says he has learned to “change the framework in which a conversation is happening” to talk about the brand with consumers.

“Heath Canada doesn’t allow an LP to promote medical marijuana to someone who doesn’t already have a prescription. So I couldn't necessarily hold an open house to talk about medical marijuana, but if there was an invitation event, in which the individual understands the content prior to coming, that changes the framework,” he says.

From a regulatory standpoint, producers are allowed to work with physicians to talk to the public about the benefits of cannabis through research and medical reports, with Health Canada calling this “non-promotional information.” So Hydropothecary will regularly speak with people through health-care practitioners, who host information sessions such as webinars, and educate them about the product in a more general sense. “It’s not really getting around the rules, it’s understanding the rules,” he adds. “If you educate people, you don’t have to really sell it. If you educate people, you don’t have to really sell it. The [option to use cannabis] hasn’t crossed at least 99% of people’s minds. But if you educate and say, ‘Did you know that some people take medical cannabis as an alternative to sleeping pills?’ Then the light bulb goes off.”
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Muhammad Ali once said, “The fight is won or lost far away from witnesses – behind the lines, in the gym, and out there on the road, long before I dance under those lights.” Similarly, long before a new mobile app goes live, the doors to a shiny department store open or new tech makes depositing a cheque seamless, a lot of work goes into winning.

As any good marketer knows, the prizefighters of the branding world can’t just rest on their laurels. It takes constant innovation to stay competitive, especially when new challengers step into the ring.

In luxury retail, Canada’s legacy department stores have spent the past few years bracing for what could be a knockout from below the border. For grocery stores, the fight has gone online and mobile, with food retailers making their shopping experience as seamless as possible by investing heavily in click-and-collect programs.

Meanwhile, in retail banking, an influx of new, digital and mobile-focused fintech brands has prompted some of Canada’s big banks to respond with partnerships – because if you can’t beat ’em, join ’em.

Read on to see the strategies that high-end retailers, grocery chains and banks are employing to stay in the ring, hoping to eventually – like Ali – call themselves the greatest.
PUTTING SHOPPERS IN THE LAP OF LUXURY

High-end retailers are upping their experience game to win loyalty among a discerning customer base.

BY HARMEEET SINGH

American retailers haven’t been strangers to Canadians, even in the pre-internet days. But when the buzz surrounding Target’s entrance wasn’t enough to sustain its survival, some Canadians questioned if it's wise for U.S. brands to expand their bricks-and-mortar presence here.

In particular, as new entrants with higher price points move into Canada, some are wondering if luxury banners are destined for the same short-lived glory as their low-cost counterpart.

To be sure, there is a market for luxury, particularly in major metropolitan areas boosted by tourism. Like a shopper investing in one great cashmere sweater over a dozen fast-fashion polyester ones, the department store and luxury players – both new and existing – are aiming for quality over quantity, making statements with their store experiences to ensure they don’t suffer the same fate as some lower- and mid-priced retailers.

Hudson’s Bay Company-owned Saks Fifth Avenue has entered the market playing the high-level service game. When it revealed its first two full-line Canadian stores in Toronto in February (it has since opened discount Saks Off 5th stores in Ontario, B.C. and Alberta), its debut was built around the tagline “Saks At Your Service.”

The brand’s research suggested that for Canadians, service any time and anywhere in luxury was a gap, and one that Saks is aiming to fill, says Stephane Ledoux, Saks’ regional VP for Canada.

At launch, the “Saks At Your Service” program included a customized Mercedes-Benz van used to visit customers’ homes, offices or hotels, offering beauty parties, helping address “fashion emergencies,” and even picking up busy customers and bringing them to the store.

The stores themselves were designed with a museum-like quality, offering exclusivity in the assortment of designers, which Ledoux says are a bit “less safe” than what other retailers are offering. They also include two restaurant spaces and a “Food Hall” by Pusateri’s Fine Foods, which give customers a reason to stay, Ledoux says.

Beauty is also a major component of Saks’ in-store experience, with sales associates not tied to particular brands but acting as personal shoppers guiding customers through the store’s assortment. Its downtown location also includes a fragrance bar where customers can create semi-bespoke scents for themselves.

Though the retailer has invested in some out-of-home and influencer campaigns ahead of its launch in Canada, its services are really its selling point, says Shayne Stephens, Saks’ Canadian marketing director. “Services like this tend to spread word of mouth and we find that’s the best marketing you can have.”

And then there’s Seattle-based Nordstrom, which has been offering online shopping to Canadians for some time (Canada is its top international shipping destination). It’s taken a test-and-learn approach in the country by slowly opening its stores roughly six months apart and gaining feedback on the stores and merchandise, says John Bailey, spokesperson for the retailer. For example, it launched in Ottawa in March 2015 with spring apparel, underestimating the city’s cold weather – a reminder to consider the differences from market to market.
Nordstrom – which first opened here in late 2014 – contends that it isn’t a luxury player and its price range does extend wider than that of Saks or Holt Renfrew. It also has plans to expand its off-price Nordstrom Rack banner here.

But despite its wider price range, the retailer has also added to the high-end Canadian market and, like its competitors, its stores are about offering high-level service and experiences. In Vancouver, for example, Nordstrom has a dedicated concierge, free delivery downtown, personal styling, a café and lounge, and luxury candy boutique Sugarfina. Its Yorkdale Shopping Centre location, set to open in October, will include personal and beauty stylists and certified shoe fitters.

In terms of marketing, Nordstrom has been trying to hold up a mirror to the style of each city it enters, Bailey says, partnering with local style influencers for print, digital and OOH campaigns ahead of its openings (creative was led in-house, with Mindshare on media).

For its part, Holt Renfrew, Canada’s luxury incumbent, has not been idly waiting for newcomers to woo its base. “First and foremost, it’s about relationships,” says Alison Simpson, Holt’s SVP of marketing and customer experience.

The 179-year-old retailer, which has been closing its smaller locations in favour of renovating its flagships, has positioned itself for some time as an adviser. While it only began rolling out e-commerce last year (first with beauty and now with leather goods), its website is also a destination for content through its Holt’s Muse and Holts Men magazines, Simpson says.

Similarly, last year it partnered with Air Canada to launch a “Style Channel,” targeting jet-setting style lovers with insider content, such as behind-the-curtain looks at international fashion shows.

Last year, the retailer also launched its Holt Icon Privileges program, focused on delivering experiences such as luxury facials or special dining in its café, rather than being discount-driven. Since launch, the program has garnered about 210,000 members, Simpson says.

Holts is also helping to curate special experiences for customers in a broader lifestyle context, she says. For example, when this year’s Juno Awards nominees were announced (the retailer is a sponsor), it created a “pink carpet” experience for a mother-daughter pair, including lunch at the store’s café. “It really is about continuing to curate and make it an experience that they can’t get anywhere else,” she says.

The luxury menswear space is also adapting. About five years ago, Harry Rosen – which accounts for roughly 40% of the men’s high-end market – realized it would need to step up to stay competitive against the U.S. department giants eying Canada.

“Sometimes when you get competition, you go on defence, but we went on offence,” says Larry Rosen, chairman and CEO. In 2011, the retailer created its $100 million capital expenditure program, focused on major upgrades to its stores, increasing its footprint in Canada by about 25%.

That was probably a smart move, given that upon Saks’ Toronto opening, its president Marc Metrick was quoted as saying that for Saks, “men are the new women” (the brand has a high-end assortment of men’s apparel). And Rosen says his store’s investment is working. Since Nordstrom opened in Vancouver last year, Harry Rosen’s business there has actually grown by about 15%, Rosen points out. “If they’re taking market, they’re not taking it from us.”

About two years ago, Harry Rosen also introduced its Sartoria Recognition Program, which offers tiered benefits based on annual spend, such as complimentary alterations, delivery, closet cleaning and private designer functions. It’s also improving online customer service. In March, Harry Rosen launched a live chat feature on its website, allowing its sales associates (or “clothing advisors”) to create their own personalized online “storefronts.” Customers can then view their preferred advisor’s general recommendations and favourite looks on their storefront page.

For Rosen, standing out and winning over customers is about continuing the thinking his father began in the 1950s. “His loyalty program was his outstanding knowledge of his customers and the service he provided.”

So while improving digital and investing in e-commerce is undoubtedly important for luxury retailers, when it comes to the high-end, success is still in the service.

THE OMNICHANNEL DEPARTMENT

NOT KEEN ON FALLING BEHIND, two of the country’s established retailers are focusing on their omnichannel experiences.

Despite having a luxury offering through The Room, the Hudson’s Bay Company banner’s focus remains on having a wide array of products, from home to apparel. It’s also been ramping up its e-commerce offering (the company recently purchased online site Gilt Groupe for US$250 million).

The retailer is focusing on making shopping as convenient as possible. In a project slated for 2017, it’s adding a new web-enabled register platform that will allow associates to access the full assortment on the retailer’s website, to help create a more seamless customer experience, says Eileen Di Leo, EVP of stores at HBC.

Integrating online with in-store is also important for La Maison Simons, which has been expanding nationally, including with its first Ontario store opening earlier this year (pictured). The retailer has offered e-commerce since 2009 and luxury makes up about 25% of its assortment. Now, it’s aligning its online assortment with a greater bricks-and-mortar footprint.

“We just felt that there were a lot of creative projects we wanted to do and we needed a bit more size to do that,” says Peter Simons, president and CEO. For example, it plans to open a $50 million eco-friendly store, with solar panels and electric vehicle charging, in Quebec City in 2018.
In March, Sobeys’ Quebec banner IGA unveiled its new app, which allows users to create their grocery lists by scanning previous purchases on their shelves, or adding produce and meat based on inventory at their local store. With a click, they can buy their entire list and pick it up in store at their convenience or have it delivered.

It’s designed to make the shopping process as easy as possible, says Alain Dumas, Sobeys’ senior director of public affairs and digital strategy, and it’s targeted at people who still do the bulk of their shopping in stores. But it also takes aim at shoppers looking to buy their groceries with a click and those who are hesitant to try online grocery shopping at all.

“We know this process of creating shopping lists [with the app] will teach people how easy it is” to buy groceries online, he says. “It’s training, if you will.”

While e-commerce has been a topic of conversation since the advent of the internet, it’s only within the last two years that omnichannel retail has hit the grocery aisles with any real force, with Walmart, Loblaws and Metro announcing they’ve joined (or are planning to join) Longo’s and IGA with cyber shopping carts.

Originally launched in 1996, IGA has offered e-commerce since well before most Quebecers had internet access (at the time, only 20% of Canadians had it, Dumas says). It wasn’t until 2008, when better internet speeds allowed the company to post photos of grocery items, that it really started to grow, he says. Sales have since grown 20% year-over-year.

Now, Dumas hopes to take it to the next stage of growth. The app, which is designed so it can be adopted across all eight Sobeys brands (including B.C.’s ThriftyFoods, which also offers e-comm grocery) when they’re ready to delve into online shopping, takes things a step further.

The launch campaign will roll out across IGA’s owned digital and in-store channels and focus on how easy it is to use, he says.

“Convincing people to try grocery shopping online is the hardest part. In Canada, 88% of people said they’ve never tried it, while 68% said they have no interest in it, according to a survey by Mintel.

Canadians’ lack of interest coupled with the size of the country has made it difficult for omnichannel grocery to take off, but retailers are still delving into the fray, and shopping habits are changing, albeit slowly.

In 2015, Walmart added fresh items to its e-commerce store in Ottawa, and rolled it out to the Greater Toronto Area in February this year.

The retailer has been offering non-perishable goods online for two years now, but Simon Rodrigue, SVP of e-commerce at Walmart Canada, says it kept hearing people wanted to be able to do their complete grocery shop in a single transaction, rather than only a portion of it.

It opted to explore the click-and-collect model because people responded better to it than delivery (they can choose a time to pick it up and don’t have to wait an hour for delivery), says Rodrigue.

It was a natural evolution for the brand, he says, adding Walmarts around the world have been offering this kind of service for years, and Canadians were finally ready to take part.

THE OMNICHANNEL FUTURE OF GROCERY

Consumers don’t want it. Canada’s too big. Analysts say it’s not worth the cost of getting off the ground. Digital grocery shopping faces a number of challenges. But the supermarkets are taking it on anyway. BY MEGAN HAYNES
Walmart and Loblaws are betting big on click-and-collect.

“Five years ago most e-comm was one-and-done,” he says. “[Consumers] went online, bought a patio set, something they needed once. The relationship was very short, and then they went off and shopped elsewhere for other things. As we’ve continued to add more products, whether that be health and beauty, consumables, grocery – particularly the baby category – we’ve seen those become much larger portions of the business. We have a big segment of our customer population who shop with us every couple of weeks, so we’re seeing that they choose to shop digitally like they once did with their weekly shop [in store].”

He remained mum on the number of users but says satisfaction rates have been in the 90% range.

Loblaws joined the pack in 2014, offering click-and-collect at three locations in a pilot program, says Lauren Steinberg, director of e-commerce marketing at Loblaw Digital.

Last year, it rolled its offering out to 37 stores in three provinces. Steinberg says more than 50% of people who use the service return, and she says the plan is to continue growing its presence across the country.

Despite this growth, Jason Dubroy, VP and managing director at TracyLocke Canada, says online shopping won’t replace in-store, and at this rate, we’re really only just catching up to the rest of the world (less than 1% of grocery sales in Canada occur online, compared to 5% to 10% in the rest of the world).

Established players, like Longo’s Grocery Gateway, have done a good job filling a niche (specifically delivery, versus click-and-collect), he says. So people who want to buy online probably are, and it seems like retailers have to move mountains to reach those who aren’t.

“We believe e-commerce represents an immaterial portion of the incumbent grocers’ overall businesses,” a January study by BMO found. “Further, web traffic data appears to show that incumbent grocers, even those with grocery e-commerce, have yet to significantly grow their digital penetration.” Grocery e-commerce was simply uneconomic, the report concluded.

Carol Wong-Li, senior lifestyle and leisure analyst at Mintel, found consumers overwhelmingly still want to visit grocery stores. There’s something personal about picking fruits and vegetables, she says, that makes it difficult to adopt the e-comm model.

Our car-dependent suburbs also mean the convenience isn’t as notable for Canadian consumers compared to those in countries where parking can be a challenge (75% of IGA’s e-comm business comes from urban centres where parking is harder to come by). But this is just the beginning of grocery e-comm. There are huge opportunities for grocery retailers who chase occasion-based shops, Wong-Li says. For example, there’s a high demand across all channels to make dinner planning easier. For busy families, any form of retail that can solve that annoyance would be well poised to succeed.

IGA has seen some success with its pre-prepared meal delivery, and Dumas says it’s exploring more ways to innovate in that space (though he didn’t have details to share at press time).

Subscription services such as Chef’s Plate, Fresh Canteen and Prepd deliver prepared fresh ingredients and a recipe, leaving the cooking up to the consumer. Though they are still niche offerings, these startups are sprouting up across the country. Other subscription services, like fruit and vegetable delivery service Front Door Organics or gourmet treat delivery Love with Food, have also seen a boom in recent years.

Walmart, too, is exploring subscription services for its highly consumable products, like cleaning or baby products, as well as new methods of delivery. Through a partnership with 7-Eleven, for example, the brand has lockers in dense urban centres where people can pick up their non-perishables (but not fresh foods at this stage), giving the retailer access to young urban professionals who might not have otherwise visited a Walmart.

And of course, south of the border, Amazon and Google are both dabbling in fresh delivery (Google recently announced its pilot project for same-day groceries in San Francisco and L.A.)

So don’t count online grocery out just yet. After all, few foresaw the dangers of digital to books or electronics in the very early days. This time, retailers are out ahead of the problem. And after all, the program is offering a new source of valuable data, giving retailers another entry point into the consumer loyalty journey.

“We’ve invested a lot of money to make sure people have a great experience in our stores,” says Dumas. “The objective is not to stop customers from going to the store. We don’t think online will replace going in store. It’s more about [offering] accessibility anytime. It’s a complement – another way to shop.”
Canada’s banks, for the most part, are doing OK. In September, they were ranked by the World Economic Forum to be the soundest on the planet for the eighth straight time, and several of our biggest banks regularly appear on lists of the country’s most recognized and trusted brands.

But like any longtime incumbent, they’re fighting to keep up on several fronts, mainly outside of the typical bricks-and-mortar branch. According to a report updated last summer from the Canadian Bankers Association, only 13% of Canadians say the branch is their main method of banking, and 40% say their use of in-branch has declined.

Where financial institutions were once just competing with one another, they’re now up against mobile-focused players across the spectrum, from lending to payments and everything in between.

Some are backed by more established entities like Equitable Bank’s EQ Bank or Desjardins Group’s Zag Bank, while other millennial-friendly brands like Mogo or robo-adviser WealthSimple are making a splash with cheeky ad campaigns.

This is not a case of David and Goliath, where one mobile service is swiftly going to take down one of the big five. Instead, as Scotiabank’s Jeff Marshall puts it, the risk is more of “death by a thousand cuts.”

Marshall is the head of the bank’s Digital Factory, an innovation lab announced last October. The Digital Factory is the formal coming together of what the bank called its “rapid labs” – teams working on digital capabilities to ultimately improve customer experience (the first initiative was a mortgage onboarding service and another focused on improving the credit card application process).

The term “factory” was very deliberate, Marshall says. This is not just a lab for thinking up grand ideas – the output toward commercialization needs to be there too. Overall, the factory (set to be consolidated in one 70,000-square-foot downtown Toronto location this spring) will include roughly 350 employees, such as user experience designers, data scientists and analytics specialists, to work on innovations that

HOW THE BANKS ARE BRANCHING OUT

With physical locations no longer the main point of customer contact, Canada’s established players are capitalizing on incubators and the startup space to innovate. BY HARMEET SINGH
them” approach to the world of fintech. For example, the team knew wearables were of potential interest, not just in banking, and used a six-week sprint to come up with 100 different use cases for the Apple Watch. Those ideas were brought in-house at the bank to be refined and, eventually, its app for the watch launched.

Not everything coming out of the lab will necessarily go to market, but that’s not the point, Pira says. The idea is to explore what could be relevant to banking and having a point of view.

He points to virtual reality as one example of the type of tech its lab at MaRS would explore. “I’m not sure if that will actually have any use cases in banking in the future but we should obviously understand it, because in the future there’s no reason why you couldn’t actually have a conversation with a financial adviser using a virtual reality headset.”

TD Bank, meanwhile, has partnered with Communitech in the Kitchener-Waterloo region for the past year-and-a-half. Like RBC’s Woo, Rizwan Khalfan, TD’s chief digital officer, says that partnering with the fintech industry has been the right approach.

“As much as we think about them as competition, if they’re innovating and delivering a convenience that could be widely adopted by our customers, we should be partnering with them and bringing them to market,” he says.

For example, the bank has been working with mobile budgeting app Moven to integrate in-the-moment advice to customers – what Khalfan describes as a kind of Fitbit for financial wellness. Back in September, it also partnered with Flybits to integrate more personalization into its app.

Partnering with groups like Communitech or MaRS, or in Scotiabank’s case, creating its own dedicated lab, also allows the banks to position their brands as innovative among communities of young tech talent, like at major universities.

“I think that a lot of these companies are trying to understand how do they move with where the customer is moving, move to where the technology is going and how do they provide customer service much more efficiently and effectively to help get satisfaction levels higher with customers?” says Salim Teja, EVP of ventures at MaRS. “If they’re not thought of as innovation brands, they have a hard time winning that talent.”
Stop, collaborate and listen: it turned out the glue for many of this year’s winning programs was the deep partnerships forged between retailer and brand.

From Walmart and Mattel opening a store (outside the store) together, to Best Buy and Intel partnering to build a tech-testing playground, to Java U and Natrel merging their milk expertise to co-create a café — these creative collaborations prove that, sometimes, two heads can be better than one.

Award-winning partnerships can also extend beyond retailer and brand. Cause Grand Prix winner SickKids Foundation worked with a myriad of media partners for its “Better Tomorrows” campaign, while the Commercial Grand Prix winner, U by Kotex, relied a fair bit on its production and creative partners Shift2, SmokeBomb and Geometry to produce the millennial-loved Carmilla web series.

Twenty programs, plans and partnerships were recognized at this year’s SIA gala, held in Toronto on April 19 during strategy’s two-day Shopper Marketing Forum. Judged by a panel of experts, the awards celebrated the best breakthrough work between brands and retailers. To learn more about the winners, turn the page and read on.
Like many charities during the holiday season, SickKids Foundation is sometimes overlooked. The foundation needed to get people to take time during this busy period and make a donation to The Hospital for Sick Children.

It’s easy for Canadians to get caught up in their own problems but things can always be worse: sometimes people need a new perspective (such as seeing what a child at SickKids goes through every day) to put their own lives into focus.

Working with J. Walter Thompson, SickKids created 45 videos that ran as separate commercials every day during the 2014 holiday season. Each of the spots in the “Better Tomorrows” campaign featured a new patient and showed viewers what they were going through the same day the commercial aired. As viewers watched TV on Nov. 10, for example, they learned how two-year-old Taylum was in need of a kidney transplant. On Dec. 4, they heard how 12-year-old Wahaab went through a nine-hour surgery that day to remove his colon cancer.

Beyond TV, the foundation ran timely print ads in local and national newspapers, and a website housed all of the daily spots and gave updates as they happened. It was also the first time SickKids ran ads in cinema.

More than 20 different companies donated media space and Coldplay donated the song “Fix You,” which was used as the videos’ soundtrack. The “Better Tomorrows” campaign helped SickKids achieve its highest-ever social media engagement, tracking 88 million impressions. But the real success came by way of donations. In December 2014, the hospital received the largest donation amount for a single month: approximately $37 million, exceeding the previous year – what had been the biggest month in the hospital’s 42-year history – by $8 million.
Dancing in fields and high-diving into a pool while wearing a white bathing suit are some of the clichés typically found in feminine care marketing. Rather than perpetuate these images, U by Kotex wanted to forge a more authentic relationship with its consumers.

In 2014, the brand launched a campaign that was less about driving sales directly and more about connecting with highly selective, media-savvy female millennials. It also wanted to build brand affinity in a category where girls aren’t normally emotionally attached.

U by Kotex took the role of executive producer and, with the help of Geometry Global, Shift2 and Smokebomb Entertainment, it came up with *Carmilla*, a 36-episode series of four-minute videos that put a modern spin on the cult classic gothic vampire novella by Joseph Sheridan Le Fanu.

Once a substantial *Carmilla* fan base was established, U by Kotex revealed itself as the producer. The product was naturally integrated into the storyline with subtle placement, and U by Kotex created five branded spots featuring the show’s cast. Characters from the web series were also active on Twitter and Tumblr to help extend the story between episodes.

Since its launch in August 2014, *Carmilla* has tracked 17 million minutes of watch time, nearly 11 million earned impressions and 10 million views across all 36 episodes and branded videos. With zero paid media behind it, the show’s season finale alone garnered 101,000 views in 24 hours. U by Kotex followed the season finale with the “#SaveCarmilla” campaign, asking fans to show their love of *Carmilla* and U by Kotex on social media. In the 24 hours following the finale, #SaveCarmilla was tweeted 11.6 times per minute and generated 7.7 million timeline deliveries.

**GRAND PRIX – COMMERCIAL | GOLD REINVENTION | GOLD ORIGINAL IDEA | GOLD TARGETING**

**U by Kotex bites into a branded series**

**CREDITS**

Advertiser | Kimberly-Clark – U by Kotex
Brand manager | Denise Darroch
Director, marketing and sales | Leslie Mackay
Integrated marketing plan director | Mitch Faigan
Agency | Geometry Global
Management supervisor (former) | Robyn Dalley
SVP planning | Katherine Barks
ECD | Nuala Byles
Writer | Gillian Newing
ADs | Mike Snjaric, Caroline Brown
Production companies | Shift2, Smokebomb Entertainment
Every July 1, Quebec experiences a cultural phenomenon known as Moving Day, where thousands of residents move to new homes, all at the same time. Leon's is relatively new to the Quebec market, and it wanted to generate awareness and drive in-store traffic leading up to Moving Day (the perfect time for people to consider purchasing new furniture).

The problem is that, over the years, many other brands have offered consumers almost everything, from free pizza to beer, to help them out that day. The furniture that gets left behind on Moving Day typically ends up on sidewalks. These discarded pieces aren’t necessarily old – they’re often just low quality or purchased as a temporary solution and no longer needed.

Leon’s decided to let Quebecers know that its furniture lasts. The “#GetMoveWorthy” campaign, by Taxi, invited consumers to get “move-worthy” furniture by turning discarded items on the street into discounts.

Large, three-dimensional coupons were created and framed around discarded furniture, essentially turning the items into discounts on furniture at Leon’s. Pedestrians were invited to use their smartphones to photograph the furniture and create their own coupons, which could then be shared with others to use via texts and tweets.

As a result, there was a 34.7% increase in sales, a 15.8% increase in store traffic and more than one million earned media impressions.
With more than 900 beer brands sold in Canada, how could a small, relative newcomer like Shock Top break through the notoriously cluttered market? After a disappointing launch a few years earlier, Labatt Breweries and agencies UM and Anomaly were challenged to find a way to make Shock Top stand out among the beer behemoths and popular craft brands.

Young adults enjoy sampling new beer, but they tend to quickly move on to the next shiny thing. The brand needed to pique their interest long enough for the beer to stay on their radar. This was an exceptionally difficult task for a small brand like Shock Top, whose competitors had much larger budgets.

The brand’s strategy was to connect with consumers through memorable interactions. The agencies turned the Shock Top logo into an animated character called Wedgehead, an orange slice with a Mohawk, shades and a cheeky attitude. Billboards in front of retail locations featured a 3D animatronic Wedgehead that would converse with people on the street below: as someone walked by, Wedgehead would interact with them in real time through a nearby voice actor. In addition, talking Shock Top beer tap handles were placed in bars, and cases of the beer were brought to life with similar real-time, personalized executions.

The interactions were filmed and packaged into long-format video content that was pushed nationally via YouTube and the brand’s social channels. Shock Top became the number two wheat beer in Canada over the course of the “It speaks for itself” campaign and successfully broke through the competitive clutter, with brand awareness and trial increasing by 220%, more than doubling its goal.
Reviveaphone, a European repair kit for water-damaged phones, was set to launch in North America, targeting 24- to 35-year-old men with an interest in technology.

To introduce the product, the brand used a strategy based on a trend observed during Apple product launches. Some social media users would push the new Apple products to their limits by exposing them to weather or physical shocks. Reviveaphone and Lg2 saw the opportunity to be part of those discussions online and decided to take advantage of the highly-anticipated release of the iPhone 6.

Canadian musician Michael Mooney was flown to Australia, spending 22 hours on a plane so he could be among the first to purchase an iPhone 6. He then dunked the new device into a pitcher of beer. The challenge was to revive it within 24 hours using Reviveaphone’s repair kit. The entire experience was captured on camera and the agency created a four-minute video showcasing Mooney’s journey. The film was posted on YouTube 36 hours after the launch of the new iPhone.

The team used a seeding strategy to fuel word-of-mouth online, leveraging content hubs, tech blogs and social media influencers to share the story. A special promotional package, with free shipping for a limited time, was developed.

All 300 units were sold online and, during its first week, the video helped drive 25,000 unique visitors to the website. North Americans viewed 73% of the four-minute video and it tracked 250,000 views in the first week of its launch. It was also shared 12,000 times on Facebook, 2,000 times on Twitter and was featured on more than 100 websites.
“Red Light Pitchers and Pints” was an extension of the Budweiser “Red Light” campaign, which has been in market for the past four years and has included goal lights for people’s homes and even a giant flying Zeppelin. In this next phase, Budweiser’s goal was to drive brand engagement inside bars and restaurants. The brand created pitchers and pint glasses that could be connected via Wi-Fi, allowing hockey fans at bars to select their favourite team. When their team scored a goal, the pitchers and pints would activate and begin flashing, bringing the frenzied stadium experience to the sports bar.

The “Red Light Pitchers and Pints” were supported with an integrated campaign that included television, digital, social media and point-of-sale, all targeting consumers between the legal drinking age and 49.

In April 2015, consumers were invited to text to instantly win an original Budweiser Red Light with the purchase of a Budweiser Red Light pitcher at 600 participating locations. Budweiser’s Red Light pitchers and pints are back for the new season in sports bars and the brand has also signed an exclusive national deal with Boston Pizza.

CREDITS
Advertiser | Labatt Breweries of Canada – Budweiser
Senior national brand activation managers | Kirsten Beattie, Matt Jones
Agency | Hunter Straker
Senior CD | Milan Sukanda
Senior AD | Steve Gauder
Senior account director | Julie Dunning
Account supervisor | Anne Marie Villani
Product development | Buzz Products
In October 2014, Intel launched the “Intel Experience at Best Buy” in 50 different stores. The experiential environment invited shoppers to interact and test new technologies, such as 3D printing and augmented reality, using Intel devices.

Working with tech production companies Current Studios and Arc Worldwide, with Leo Burnett on creative, the brand launched Mars Escape, an augmented reality game that people visiting the Intel Experience zone could play. It was one of three activations inside the stores and allowed people to drive one of three virtual Rovers over a physical replica of Mars. With an impending asteroid collision heading for Mars, the goal was to collect power pods to help launch the Rover off the red planet.

The app used edge detection and extended tracking computer vision, which allowed the Rover to understand and interact dynamically with every crevice of the rugged terrain. In addition to the app, Current also produced several animated segments that were used in promotional videos for Mars Escape and which ran in-store and online.

The goal of the app was to highlight the power and quality of the Intel chips and to demonstrate that they’re able to power something as robust and remote as an actual Mars Rover, as well as the tablets that consumers were using in the Intel Experience zone.

The Mars Escape app was voted one of the best activations in the Intel zone by thousands of consumers and the average engagement time was 11 minutes.
To help raise awareness, positive sentiment and trial of Uber X, Rethink created Uber Safe, a breathalyzer kiosk that brought Uber’s app into a physical street installation, with a twist on the app’s typical delivery. The agency designed and custom-built wireless kiosks embedded with an alcohol sensor and an Android tablet connected to Uber’s platform. When drinkers blew through a disposable straw, the kiosk calculated their blood-alcohol content. If the person was over the legal driving limit, a driver was sent to the location within minutes, providing a free and safe ride home.

The agency and brand rolled out the breathalyzer on one of the biggest drinking nights of the year: St. Patrick’s Day, a hazy holiday when drunk driving nearly triples. It was later taken across the country and installed in parking lots near bars for drinkers to find.

Natrel introduces a world of dairy

Natrel, Agropur’s premium milk brand, was looking to make milk relevant again in consumers’ lives, especially among urban millennials. Focusing on the Greater Montreal Area (GMA), where Natrel is upstaged by competitor Lactantia, the brand decided to elevate the experience in a category where milk consumption is on the rise: premium coffee.

The brand partnered with Java U, a well-established coffee chain in the GMA. The brands were blended to create a unique “Montréalait” brand platform: the Natrel Milk Bar by Java U. Customers are immersed in a world of dairy, from the Milk Bar’s visual and architectural elements to a seasonal menu featuring Natrel products.

The Milk Bar features seven milk varieties, compared with a typical coffee location that has between three and five. They include lactose-free products in skim and 2% milks, as well as cream. It also offers organic milk, maple-flavoured milk, bottled iced lattes, milkshakes and a food menu that incorporates milk into sauces and dressings. The same milk product portfolio has been added to Java U’s other 21 locations.

To promote the bar, the brand created the “Latte Art Challenge,” which saw 10 local baristas battle it out in front of a judging panel. Consumers were invited to vote online for their favourite latte art for the chance to win an espresso machine. A merchandise collection was also designed and sold both online and in-store.

Sales rose 48% after the flagship opening, compared to the 17 weeks prior. Media coverage reached more than eight million people during the month following the opening. More than 7,000 participants entered the contest. And since the Milk Bar’s launch, Natrel sales are up 9% and market share is up three points in the GMA, according to Nielsen.

CREDITS  Advertiser | Agropur – Natrel; VP, marketing (former) | Caroline Losson; National marketing director | Stéphane Renaud; Agency | Lg2; CDs | Claude Auchu, Marc Fortin, Jennifer Varavaeso; Designer | Hélène Fortin; Creative team | Marie-Pier Gilbert, Martin Baron, Jean-François Perreault, Véronique Gingras; Digital production | lg2fabrique; Media | DentsuAegis

SILVER TECH BREAKTHROUGH | BRONZE CSR
BRONZE PATH TO PURCHASE / OUT-OF-STORE

Uber gets seriously safe

To help raise awareness, positive sentiment and trial of Uber X, Rethink created Uber Safe, a breathalyzer kiosk that brought Uber’s app into a physical street installation, with a twist on the app’s typical delivery.

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The agency and brand rolled out the breathalyzer on one of the biggest drinking nights of the year: St. Patrick’s Day, a hazy holiday when drunk driving nearly triples. It was later taken across the country and installed in parking lots near bars for drinkers to easily find.

CREDITS  Advertiser | Uber; Agency | Rethink; CDs | Dre Labre, Aaron Starkman, Chris Staples, Ian Grais; AD | Simon Aur, CW | Francesco Grandi
In 2014, Doritos Ketchup was a limited time offer that sold out in five weeks. In 2015, the brand wanted to not only bring Ketchup back, but also triple 2014 sales using a limited budget of only $110,000 for production and $110,000 for media.

The brand was looking to reach 18- to 24-year-old males, which meant it was competing against other salty snacks as well as the plethora of digital content to which Canadian millennials are exposed.

Doritos and its agency BBDO Toronto decided to tap into the rarity of the Doritos Ketchup chips. The millennial male target loves their smartphones, so the agency and brand used this insight to come up with the idea for a mobile game called “The Hold Out.”

Consumers could win the world’s last bag of Doritos Ketchup by giving up their smartphones. Rather than create an app, the team created a mobile microsite that invited fans to virtually hold onto the last bag of Ketchup chips by keeping their fingers on the screen.

The results of “The Hold Out” game exceeded objectives. Doritos Ketchup sales increased 3.5 times versus 2014. Doritos added two additional production runs to accommodate the volume. While “The Hold Out” game was focused on Doritos Ketchup, it lifted the entire brand: it was the only activity in market during the promotional period and total Doritos Canada sales volume increased 14.4%, almost tripling its goal. The program delivered $19.51 in Doritos Ketchup sales for every dollar invested in marketing.

Summer is the busiest period for beer brands in Canada, when consumers can finally sit on a patio with a cold one. The challenge for Corona was getting bars and restaurants to start summer as early as possible.

Rather than wait for Victoria Day weekend, Corona decided to start the season early by adopting a new unofficial first day of summer – Cinco De Mayo on May 5. Corona promoted Cinco De Mayo weeks before, marketing the event with a campaign that stated, “Summer starts with Cinco De Mayo.”

Working with Hunter Straker, the brand created a summer-related campaign two months earlier than the previous year. It used billboards and TTC bus advertising, and also placed displays in retailers where it gave away more than 350,000 12-bottle cooler bags. More than 100 bars opened their patios early as a result of the brand’s experiential campaign. Consumers were invited to order a bucket of Corona at the bars during the month of April and to celebrate Cinco at an exclusive Corona party with heated and decorated patios, DJs, promotions and giveaways. In the end, summer beer sales not only came months earlier, they exceeded expectations.
SILVER CHANGING BEHAVIOUR

Nutella adds a little joy

In February 2015, Nutella introduced a campaign, with the help of Noise Digital, to reposition the brand in the competitive spreads category. Research shows many consumers live a life of routine, with few breaks to enjoy the little things. The brand wanted to help encourage its target audience of moms age 25 to 54 to celebrate simple pleasures. Research also showed that the target consumer was wary of over-consuming carbohydrates, so Nutella showcased new and versatile ways to enjoy the spread without bread.

The “Add a Little Joy” campaign was created with the Nutella Spife – a unique utensil that is half spoon, half knife. The agency developed an integrated plan that included an on-pack promotion coupled with a rich digital experience. The brand distributed three million jars with special promotional pin codes, while vibrant shelf blades and corner cards communicated the promotion in stores. Stickers on the cap drove consumers to AddJoy.nutella.ca, where they entered their pins for a chance to win a Spife. A collection of Nutella-inspired recipes was featured on the website, including five created by celebrity chef Stefano Faita.

In total, 178,000 pins were redeemed (more than eight times the previous brand campaign benchmark). The versatility message was further communicated with an online game, where users could choose whether they would spoon or spread Nutella onto different food combinations for the chance to win prizes. More than 50,000 consumers played the game.

Nutella consumption increased by 12% year-over-year at a time when the spreads category volume had declined 5% and the largest competitor saw volume decrease by 15%. National penetration increased to 2.32 points – the highest in the brand’s history.

CREDITS
Advertiser | Ferrero – Nutella; Agency | Noise Digital; CD | Brian Krenzer; AD | Erin Ignacio; Designer | Cherry Hung; CW | Jessica Liew; Account director | Alison Belot; Media | Rich McMullan

SILVER CSR

Ontario government takes on ‘grey areas’

Sexual violence and harassment are shockingly common in Canadian society. What’s alarming is that Ontarians perceive many forms of harassment to be in a “grey area.” The majority of bystanders tend to be passive observers, unsure of what they’re witnessing or if they should speak up. Only six out of every 100 incidents of sexual assault are reported to the police.

The Government of Ontario’s objective was to start a conversation that would eliminate any ambiguity around what constitutes sexual assault and harassment. With agency Leo Burnett, it landed on the insight that if you’re not helping the victim, you’re helping the abuser. For the “#WhoWillYouHelp” campaign, the strategy was to target bystanders and empower them to take action if they witnessed sexual assault.

The campaign launched with a spot called “Thank You” that ran in Ontario on TV, in cinema, as pre-roll and through paid media on Facebook and Twitter. The ad depicted “grey area” scenarios where the perpetrators thanked the viewer for not getting involved, before flipping the scenarios to show the victims thanking the viewer for saying something or getting help. Print ads ran in more than 80 different publications, as well as in bars.

The video was viewed more than seven million times within the first 10 days and the hashtag #WhoWillYouHelp reached 85 million people. The content has generated more than 120 million social media impressions, more than 39,800 tweets have been tracked (reaching 84.5 million people) and Facebook posts have reached over 1.9 million people.

The campaign was also featured on the websites of major European daily papers and received millions of views there and in Brazil.

CREDITS
Advertiser | Government of Ontario; Agency | Leo Burnett; CCO | Judy John; CDs | Judy John, Lisa Greenberg; Group CDs | Kelly Zettel, Sam Cerullo; CW | Marty Hoefkes; AD | Mike Morelli; Agency producers | Franca Piacente, Laurie Filgiano; Group account director | Allison Ballantyne; Account executive | Hazel De Vela
When it was announced that iconic rock band Metallica would open the new music venue Centre Videotron in Quebec City, Budweiser saw an opportunity to participate in the historic event and create a show that would live beyond the encore.

Budweiser and agency Hunter Straker produced a limited run of Budweiser beer inspired by Metallica’s music and energy. The signature red and white Budweiser can was transformed into Metallica black and silver, and featured the Metallica logo and iconic lightning bolts (an homage to the band’s 1984 album, *Ride the Lightning*). It also hosted a grand opening tailgate party for 5,000 fans, who were invited to autograph a branded tanker containing the new brew.

The Metallica beer later made its way to a local brewery where only 91,750 cases were produced and made available in the Quebec market. For the two weeks before the product arrived on shelves, Budweiser created anticipation through social media. Each limited edition case came with a certificate of authenticity and the chance to find Metallica-autographed cans inside. One store completely sold out in less than an hour.

The holiday season brings pressure to find the perfect gift. Consumers welcome anything to ease the stress, so Mattel and Walmart decided to help by bringing the store to them.

The retailer and toy maker teamed up with Brandfire Marketing Group to create an interactive Virtual Toy Store — a unique, one-stop virtual shop that sold the top 2014 holiday toys from Mattel. With peak-season traffic (more than 1.6 million travellers), ideal audience demographics and plenty of idle time, Toronto Pearson International Airport was chosen as the location for the pop-up store. Travellers in the terminal were invited to engage with the Virtual Toy Store, which provided product information and the ability to purchase toys, as well as the option to ship them anywhere in Canada for free.

People typically don’t want to download an app for single use, so the agency created a unique URL that consumers could visit to interact with the pop-up store on their mobile devices. The technology turned any smartphone or tablet into an interactive remote, able to control what was happening on the virtual store’s screens, which were mounted on the walls of the terminal.

To make the experience more engaging, branded games were included. Consumers were also able to automatically add items to a shopping cart on Walmart.ca, so when shoppers disconnected from the Virtual Toy Store, they were redirected to the site with all of the items in the cart. They could then complete their online shopping and pay without having to share any private data with the system.

The campaign generated 9.8 million media impressions and more than 500,000 social impressions.

CREDITS  Advertiser | Labatt Breweries of Canada – Budweiser; Senior national brand activation manager | Kirsten Beattie; Assistant brand activation manager | Lindsay Mulligan; Agency | Hunter Straker; Senior CD | Milan Sukanda; AD | Boban Stojanovski; Senior account director | Julie Dunning; Account manager | Mandi Courteau; XM agency | Mosaic Sales Solutions; Creative agency | Anomaly

CREDITS  Advertisers | Mattel/Walmart; Marketing director | Reidin Goode; Director, sales and customer marketing | Tara George; Marketing manager | Melissa Farje; Sr. marketing associate | Shalim Shah; Associate manager | Breanne Looks; Agency | Brandfire Marketing Group
Anchored by the successful Iced Capp, Tim Hortons was able to maintain a strong position in the cold summer beverage category. But the non-caffeine sub-segment was beginning to grow and the QSR wasn’t getting its share of the market, so it decided to launch the Creamy Chocolate Chill, a decadent, caffeine-free frozen drink. The goal was to boost Tim Hortons’ relatively stagnant overall cold beverage sales and sell 680,000 servings per week.

During sensory testing, people described the new beverage as a “heavenly chocolate treat.” This inspired Tim Hortons’ agency, J. Walter Thompson, to elevate the taste experience and communicate it in a visceral way.

The “A Higher Level of Chocolaty” activation saw the QSR team up with Canadian illusionist Darcy Oake to levitate a woman directly in front of real, unsuspecting Tim Hortons customers with the stunt captured on hidden cameras.

Content was turned into a 30-second TV spot, as well as behind-the-scenes videos for social media. Radio, OOH, digital and in-restaurant were also used to round out the launch.

In the first three months, Tim Hortons sold one million servings of Creamy Chocolate Chill per week, 42% more units than forecast. While the brand and agency expected a 50% cannibalization of its Iced Capp, Creamy Chocolate Chill sales were entirely incremental to Iced Capp sales, achieving an 18% sales volume ratio to Iced Capp (versus a 13% planned ratio).

Tim Hortons’ new level of chill

To increase brand loyalty, Boston Pizza and agency ICF Olson created MyBP, a digital ecosystem that allows the restaurant to develop and manage ongoing relationships with its customers.

The team created the MyBP app, which can be used across desktop, mobile and the restaurant’s in-store POS system. The platform allows service staff to extend and manage offers from the restaurant. The app is also connected to the on-premise POS system, providing easy redemption of offers and discounts when diners pay for their meals.

In addition, the team developed a Connected Customer Service Portal, which works in tandem with the MyBP program and allows Boston Pizza’s support staff to resolve customer issues.

Since its launch, MyBP has generated more than $17 million in associated revenue and attracted more than 275,000 new customers. There have been nearly 100,000 MyBP app downloads, and MyBP orders now account for 52% of online net sales. All of this was achieved without a national media buy.

SILVER CRM & LOYALTY

Boston Pizza ups the loyalty ante

SILVER BRAND NEW!

Tim Hortons’ new level of chill

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SILVER CRM & LOYALTY

Boston Pizza ups the loyalty ante

CREDITS
Advertiser | Tim Hortons; Agency | J. Walter Thompson; CCO | Brent Choi, VP; CD | Matt Syberg-Olsen; ACD, AD | Nicole Ellerton; ACD, CW | Mark Lewis; Strategist | Dean Foerter; Creative consultant/illusionist | Darcy Oake; Production company | Untitled Films

CREDITS
Advertiser | Boston Pizza; Agency | ICF Olson; Account director | Daniel Welch; Account manager | Lauren Moore; VP technology | Gordon Tam; Technical director | Gordon Turner; Senior developer | Julien Lu; CD | Geoff Lee; AD | Yaga Kielb; Senior CW | Stephen Sinisi; VP production | Pralad Rao; Project manager | James Manson; QA manager | Jason Gao; QA analyst | Fred Pakkala

SILVER BRAND NEW!

Tim Hortons’ new level of chill

Anchored by the successful Iced Capp, Tim Hortons was able to maintain a strong position in the cold summer beverage category. But the non-caffeine sub-segment was beginning to grow and the QSR wasn’t getting its share of the market, so it decided to launch the Creamy Chocolate Chill, a decadent, caffeine-free frozen drink. The goal was to boost Tim Hortons’ relatively stagnant overall cold beverage sales and sell 680,000 servings per week.

During sensory testing, people described the new beverage as a “heavenly chocolate treat.” This inspired Tim Hortons’ agency, J. Walter Thompson, to elevate the taste experience and communicate it in a visceral way.

The “A Higher Level of Chocolaty” activation saw the QSR team up with Canadian illusionist Darcy Oake to levitate a woman directly in front of real, unsuspecting Tim Hortons customers with the stunt captured on hidden cameras.

Content was turned into a 30-second TV spot, as well as behind-the-scenes videos for social media. Radio, OOH, digital and in-restaurant were also used to round out the launch.

In the first three months, Tim Hortons sold one million servings of Creamy Chocolate Chill per week, 42% more units than forecast. While the brand and agency expected a 50% cannibalization of its Iced Capp, Creamy Chocolate Chill sales were entirely incremental to Iced Capp sales, achieving an 18% sales volume ratio to Iced Capp (versus a 13% planned ratio).

Tim Hortons Creamy Chocolate Chill achieved 46% market share of the QSR shakes/malts/floats category during its first three months post launch (from May to July 2015), achieving 3.6 times more volume than McDonald’s shakes. In addition, the Creamy Chocolate Chill videos were viewed more than three million times on YouTube (as of July 2015).

CREDITS
Advertiser | Tim Hortons; Agency | J. Walter Thompson; CCO | Brent Choi, VP; CD | Matt Syberg-Olsen; ACD, AD | Nicole Ellerton; ACD, CW | Mark Lewis; Strategist | Dean Foerter; Creative consultant/illusionist | Darcy Oake; Production company | Untitled Films
SC Johnson brands, specifically in the home cleaning, air care and home storage categories, were struggling to maintain market share. Research revealed that Canadians are learning to embrace messiness: rather than weekly or large seasonal cleans, they’re doing more daily, no-fuss cleaning.

The company invited Canadian families to “#ComeCleanWithUs” through branded videos that featured real families showcasing their real-life messy moments. Three videos were produced to showcase various SC Johnson products, which were supported with pre-roll on YouTube and posts on Facebook. The social posts also drove consumers to an offer on Checkout 51, which gave them a discount on multiple products to encourage cross-category shopping.

The brand partnered with the blog Yummy Mummy Club to seed the content among Canadian moms and encourage them to share their messy moments with their social networks.

Historically, the home cleaning and storage categories have very low engagement scores among shoppers but, despite a limited media budget, SC Johnson exceeded the category averages of click-through rates on Facebook and YouTube (2.8% and 4.5% respectively), and it tracked more than eight million views of its videos.

CREDITS
Advertiser | SC Johnson; Director of marketing commercialization | Melissa Panetta; Marketing lead, home cleaning | Jen Newton; Agency | Geometry Global; ECD | Nuala Byles; CWs | Gillian Newing, Bryan Hobson; ADs | Greg Mühlböck, Erin Edwards; Strategic planning director | Annie Rowe; PR agency | Edelman

BRONZE CHANGING BEHAVIOUR

BMO builds better saving strategies

Canadians aren’t saving enough of their money because many feel like they don’t have enough to get started. The BMO Savings Builder Account rewards good saving behaviour with a competitive rate. As long as the user puts money into the account every month, they’re eligible for the rate. How often a person saves is just as important as how much, so BMO and KBS created a program around helping people build better saving behaviour: “Save. Earn. Repeat.” was launched with an open letter that educated people about the state of Canada’s saving habits. To sustain the campaign in the weeks after launch, the brand and agency created and promoted tips that would help Canadians save more. Each of the 22 creative executions provided a simple tip, which were given in-branch, along with a BMO Savings Builder “Reverse Tip Jar.”

The brand also ran contextual online banner ads (placed on travel, wedding and automotive sites) that related to big items for which the target was saving. It created product-specific messaging and content to help drive media coverage and used a 24-hour national promoted hashtag (#SaveEarnRepeat) on social.

The online video generated a click-through rate of 0.27% and a video completion rate of 69.75%, both double the industry average. The campaign generated more than 200 stories and 60 million impressions, while the #SaveEarnRepeat hashtag resulted in 10.74 million impressions in 24 hours.

CREDITS
Advertiser | BMO Canada; CMO, Canadian banking and BMO wealth management | Betsey Chung; Senior marketing manager | Lori Boyd; Agency | KBS Toronto; CCO | Matt Hassell; CD | Ian Mackenzie; AD | Ryan Walton; CW | Paul Purdon; Media agency | Maxus
Since the Scene membership card is already free and easy to register for, the challenge for the brand was to demonstrate the added value of the Scotiabank Scene Debit and Visa cards, which allow users to earn points that can be redeemed for free movies.

Research found consumers see Scotiabank’s cards as upgrades to the Scene membership card – products that get them more free movies, more often. The brand and its agency Bensimon Byrne decided to focus on the higher earn rate and to demonstrate the emotional side of free – an idea rooted in the “You’re Richer Than You Think” brand platform.

The team created a campaign that showed Canadians how close they would be to their next free movie if they owned a Scotiabank Scene card. The agency took over a multiplex and surprised moviegoers at point-of-purchase, bringing in knights and wizards to interact with them and make them feel like they were in a movie. The agency then developed two cinema spots and digital pre-roll videos from hidden camera footage.

To extend the “feeling of free,” the brand became title sponsor of 31 outdoor movie events in markets across Canada. Attendees could watch a free movie on a 40-foot inflatable screen, with the first 300 attendees receiving free popcorn, Cineplex magazines and a branded LED keychain. Each event had a VIP section, with special seating available to the first 50 Scotiabank Scene Debit and Visa cardholders.

For the third consecutive year, the Scene campaign delivered record results, with 58% of new accounts registered by consumers under the age of 35. PR and activation activity generated 31 million media impressions (a 107% increase over 2013) and 100 print, radio and TV stories, directly reaching 46,650 attendees (a 91% increase over 2013).

BRONZE CRM & LOYALTY

Scene spotlights the feeling of free

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CREDITS  Advertiser | Scotiabank; SVP Canadian marketing | Clinton Braganza; Director of marketing, advertising and media | Christine Sabourin;
Director of strategic initiatives and partnerships | Gregg Friday; Agency | Bensimon Byrne; CD | Joseph Bonnici; AD | Iva Prkacin; CW | Gessica Marcus
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CO-CHAIRS

MOYA BROWN
VP OF MARKETING,
CAMPBELL COMPANY OF CANADA

Brown is responsible for driving consumer and shopper engagement as well as providing overall leadership to the marketing team for brands including Campbell’s Soup, Chunky Soup, Goldfish and V8. Prior to joining Campbell Canada in 2002, Brown was a brand manager at P&G in both Canada and the U.S.

SHELAGH STONEHAM
CONSUMER MARKETING AND BRANDING EXPERT

Stoneham was senior VP of marketing at Shoppers Drug Mart until early this year, responsible for brand, consumer and marketing strategy as well as customer experience and digital development. Prior to joining Shoppers in 2014, she was senior VP and general manager for brands and marketing communications at Rogers.

JURY

CLAude Auchu
PARTNER, VP AND CD,
LG2BOUTIQUE

Auchu works with clients across the country as a founding partner of LG2boutique in Montreal. After nine years under Auchu’s leadership, LG2boutique has garnered nearly 300 national and international awards, including a Cannes Lion, four Cilos, a One Show pencil, the 2012 AACE Award for best design project in Canada and several appearances in the Communication Arts Design Annual. He was previously a VP at Nolin BBDO.

DAVID BAGOZZI
DIRECTOR OF MARKETING, POST CONSUMER BRANDS

Bagozzi has more than 15 years of experience at CPG companies, including Kellogg, Cadbury and Unilever. At Post Consumer Brands, he leads Canadian marketing and has reinvented growth for brands such as Becel, Caramilk, Dentyne, Special K and Shreddies.

WES BROWN
SENIOR DIRECTOR OF RETAIL BRAND MARKETING, LOBLAW

Brown’s work has spanned financial services and merchandising over nearly 15 years at Loblaw. While much of his career has been spent in a variety of marketing roles, his current responsibilities have him leading the market division on all retail brand, program and shopper communications.

RON CRAIG
VP OF MARKETING AND BUSINESS DEVELOPMENT, THE SOURCE

Craig is responsible for brand marketing, e-commerce and business development for consumer electronics retailer The Source. Prior to joining the 550-store chain, Craig’s more than 20-year career included executive roles in marketing, retail operations and business development at organizations including Cara Operations, OLG and the Princess Margaret Cancer Foundation.

EMMA ERIKSSON
DIRECTOR OF MARKETING, GENERAL MILLS CANADA

Eriksson currently leads the General Mills cereal business, where she’s responsible for brands such as Cheerios, Oatmeal Crisp and Lucky Charms. She’s also head of promotions and partnerships. Eriksson has more than 17 years of experience and has held various marketing and brand innovation roles at General Mills, including marketing director for the snack brands such as Nature Valley, Fibre 1, Bugles and Fruit by the Foot.

CAROLINE LOSSON
VP MARKETING, KEURIG CANADA

Losson has worked in the food industry for the past 20 years in various brand marketing and innovation roles. She worked at Coca-Cola and Molson before moving to Agropur’s Natrel division in 2009, and moved to Keurig earlier this year.
NANCY MODRČIN  
SENIOR DIRECTOR OF  
MARKETING,  
METRO ONTARIO

Modrcin is responsible for Metro's brand strategy, advertising, shopper marketing, consumer promotions, PR and in-store experience, as well as building integrated marketing solutions for the Ontario market in conjunction with the loyalty and digital teams. Prior to joining Metro, she managed product portfolios at several companies, including Mattel, NBC Universal, Harlequin and the Walt Disney Company.

SHIRLEY MUKERJEA  
DIRECTOR OF  
MARKETING,  
PEPSICO CANADA

Mukerjea leads portfolio and shopper marketing at PepsiCo Foods Canada. She’s been with the company for more than seven years and has led several brands, including Tropicana and Gatorade. Mukerjea has more than 12 years of CPG experience and she previously managed brands for Kraft Canada. She has received several industry accolades at shows including Cannes, CASSIES, Bessies and the Sports Marketing Clios.

TARA O’DOHERTY  
VP OF CUSTOMER  
STRATEGY,  
COSSETTE

For more than 15 years, O’Doherty has been leading digital innovation and omnichannel experience integration in North America for companies such as AT&T, Ideo, Samsung, Google and Amazon. She worked at MacLaren McCann and FCB before joining Cossette. O’Doherty won Canada’s first Cannes Cyber Lion for the Cossette interactive corporate website, as well as several Interactive awards from One Show and dozens of CMA Awards.

SHERI PEARSON  
VP OF RETAIL INSIGHTS  
AND STRATEGY,  
HUNTER STRAKER

Pearson is the strategic lead for shopper marketing, innovation planning, shopper insights and promotions for all Hunter Straker clients. As a retail expert, she brings more than 15 years of agency experience to those clients, including eight years at Capital C and four at Marketing Drive Worldwide.

HUGH PHILLIPS  
SENIOR PARTNER,  
SHOPPER STRATEGY & RESEARCH

Phillips specializes in the cognitive psychology of shopping, what consumers perceive in stores and how they process information. He was Pareto’s in-store scientist, and has worked with P&G, Cadbury, Johnson & Johnson, Coca-Cola, Rona and Petro Canada. A former marketing professor at McGill University, he has written four books and numerous journal articles.

MIKEY RICHARDSON  
PARTNER AND CREATIVE,  
JACKNIFE DESIGN

Responsible for leading creative and strategic teams, Richardson has worked across a range of industries, from action sports to pharma. Before co-founding Jacknife in 2013, he was a founding partner of design agency AmoebaCorp. His clients have included Red Bull, Second Cup, Nike, Wind Mobile and Mattel. Richardson has also taught design and illustration at OCAD University.

DANIEL SHEARER  
EVP AND GENERAL MANAGER,  
COSSETTE

After spending almost a dozen of his 15 years in the business at Taxi, Shearer moved to Cossette in March. He has worked on an array of brands, including Telus, Koodo, Workopolis, Toyota, Yellow Pages, Cadbury and Kraft, as managing director across Taxi’s North American portfolio. He has helped clients and agency teams win multiple CASSIES, Effies and other global awards.

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It wasn’t always a technology company. Before it came out with touchless payments and experimented with digital wallets, before it sponsored hackathons and figured out how to verify payments with a selfie, before it started buying patents as if it was headquartered in Silicon Valley rather than Purchase, N.Y., MasterCard was a credit card company with a notably durable tagline playing up life’s special moments. The tagline remains but much else is changing.

In February, the company announced it would be rolling out its first biometric payment service, MasterCard Identity Check, this summer in Canada and other markets. The pay-by-selfie app uses an algorithm to decipher a customer’s facial features, allowing purchases to be verified by snapping a selfie rather than entering a password. The tool is the latest in a brand evolution as the payments and technology worlds blur, bringing new competition to the once-cozy sector.

The new technology, a recent focus for the company celebrating its 50th birthday in August, also brings new marketing opportunities. After spending the better part of four decades competing with rivals Visa and American Express primarily on the cards’ acceptance, MasterCard is now spending more energy on innovation and security, communicating with customers on social media and, like other credit card companies and banks, securing patents. Tech giants Apple, Google and Samsung have spent years battling over intellectual property in the courts. As they move into the payment space, MasterCard applied...
for 500 patents in 2015, 10 times as many as in 2010, Bloomberg reported earlier this year. The company has also courted tech startups through hackathon events that seek innovations for retail and online shopping.

The Canadian office is leading some of these efforts, including a new global campaign that will focus on safety and security – significant territory for consumers uneasy about new payment methods. “If you were to look back on our advancements over the last 50 [years], probably what we’re going to undergo in the next five is going to be just as significant,” says Milos Vranesevic, MasterCard Canada’s VP and head of marketing.

THE FIGHT FOR PRESTIGE AND ACCEPTANCE
The MasterCard story begins in 1966, when 17 banks met in Buffalo, N.Y. to form the Interbank Card Association. The national Interbank Card replaced the local and regional cards the banks had been franchising. Member banks promoted the card locally, setting the fees and interest rates. Master Charge became the association’s biggest card brand and, in 1969, the name and logo – the interlocking circles that are still used today – were trademarked. The first cards were issued in Canada in 1972. Interbank rebranded the card as MasterCard in 1979.

Marketing credit cards involves at least a two-tiered approach that can be challenging for brands to navigate, especially in Canada. The card brands want customers to use their cards as much as possible, incenting them to advertise broadly. The banks and other institutions that partner with the card companies determine the nature of a card’s perks and do their own marketing to promote these features. Until 2008, Canada had a non-duality policy that limited banks to only issuing one type of card.

With the issuer institutions promoting their cards based on the benefits, the credit card companies are left mostly with two main differentiators: where their cards are accepted and branding that connects emotionally with consumers.

“At a strategy level, by the time you’re competing on emotion, if that’s your only differentiator, it becomes a pretty expensive way to compete because now the question is who’s got the best credit card or even who’s spending the most on advertising. The question is who taps into the strongest emotion best,” says Queen’s University economics professor Kenneth Wong.

For the industry’s first 30 or 40 years, acceptance was the primary territory the credit card brands were fighting for, says Ryan Timms, VP and director of client services at MacLaren McCann in Toronto, who’s been working on the MasterCard account since 2007. Even now, the card issuer’s loyalty program often “tips the scales” far more for consumers than the card brand, he says.

“While there’s a certain ubiquity to the brands, they don’t have that kind of ability to go right to the cardholder. That relationship has been owned and nurtured by the banks themselves,” Timms says, “Being able to build a brand and create meaning for a brand like MasterCard, or Visa for that matter, with a cardholder is difficult when you can’t have that direct consumer engagement.”

While acceptance and prestige were the early differentiators, that started to change in the late ‘80s when SSC&B: Lintas took over the MasterCard account, just as it started to move away from that decade’s upscale branding toward something more emotional. The first campaign was called “Master the moment.”

The second, “For the way we really live,” in 1990, was getting closer to the theme that would, by the end of the ‘90s, define the brand into the present.

TARGETING THE CANADIAN MARKET
It wasn’t until the early ‘90s that MasterCard got serious about advertising in Canada. The U.S. marketing was by that point a “well-oiled machine,” says Tracy Hanson, who started in 1992 as MasterCard Canada’s marketing and communications manager and served as the brand’s VP marketing from 1996 to 2004. But there hadn’t been any made-in-Canada campaigns. With a small budget, the new office was working on promotions rather than advertising. It didn’t have an agency in Canada. “After the first half-year, I introduced the notion of us putting together an advertising campaign,” Hanson says.

The Canadian team put out an RFP for its own agency and chose The Communique Group for English and Lg2 for French. The English ads used the tagline “Your card for life” and began airing in 1993. The first 30-second spot, “Dangerous,” was in the spirit of Thelma and Louise, with a group of women over 50 holidaying in Arizona in a red, 1960s-era convertible, using their MasterCards to pay for everything from lunch to speeding tickets to bail. The other spot, “Safari,” dramatized a family shopping trip through the father’s eyes.

For the francophone market, MasterCard used Quebec TV personality Julie Snyder in a series that came to be known as the “chic-a-chic ads,” referring to the sound the old card slider machines made. Both campaigns played up MasterCard’s acceptance.

South of the border, the company was once again looking for a new agency in 1997, which would prove to be a pivotal year. The brand was stuck between Visa, the market leader perceived to offer wider coverage, and American Express’s prestige and high-value...
transactions. Both the global and Canadian brands conducted brand equity studies around this time. Hanson says the results were almost identical. “It didn’t matter what country you went to, it was always the same: the most important things to people around the world were family and friends,” she says.

“That’s really how we were able to determine that there was this whole emotional category that hadn’t been tapped into from a payment vehicle before. American Express and Visa were still counting on ‘buy whatever you want.’ Coming off the glitzy, gluttony period of the ’80s and the ‘shop away’ [attitude] in the ’90s, MasterCard was able to create this brilliant campaign that really gave them ownership of a category that hadn’t been delved into. And that was the birth of ‘Priceless’.”

A CAMPAIGN THAT BREAKS INTO POP CULTURE: PRICELESS
When McCann Erickson pitched for the U.S. MasterCard account in 1997, the agency produced an ad featuring a father and son at a baseball game, following a format most people can now recite: a list of purchases (hot dogs, popcorn, soda) and their cost, followed by the emotional kicker – “Real conversation with 11-year-old son: priceless.” Then the tagline: “There are some things money can’t buy. For everything else there’s MasterCard.”

McCann chose to focus on the brand’s everyday appeal, recognizing a cultural shift away from the idea that status was in the purchase alone: owning the best car, the best suit, the best business card holder, what Timms compared to the ethos in Bret Easton Ellis’s 1991 novel American Psycho.

“It became more about the narrative behind the purchases, the experiences they enabled – the sense that experiences started to matter more than things,” Timms says. “For a credit card to come out and say that what you buy is not as important as the experiences that result was a pretty daring and bold move.”

The spot first aired during Game 4 of the 1997 World Series. The dozens of iterations that followed have now been seen in 112 countries, in 53 languages.

For Wong, the move demonstrated the limited space in which credit cards could still compete. With card acceptance basically a wash at that point and issuers handling the card benefits, brands were left to distinguish themselves in the realm of perception and emotion. “If you’re going for a mass appeal, ‘Priceless’ makes some sense because what else are you going to differentiate on?” he says. Emotion is in vogue now, but in 1997, “Priceless’ was way ahead of its time.”

The campaign launched in Canada in 1998. By that time, MasterCard Canada had left Communiqué and was working with McCann Erickson Worldwide, with a Canada-specific account team out of New York. It wasn’t until 2006 that MacLaren McCann in Toronto would take over the account.

“We had a really great group of people that we could explain the nuances about Canada with and they understood it,” Hanson says. “It was really important that we were able to maintain that individuality in all the creative that we drove out of Canada.”

While the idea for “Priceless” was global and carried universal appeal, different markets were able to apply it in ways that made sense to local audiences. This meant some spots created in Canada, as well as some borrowed from other markets around the world and inserted here. One of the first ones, shot in Canmore, Alta., was called “Zero Degrees” and featured the making of an outdoor skating rink.

Not surprisingly, rinks were to become a major theme in the Canadian “Priceless” campaign. The brand partnered with the NHL and the CHL, becoming the sponsor for junior hockey’s main event, the Memorial Cup, and it also got behind figure skating. This made for some fun spots where hockey legend Bobby Orr and top figure skater Elvis Stojko switched places. National women’s hockey team captain and 2002 Olympic gold medal winner Cassie Campbell became another face of the brand, which also filmed a series of spots with the Stouffville Clippers, a team of Ontario eight-year-olds, in 2003.

If the primary goal of branding is to attain a level of cultural relevance, few campaigns can touch “Priceless.” Characters and celebrities from Homer Simpson to Peyton Manning appeared in the ads. A relatively unknown Billy Crudup was cast as the voice, and remained so for more than a decade.

And there were spoofs, which, for a while, were everywhere. David Letterman applied the “Priceless” format to Monica Lewinsky and Bill Clinton, wrapping up a rough accounting of the Starr Report with a typical flourish: “Impeaching the president’s fat, guilty ass: priceless.”
During that peak period of viral email gags in the late '90s and early 2000s, it seemed that every few weeks another puerile send-up of “Priceless” was waiting in every Hotmail and Yahoo account. And it hasn’t quite ended. WikiLeaks founder Julian Assange parodied the format in a 2011 video protesting MasterCard’s blocking of web-based donations to his organization.

“Once it becomes part of the vernacular, now you’ve really succeeded because your promotion is going beyond what you paid for,” Wong says.

MasterCard’s Vranesevic divides the company’s marketing history into two epochs: pre- and post- “Priceless.” And the post keeps going and going. “Easily another 20 [years],” he says when asked how much longer the campaign can last.

That could be true, Wong says, as long as MasterCard continues to present it in new and interesting ways. “The theme transcends time. It’s how you communicate that theme and make it relevant to the audience you’re reaching. You can keep revising that one forever,” he says.

The brand tests the strength of “Priceless” every couple of years, Vranesevic says, to make sure it’s still resonating with consumers. He says it is more than ever, “especially as people’s values continue to shift more toward work-life balance, toward changing opinions on the importance of money in their lives versus family and friends.”

**FROM PRICELESS MOMENTS TO PAYING BY SELFIE**

The evolution of “Priceless” has meant moving from “observing priceless moments” to “enabling” them, Vranesevic says. The campaign has been able to stay fresh by moving into new areas with its “Priceless Cities,” which offers promotions to cardholders in specific places, and by making use of social media with “Priceless Surprises.” Toronto was the third city included in the former campaign, in 2011, and Montreal followed last December. The “Surprises,” launched in 2014, have featured intimate events for cardholders in Canada with former hockey stars Doug Gilmour and Guy Carbonneau, pop icon Justin Timberlake and model Coco Rocha.

Rather than simply telling stories, as it has been doing since 1997, the emphasis now is on experiential campaigns that create moments, which are then shared on social.

But while the company’s slogan hasn’t changed, the emphasis has shifted toward technology, reflecting new competition. In MasterCard’s 2009 annual report, it wasn’t until the fifth and final page of the letter to shareholders that the word “technology” appeared. By 2012, it was in the first sentence and it’s only become more explicit in the card’s branding.

After competing for decades on card acceptance and emotion, with no big functional differences between brands, the mobile space – from online shopping to digital wallets to biometrics – is changing what can go into the marketing. “Now it’s really about trying to compete on both a functional and an emotional level. It’s as much an R&D race as it is a brand saliency effort, which is what it always had been,” Timms says.

In 2008, MasterCard introduced PayPass, the first contactless payment method. That’s when the brand message shifted and MasterCard “started talking about innovation, what was going on within the company...”
and technology, and how it was informing the payment space," Timms says.

The sector also underwent a major regulatory change in Canada in 2008. The federal government’s decision to end its non-duality policy and allow banks to issue more than one type of card was a boon for MasterCard. Prior to the policy change, the brand only issued cards through one of the five major banks – BMO. Visa held exclusive relationships with the other four, Timms says, forcing MasterCard to adjust its strategy.

“We had to think creatively about how we were going to grow our business,” Vranesevic says of the period before duality was allowed, when growth came through a co-brand strategy.

That meant aggressively partnering to issue cards with companies such as PC/Loblaw, Canadian Tire and the Hudson’s Bay Company, as well as financial companies such as CapitalOne and MBNA – foreign banks authorized to perform some banking services, such as issuing credit cards, in Canada. By the time the regulations changed in 2008, MasterCard had already done the legwork with all the small, individual issuers and could put its energy into securing the bounty of cards issued through the remaining four big banks.

Consumers had typically based their card choice on what their banks offered. “With duality, credit companies could no longer rely upon that forced allegiance,” says Wong. It meant more competition between the card brands to win over both consumers and issuers.

Visa is still the leader in Canada when it comes to market share by number and value of transactions (55% and 61%, respectively, to MasterCard’s 44% and 30%). But MasterCard leads in the number of cards issued, with 51% of the Canadian market compared to Visa’s 43%, according to Euromonitor’s numbers for 2013.

The Nilson Report’s 2014 numbers for purchase volume in Canada, which include credit, debit and pre-paid cards, had Visa leading with 41% market share compared to Interac’s 32% and MasterCard’s 22%.

Globally, Nilson had Visa’s market share for purchase transactions worldwide at 58% to MasterCard’s 26%.

“Now it’s really about trying to compete on both a functional and an emotional level. It’s as much an R&D race as it is a brand saliency effort, which is what it always had been.”

In Canada that means devoting more of its marketing energy to digital.

The 2020 research showed that expectations of transparency are stronger than ever. This has led to more engagement with customers on social, providing information when they need it. Canada was the first MasterCard market to bring social community management in-house in 2012 to allow for more two-way communication with customers, Vranesevic says.

The goal is to “create a whole new territory, the emotional territory around safety and security,” he says. The global campaign that MasterCard is working on with MacLaren McCann, the first time the Canadian market is developing an integrated global campaign platform, will focus on security, Timms says. “We think we’ve found an approach that will feel a bit more empowering for people and the brand, versus something that would have been fear-mongering in the past,” he says.

The new technology and consumer anxiety about privacy and security make for tricky marketing territory, though: “If you start talking about it, you might inadvertently risk making it top of mind,” he says.

As new technologies emerge, the brand will continue to push for a consumer experience that’s “human-led rather than technology-led,” Vranesevic says. With that in mind, a blinking selfie as payment verification makes sense.

The Identity Check smartphone app, set to come out later this year, will allow customers to verify purchases by taking a selfie or placing a fingerprint on the screen rather than entering a password. Customers register with an image that the company scrutinizes, taking a number of measurements, particularly around the eye and nose area, developing an algorithm around the face’s “landmarks,” said Bob Reany, MasterCard’s senior VP for identity solutions, in a video explaining the technology. The customer must blink so the app knows the image it’s capturing is of a live human.

“It’s just that simple: you blink, you pay and you’re done,” he said.

Keeping with its signature advertising message, it probably won’t be hard to make the case that smiling into the camera to verify a purchase is a “priceless” way to pay.
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Produced by

PLAYBACK + strategy
The 2016 CASSIES, held at the Carlu in Toronto on Feb. 18 and hosted by comedian and TV host James Cunningham, toasted Canada’s most effective marketing campaigns. There were two Grand Prix winners this year, both of which experienced success globally – P&G’s ubiquitous “#LikeAGirl” campaign by Leo Burnett and “Groceries not Guns” for Moms Demand Action for Gun Sense in America, by Grey. Check out a few of the evening’s highlights.

Host James Cunningham engages the crowd; CASSIES jury co-chair and TBWA CEO Jill Nykoliation presents on stage; Millward Brown’s Aurelio Diluciano and strategy’s Neil Ewen.

Ogilvy’s Ian MacKellar and Doug Potwin with Kraft’s Heather Fadali.

J. Walter Thompson’s Darrell Hurst and Matt Syberg-Olsen; Nissan’s Mary McNeill takes home the Client of the Year Award, presented by the ICA; Deven Dionisi from Sid Lee picks up Gold for the Raptors’ “We the North” campaign.

Paul Curtin and Terri Vegso from Grey.
Canada Post’s Jennifer Campbell presents the Canada Post Smart Marketing Award to Rethink’s Caleb Goodman and Maxine Thomas for the agency’s work on Immunize BC; ICA board member and Media Experts president Penny Stevens; former Kraft Heinz CMO and CASSIES jury co-chair Tony Matta, who recently joined Starbucks’ U.S. operation.

The Globe and Mail’s Andrew Saunders presents Gold to DDB’s Patty Jones for work with client Vancouver Opera; ICA president Jani Yates announces Grand Prix winners; the team at Grey shows off some of the agency’s hardware.

Black’s John Curry announces the finalists for the Billy Bishop Creative Competition; Sue Lynne Cha from P&G and Leo Burnett’s Judy John accept the Grand Prix – Commercial for “#LikeAGirl”; the CASSIES stage at the Carlu.
Lessons from a 1959 board game about Loblaws

In the 1950s, marketers were keen to capitalize on the unprecedented retail boom in supermarkets that in 10 short years had almost redefined suburban society. This includes the Milton Bradley “Loblaws Checkout Game” from 1959, which I recently found on eBay.

The gameplay itself is a fairly accurate snapshot of what grocery shopping was like (and is surprisingly similar to today). All of the products in the game that you could “push it” around the board were actual products listed for sale at Loblaws at the time, which may make this one of the first true shopper marketing experiences.

Many of the brands featured in the game are still around today, and several (including Allen’s Apple Juice, Five Rose Flour, Clover Leaf Tuna, Tide and Bee Hive Corn Syrup) have packaging that hasn’t changed a lot.

It’s fun to reflect on the time the game was made, and how much (or in many cases, how little) the physical shopping experience in Canada has changed. Here are a few takeaways:

The evolution of grocery lists
One of the game’s fascinating aspects are the “hand-written” grocery lists that tell you which items to put in your basket. It’s funny, as even today this one tool constitutes the closest thing to a commitment that the shopper will buy your product. What’s interesting about the game is it not only uses real products on the lists, but also product endorsements (Prem Luncheon Meat: “With Tender Beef Added!”).

Studies differ regarding how many Canadians shop with lists – anywhere from 40% to 80%. But the insight these days isn’t how to get on the list, but the redefinition of the list itself.

With the advent of click-and-collect and e-commerce-driven grocery shopping, getting on that first list is critical. After a first-time shopper builds his or her first cart online, shopping becomes frictionless. Through “Repeat Previous Basket” and “Favorite Items” features, users can now start each shop with a cart full of their usual items and edit accordingly. If you aren’t in the first basket, your chances of being added to the cart drop dramatically. Even if they are on smart devices instead of paper, getting on the list is still the key. Keyword planning, innovative use of pre-roll, CRM-driven predictive loyalty e-blasts, and good old-fashioned flyer ad innovation are just the tip of the iceberg in providing impetus for a shopper to put pen to paper.

Gamification is the name of the...game?
The game may be one of the first examples of grocery “gamification” in history.

In the late ’50s, grocery shopping was a service-driven experience, with only the flyer telling you what was on sale. Today, a Mintel report reveals that while only 35% of all Canadians actually enjoy grocery shopping, 73% of shoppers agree that they love the thrill of scoring a deal. Today’s shoppers are leveraging tools like Checkout 51 or Flipp, flyer comparison programs and social couponing. For brands, you need to figure out not just how to give a deal, but to make it fun.

A great example is Coupgon. The Toronto-based couponing app has been quietly testing with Canadian manufacturers and retailers (including Loblaws, FCL and Longo’s) since its inception in 2013. Shoppers can open their app, see the coupons they like, clip them with a tap, and then redeem instantly at participating retailers. Beyond that, they are the first in Canada to commercialize beacon technology – and the data that comes with it – in-store, as well as to integrate coupons into existing loyalty card infrastructures, all while making it feel like a game. Who knew saving money could be so fun?

The importance of the experience
If you are a shopper marketer, part of your role is delighting your shopper, making things “special.” In the game, there are “Special” squares; if you aren’t in the first basket, your chances of being added to the cart drop dramatically. Even if they are on smart devices instead of paper, getting on the list is still the key. Keyword planning, innovative use of pre-roll, CRM-driven predictive loyalty e-blasts, and good old-fashioned flyer ad innovation are just the tip of the iceberg in providing impetus for a shopper to put pen to paper.

Sixty years later, these special experiences are the only thing that keeps people coming back. Loblaws took this to an entirely new level with select vendor partners when they created the “Market Moments” campaign, giving away everything from free samples to free groceries. The mantra should be “not just their deals, but how they feel.”

Except if you pull the “You met Aunt Hilda and she wants to tell you about her operation, lose a turn” card. Whether it’s 1959 or 2059, that one always sucks.

JASON DUBROY is VP, managing director at TracyLocke.
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MARKETING OPPORTUNITIES AFTER MARIJUANA GETS LEGALIZED

As Canada moves towards the legalization of marijuana, Rethink Communications would like to help identify relevant marketing trends expected to guide decisions over the second half of this decade.

"Hash Tags" are the new hashtag
Yep, with people buying it in droves, why not put little tags on the hash bricks conveying offers and specials.

"Cartoonization"
You can already change languages with the touch of a button on your remote. Now if you want, you can have all cartoons all the time.

"Self-Driving Car Sales Skyrocket"
In this new world, public safety is key. That’s why consumers will hotbox it from Point A to Point B.

"THC Infused Everything"
From breakfast cereal to denture adhesive, if it goes in your mouth it will almost certainly come in a version that can get you high.

"Gaming Product Placement"
It’s growing rapidly right now. The trend will continue.

"High Tunes"
Currently, there are streaming audio services that are catered to your mood. High Tunes takes that premise to the next level, by analyzing your THC level from the moisture on your thumb.
Last year, Leo Burnett doubled up with their second consecutive Gold...

WHO WILL TOP THE LIST THIS YEAR?

Want to enter? Contact Mark Burgess at mburgess@brunico.com for more details
Creative ideas come and go, but strategy is forever.

If your strategy planning neatly solved a problem, or made a difference in a brand’s go-to market formula, now’s the time to share, and take home the first Strategy Awards Grand Prix at Agency of the Year...

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