bold vision brand new ideas

# NEXT BIG THUR THE

**FUTURE OF ADVERTISING** 

VR, AR, AI AND BIG DATA ARE (REALLY) HERE

BREAKFAST WARS: CEREAL FIGHTS BACK PEPSICO'S MARC GUAY SAYS ADIEU

A PUBLICATION OF BRUNICO COMMUNICATIONS LTD.



# Who will pocket the gold this year?

# Tickets to the show of the year on sale now!

Last year's winner Leo Burnett



#### November 4, 2015

Group rates contact Joel Pinto jpinto@brunico.com or 416-408-2300 ext. 650 aoy.strategyonline.ca





**Next Big Things** From VR to AR and AI, pundits weigh in on the not-so-distant future of marketing



Advertising by the numbers Data is everyone's favourite four-letter word, and now brands are baking it right into their creative



**TD turns 160** How adding comfort to banking stood the test of time

4 Editorial Making invisible friends • 8 Upfront Holt Renfrew goes up in the air, Ford gets into new experiences and Desjardins reimagines the retail space • 12 PepsiCo president Marc Guay reflects on the future on the eve of his next chapter • 16 The CFL makes a digital play to woo a younger audience • 20 Cool tech, from biometrics to teleportation, is making waves around the world • 39 The fight for breakfast is on, as cereal brands diversify and go niche • 44 Forum Karen Howe on actually talking about brands in advertising • 46 Back page Lg2 has some (creepy) tips to gather data



**ON THE COVER**: We got a bit psychedelic for our cover this month, but it's not a 1960s throwback, rather it's a look into the future. Google recently released Deep Dream, an example of the code it used to visualize and better understand the neural network AI it uses for image recognition. When we saw the images it created (with hidden animals throughout), we realized we had to give it a shot. Digital agency Jam3 lent us some of its knowhow and ran a photo of a hand through the source code, creating the perfect cover to represent one of the "next big things" in technology.

#### When data becomes your friend



wo and a half years ago, Duke University professor Dan Ariely updated his Facebook status with this: "Big data is like teenage sex: everyone talks about it, nobody really knows how to do it, everyone thinks everyone else is doing it, so everyone claims they are doing it..."

Well, a lot can happen in two and a half years. A 16-year-old becomes an adult, and they start to master things they previously fumbled around in the dark with.

While this industry is far from mastering big data, we've come a long way in a short time. Brands and agencies have been laying the groundwork, gathering the stats and hiring experts in the field, and now we're starting to see the fruits of that labour.

This is evidenced in some of the recent examples of how brands are weaving



data into creative campaigns (see p. 28). Take Nike, for example, which created over 100,000 personalized animated spots for Nike+ members with stats on that individual's workouts throughout the year. As a runner myself, there's no greater sense of accomplishment than seeing all the kilometres you've put in – a pretty simple insight, brought to life in a clever way using data.

As time goes on, it's only going to get more complex. Each year we ask industry pundits to weigh in on what they think will be the "Next Big Things." (p. 22) A few of our pundits this year pointed to artificial intelligence. Once a far-off idea from a science fiction novel, AI has been sneaking into our world for a while now, and getting more advanced. And when you mix AI and big data, you get machines that actually know you - perhaps even better than your friends and family do (after all, they don't see your private internet browsing behaviour...). I've always been a fan of books and films that paint

a portrait of the future, and in my opinion, there have been none more realistic in recent years than the movie *Her*. Some might scoff at the idea of forming an intimate relationship with an operating system, but are our lives right now that far off? How many of your friends do you have a closer relationship with via text and Facebook than you do in person? What if that friend didn't have a physical body - are they that much less of a friend? All brands want to be "friends" with their consumers, but it seems in the future, they legitimately could be.

In our Next Big Things feature, JWT's Patrick Schroen talks about a world without a web browser - something that was also predicted in Her. We're starting to see this with the advent of Siri, who often gives us a single answer to a question instead of thousands of results. So imagine that Siri was like Her's Samantha, and she has an intimate relationship with you – she knows exactly what you'll want when you want it and won't present you with anything else. If you thought disruptive ads were already passé, just wait for the "relationship era," as I'm calling it, to really take hold.

So if you think the advertising model has already been turned on its head in the last 10 years, it's nothing compared to the imminent explosion of personalization we're about to see. Hold on to your hats.

#### **Emily Wexler, editor**

SEPTEMBER 2015 VOLUME 26, ISSUE 7 strategyonline.ca

VP, PUBLISHER | MARY MADDEVER | mmaddever@brunico.com EDITOR | EMILY WEXLER | ewexler@brunico.com ART DIRECTOR | TIM DAVIN | tdavin@brunico.com SPECIAL PROJECTS EDITOR | JENNIFER HORN | jhorn@brunico.com COPY CHIEF & WRITER | TANYA KOSTIW | tkostiw@brunico.com NEWS EDITOR | HARMEET SINGH | hsingh@brunico.com REPORTER | JOSH KOLM | jkolm@brunico.com CONTRIBUTORS | MEGAN HAYNES | KAREN HOWE ASSOCIATE PUBLISHER | LISA FAKTOR | Ifaktor@brunico.com ADVERTISING SALES SUPERVISOR | NEIL EWEN | newen@brunico.com ACCOUNT MANAGER | JANE TESAR | jtesar@brunico.com MARKETING CO-ORDINATOR | ALEX KHOTSIPHOM | akhotsiphom@brunico.com

#### CORPORATE

PRESIDENT & CEO | RUSSELL GOLDSTEIN | rgoldstein@brunico.com VP & EDITORIAL DIRECTOR | MARY MADDEVER | mmaddever@brunico.com VP & PUBLISHER, REALSCREEN | CLAIRE MACDONALD | cmacdonald@brunico.com VP & PUBLISHER, KIDSCREEN | JOCELYN CHRISTIE | jchristie@brunico.com VP ADMINISTRATION & FINANCE | LINDA LOVEGROVE | llovegrove@brunico.com CHIEF INFORMATION OFFICER | OMRI TINTPULVER | otintpulver@brunico.com

PRODUCTION & DISTRIBUTION MANAGER | ROBERT LINES | rlines@brunico.com CUSTOMER SUPPORT SUPERVISOR | CHRISTINE MCNALLEY | cmcnalley@brunico.com

#### **HOW TO REACH US**

Strategy, 366 Adelaide Street West, Suite 100, Toronto, Ontario, Canada M5V 1R9 Tel: (416) 408-2300 or 1-888-BRUNICO (1-888-278-6426) Fax: (416) 408-0870 www.strategyonline.ca

#### CUSTOMER CARE

To order a subscription, visit strategyonline.ca/subscribe. To make a change to an existing subscription, please contact us by email: strategycustomercare@brunico.com Tel: (416) 408-2448 Fax: (416) 408-0249. PO BOX 369 Beeton ON LOG 1A0.

#### SUBSCRIPTION RATES

STRATEGY IS PUBLISHED EIGHT TIMES PER YEAR BY BRUNICO COMMUNICATIONS LTD. In Canada: One year CA\$80.00 Two years CA \$144.00 (HST included, Registration #856051396 RT) Single copy price in Canada is CA\$6.95. Please allow four weeks for new subscriptions and address changes.

#### COPYRIGHT AND TRADEMARK

STRATEGY and the tagline "Bold vision brand new ideas" are trademarks of Brunico Communications Ltd. All rights reserved. Nothing may be reproduced from STRATEGY in whole or in part without written permission. Reprint requests should be sent to rooldstein@brunico.com. © 2015 Brunico Communications Ltd.

#### POSTMASTER NOTIFICATION

Canadian Postmaster, send undeliverables and address changes to: Strategy, PO BOX 369, Beeton ON LOG 1A0 strategycustomercare@brunico.com U.S. Postmaster, send undeliverables and address changes to: Strategy PO BOX 1103 Niagara Falls NY 14304 Printed in Canada. Canada Post Agreement No. 40050265. ISSN: 1187-4309

Member of



We acknowledge the financial support of the Government of Canada through the Canada Periodical Fund of the Department of Canadian Heritage.



professional development

MARKETING COURSES

#### Online Marketing Courses

# Engaging and immersive video instruction

Register today at CMAcourses.ca 1.800.267.8805 x 234

Learn from marketing experts using the latest technologies in an interactive and flexible environment. Online courses are designed for marketing professionals looking to gain knowledge, expand their network and accelerate their career.

CMA Education Fund Supported by:









#### How to find the next (real) big thing

was going through a list of trends and buzzwords for our PROMO! show host Jessi Cruickshank (sort of a Cole's Notes on industry goings-on to help her prep), and made the momentous decision to move the word "authenticity" from trends to buzzwords. Is that cynical? I've always been a big defender of brands' CSR efforts, but lately (and maybe it's just the sheer volume of brands championing social issues) suspension of disbelief is wearing thin.

Beyond that warm and fuzzy fatigue that Karen Howe tackles brilliantly in her Forum column (p. 44), it seems that with techy innovation being a big focus in crafting marketing programs, it's more than authenticity that's a growing disconnect with consumers. There's a lot of overly-complex programs that are at risk of losing attention, rather than building it. So how do you separate the real

McCoy, the next big thing that will really click with consumers, from the distractions?



What's interesting about the Next Big Things roundup this year is that a lot of the punditry is about stuff that's actually finally happening. And the still-further-out tech is seemingly geared to tangible benefits (making life easier and more interesting, saving time and money) rather than just wowing people.

Sci-fi-ish tech like VR that seemed a little precious for the mainstream is now in a mall near you. I'm anxiously awaiting the virtual experience of the tropics, while I stand in line at Loblaws – brought to me by Dole. Maybe next year. But VR

uses go beyond fun experience to incredible convenience. (And in the future, AI will handle my grocery shopping).

Indicating the degree of virtual ad reality, Epica Awards is launching a VR category. Nosing around I found one case that's planning to enter, and it's fascinating. That's one of the great things about judging a global show, to see the work that breaks new ground – and how Canada stacks up.

Shows that demand campaigns deliver real impact take it a step further in separating the trend-following from effective, like PROMO! or Shopper Innovation Awards that go beyond buzz. And if you look at the tech in Next Big Things, a lot of it focuses on beyond-advertising applications that are directly retail. So this area is a good litmus test for what's actually going to work: retailers and manufacturers are creating these programs to sell stuff. And that's what's measured. Not likes. Buys.

If you want to see what's working, check out the PROMO! Awards this September, and if you have retail programs that made a difference, share them with the Shopper Innovation jury to help benchmark this hyper-evolving category. It's an area to delve into, to get beyond the hype and see what's connecting. And be in touch with what wows you – we're always looking for cases to share, and *strategydaily* has a particular fascination with next-gen tech in action.

#### Cheers, mm

Mary Maddever, publisher, strategy, Media in Canada and stimulant

#### strategy

SEPTEMBER 2015 VOLUME 26, ISSUE 7 strategyonline.ca

#### **UPCOMING EVENTS**





EARLY BIRD DEADLINE: SEPTEMBER 18, 2015

#### **UPCOMING SUPPLEMENTS:**

- OUT OF HOME
- TOP MEDIA PLAYERS

#### ALSO IN THIS ISSUE ...



For details please contact: Lisa Faktor Ifaktor@brunico.com 416-408-2300 x477

Neil Ewen newen@brunico.com 416-408-2300 x248

Jane Tesar jtesar@brunico.com 416-408-2300 x204

#### CMA*connections* Conference

#### October 5 Arcadian Court, Toronto

Register today at CMAconnections.ca

# MAKING CONNECTIONS THAT MATTER.

HOW TOP MARKETERS TURN TRANSACTIONS INTO CUSTOMER RELATIONSHIPS



TITLE SPONSOR

MARKETING

TRADE PUBLICATION PARTNER

Ethos: Diversity COMMUNICATIONS



WORKS CREATIVE ENGAGEMENT PARTNER



It's personal. PRINT PARTNER Own the experience

SUPPORTING SPONSOR



GREATIVE PARTNER



DIGITAL ACTIVATION PARTNER

Yahoo!

ASSOCIATE SPONSOR

TORONTO MEDIA PARTNER

LIFE

<u>oronto</u>



 $\mathbf{O}$ 

g+







f



#### **FASHION GOES IN-FLIGHT**

By Harmeet Singh

hile new entrants plan to compete in the Canadian luxury market by 2016, retailer Holt Renfrew has partnered with Air Canada to launch an in-flight content series focused on fashion. The one-year partnership for the Holt Renfrew TV Channel will involve 20 different videos, ranging in length, but all under 10 minutes.

The mini-documentaries show the behind-the-scenes world of Holt

Renfrew and the fashion industry. For example, one of the first five videos released is a dive into the production of the store's Fall 2015 magazine, while "Defining the Modern

Man" takes a look at the Holt Renfrew Men store in Toronto.

The retailer led the creative concepts internally, working with Torontobased Nomad Republic on production.

While some videos will showcase Holt Renfrew within the context of big-name designer shows, the partnership also allows the brand to solidify its position as a luxury retailer in Canada that is oftentimes the first to bring design talent or products to the market here, says Alison Simpson, SVP of marketing, brand and customer experience.

For example, "Ciao, Fausto" will look at Milan designer Fausto Puglisi's entry into the Canadian market.

"Our core customers tend to travel a fair bit," she adds. Beyond jetsetting fashionistas though, the content will also appeal to what she calls the brand's "aspiring customers."

The partnership comes as U.S. retailers Nordstrom and Saks Fifth Avenue are set to open their doors in Canada, while Quebec department chain Simons is also expanding, leaving Holt Renfrew to have to compete for its continued slice of the luxury pie.

For its part, Air Canada has previously offered some fashion-related content through its documentary options in-flight, but this is the first dedicated channel for such entertainment, says Eric Lauzon, manager of multimedia entertainment at Air Canada.

Partnering with Holt Renfrew was also a good fit from a branding perspective, since both have a strong Canadian legacy, he adds.

Spafax, Air Canada's media sales agency, worked with Holt Renfrew's media agency Gaggi to coordinate the partnership.

#### DESJARDINS' NEXT-GEN BANKING By Josh Kolm

Desjardins is taking an Apple Store-inspired approach to retail banking. The credit union's new store design at Marché Central shopping centre in Montreal was handled by Lg2's design and branding shop Lg2boutique, and is built around "projects" like owning a home or saving for retirement. Each project is represented as a physical product on the shelf containing information on the services customers need to make them happen, from insurance to accounts to mortgages.

It's also outfitted with tablets where visitors can sign in using Facebook or LinkedIn, which identifies them and provides a list of the most relevant products and services, as well as videos and simulators allowing them to input their info and goals, and figure out what's best for them. They can also get recommendations for branches more specialized in their needs and book an appointment. After leaving, they can sign in to research further or make a purchase elsewhere.



The layout also means staff can help guide customers next to them instead of from behind a desk, answering questions they might have as they go through the bags or use the tablets.

"Our members, especially young ones and immigrants, were telling us the way banking was being done wasn't meeting their needs," says Martin Brunelle, managing VP for Greater Montreal, Desjardins. "They weren't going, not because they didn't have to, but because they didn't enjoy it."

The new store is divided into three main areas: wealth management, property acquisition and new Canadians. The plan is to retrofit several more stores in Montreal before the year's end, and Brunelle expects it to extend to its entire retail network within a few years.

"Usually at a bank branch, you feel like you're going to the customs office," he says. "The whole idea is to make shopping for financial services as exciting as shopping for a new pair of shoes."



### **TO SKIP, OR NOT TO SKIP**

Pre-roll is like the timeshare spiel you have to sit through to get that free trip to Hawaii – except that you have the option to skip the elevator pitch after five seconds. Good news for viewers, but not for marketers, especially if 94% of people say they press the skip button (according to research by MetrixLab). Pre-roll almost needs to be skip-proof, such as Geico's "Unskippable" spots, which kept people watching through to the end of the frozen scenes. But what other ways can brands keep viewers from skipping out? Here are a few examples. By Jennifer Horn



#### DARE VIEWERS TO STAY

**PUT**: In the U.S., agency Nail Communications created pre-roll that saw a puppy connected to jumper cables with a man warning viewers that if they skip the ad, they'd electrocute the pup. When viewers didn't close the video after the fivesecond mark, the man explained that because they saved the puppy, the agency would help save more canine lives by donating a portion of its YouTube spend to the ASPCA.

And in Belgium, the Loterie Nationale's Lotto game initiated an old-fashioned staring contest with its audience, promising that if they played until the end, they'd be given the chance to win tickets to electronica festival Tomorrowland.



IF YOU CAN'T BEAT 'EM, JOIN 'EM: Volvo, Grey and Havas Media in Canada hyperlinked 40 pre-roll ads to six billion hours of YouTube content. Each of the ads showcased a vehicle feature and was linked to matching content. Watching a video about a tornado? Volvo showed pre-roll of how its XC60 can track the weather and turn on its wipers when rain falls. A video of someone twerking? The brand showed how it can keep the junk in your trunk from shaking with its grocery bag holder. (For more on this campaign, see p. 26.)



**CREATE A NEW "SKIP" BUTTON**: Instead of being given the option to skip the Australian Federal Police pre-roll for its Missing Persons division, people were asked to indicate whether they had or hadn't seen a person who had gone missing. The spot featured a photo of a man, woman or child's face and asked if the viewer had seen them, with the skip button modified to show two options: "Yes I have" and "No I haven't." In just five days, 238 people clicked the first option and provided new information on cold cases.

#### BACK-TO-SCHOOL BY THE NUMBERS

With young Canadians headed back to class, this busy time for retailers, when brands compete for parents' hard-earned dollars, is wrapping up. So in honour of the new school year, *strategy* decided to take a peek into the shopping season. By **Tanya Kostiw** 

#### THE DOLLARS AND CENTS OF IT:

4% Canadians' projected back-to-school spending increase

42% of Ontario parents spend at least half of their back-to-school budget on clothes

**49%** of Ontario parents believe BTS shopping is among the most pricey times of the year

#### THE WHERE AND WHEN

55% of Canadian college/university-aged students complete BTS shopping prior to Labour Day

80% of BTS buyers spend two weeks or less shopping

## 36%

of post-secondary-aged students had planned to visit two stores or less for BTS shopping

**35%** of this demo had planned to hit up fewer retailers than last year

#### THE ROLE OF ONLINE



of Canadian post-secondary-aged students said online will play a greater role in their BTS shopping than the previous year

67%

the increase in back-to-school YouTube videos searches in Canada last year

236M+ the number of times BTS YouTube videos were watched last year globally

Data sourced from: Google Consumer Surveys, YouTube, Ernst & Young and VarageSale.

# **FORD TRIES A NEW PERSPECTIVE**

From axe-throwing to car-bowling, the auto company wants to break through as a challenger in the car segment by getting drivers to embrace their adventurous sides.



Drivers use a Fiesta to go bowling at one of Ford's pop-up "Try More" events in Toronto.



ord Canada thinks trying something new is a good thing, and it hopes Canadian drivers will feel that way when it comes to its cars. Ford has been the top-selling automotive

brand in Canada for the last five years, with last year's sales being its best since 1997. But even though it sold over 229,000 trucks last year, car sales barely topped 62,000, a 9% drop from 2013. Despite having top-sellers in trucks, utility and sports cars, Ford sees itself as a challenger brand in the car category and is looking to break through in the B- and C-sized car segments where its Focus and Fiesta models compete.

"It's a very competitive segment, with 20 competitors in the C-car segment and approaching 15 in B-cars," says Peter Jansen, marketing communications director at Ford Canada. "So to get noticed, you have to do different things that showcase what the cars are all about."

To do that, the "Try More" campaign partnered Ford with local businesses in Toronto, Montreal and Vancouver ranging from axe-throwing and circus school to improv comedy and salsa dancing. After going to one of the partners or trying something new on their own, consumers could upload photos or videos from the experience to Ford Canada's Facebook page to enter a contest. Winners were flown out to the "Ultimate Try-Athalon" in Montreal, featuring even more activities, including being taken out on a racetrack by a professional driver.

Ford has also held pop-up "Try More" events in the three cities, intercepting people on the street to get them to do activities provided by the partners, or using the cars themselves, like driving a Fiesta to knock down giant bowling pins or recording a lipsyncing video with its sound system.

Jansen says brand perception is Ford's biggest hurdle in the car segment, and "Try More" is meant to show the design of its vehicles has gotten more adventurous. As much as history has been a strength for the Mustang, it has been holding back cars like Focus, even as its design has been updated with new tech like parking assist cameras and the Sync digital entertainment platform.

"If you talk to an individual who is not a Ford driver and you ask what cars we have, their perception is of the Focus from the prior

generation," Jansen says. Typically, Ford has targeted different demographics for

each car size, such as younger first-time buyers for smaller models like the Fiesta. But since "Try More" is covering the entire car segment, its target was kept intentionally broad. The activities also included things as simple as trying oysters or getting on stage at an open-mic night to complement the more adventurous experiences.

"In the TV spot, we used non-automotive examples to break through the clutter of other ads," Jansen says. "It begins by showing the euphoria of a kid going down a slide for the first time. The whole 'Try More' notion is based on a consumer insight that all people, by nature, are curious and like to try new things and they feel richer for having done so."

"Try More" was promoted via social, TV and OOH targeting urban centres where Ford saw high interest in B- and C-sized cars. Creative was handled by Blue Hive with the experiential events done by Bond. The campaign ran this summer, but Jansen says the idea is to keep bringing more activations, events and creative going into 2016. **JK** 



#### Happy Retirement Marc

New clubs? Handcrafted golf bag? Ball washer with wi-fi? What kind of retirement gift do you get for one of the most successful business leaders in Canada? Well if it's Marc Guay, President of Pepsico Foods Canada, it's really hard. He's got it all. After an illustrious 29 years with Pepsico Foods Canada he's received all the industry awards imaginable, including the prestigious and highly coveted Golden Pencil from the Food Industry Association of Canada. He also has the admiration of his colleagues both here in Canada and in the US, having worked on both sides of the border, climbing up the racks from his ariginal passible.

ranks from his original position as National Account Manager in 1986. We finally realized the only thing we could possibly give him is a big thank you for being a brilliant partner and friend. Enjoy your retirement Marc, we'll see you on the 19<sup>th</sup> hole.





# Marc Guay looks to

Upon his retirement, the PepsiCo president talks innovation, consumer trends on the horizon and advice for the next generation of marketers. BY **EMILY WEXLER** 

ork with people who are smarter than you. That's Marc Guay's teambuilding philosophy, though many who have worked with him would no doubt argue that in the CPG world, you don't get much smarter than Guay. Having started at PepsiCo in 1986, he held various roles, including VP of sales and marketing, before being named president of Frito Lay Canada in 2001. He was then named president of PepsiCo Canada's Foods business in 2008 when the company reorganized to bring Quaker and Frito Lay together. Last month, Guay announced his retirement, leaving behind a legacy of growth – in the 14 years he's been president, the business has almost tripled – as well as innovation and a strategy of letting the people around him shine.

"He's well known in the PepsiCo world as an exporter of talent," says Tony Matta, now CMO at Kraft Heinz, who worked with Guay at Frito Lay between stints abroad (which Guay facilitated). "If you were to look at a map of PepsiCo leaders and in red dots show the people around the planet who've had the opportunity to work with Marc, I'm sure that he would be disproportionately represented."

Matta says Guay was also a champion of the power of marketing. "Over his tenure, the marketing organization grew dramatically," he says, noting that during Matta's time there from 2002 to 2011, the marketing department nearly tripled in size from about 12 to 35 people. "He was a big supporter of us getting much savvier and more strategic with the consumer agenda and willing to invest in the marketing organization and culture to do that."

No doubt Guay has witnessed a lot of changes both in the industry and within the walls of the company he's remained loyal to. He got his start in the family business – his father was an entrepreneur with an air conditioning/treatment company – but he soon realized he wanted to be in consumer packaged goods. After a brief stint at P&G, Guay found his place at PepsiCo.

"Marc is the most complete leader I have worked with," says Richard Glover, president, PepsiCo Beverages Canada, who worked with Guay for 21 years. "He balances keen strategic thinking with an incredible understanding of the details of the business. Becoming a share leader, innovating to meet consumer needs year after year, and driving category and above average industry growth are hallmarks of an incredibly strong business which Marc built over the last 29 years."

We chatted with Guay about his views of the industry he's leaving behind, as he sets off into retirement.

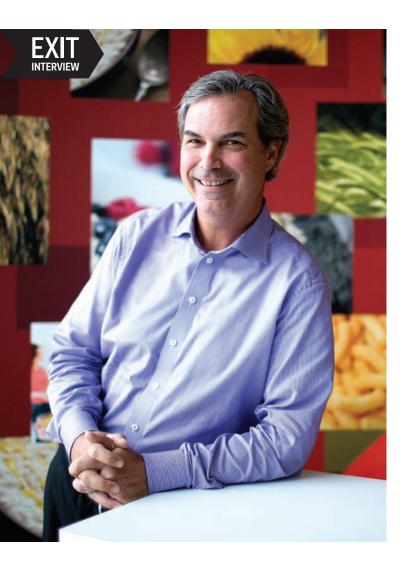
#### Why have you decided to retire now?

I think I've done my part the last 30 years (laughs). It's just time. It may appear sudden to some, but it's something I've been planning for a while. I have signed on to take responsibilities outside of PepsiCo, with PepsiCo's approval. I will be doing some volunteer work (with Food Banks Canada), which I'm passionate about. I will go back to my roots and become an entrepreneur again, I'm involved in a small company that I've taken a share in. From a business perspective, it's also a good time as PepsiCo is transforming, the business has got momentum and we have a good team in place. I can leave on my terms with my head held high.

#### Is there a succession plan in place?

I was fortunate enough to work with Jason McDonell, who was our [VP marketing] here in Canada for four years. He went to the U.S. and worked on a big [PepsiCo] brand down there. I was lucky enough to get him back a couple of years ago,

# the future



#### "WE'VE ALWAYS THOUGHT OF CANADA AS A DIVERSE COUNTRY BUT IT'S WAY MORE FRAGMENTED AND DIVERSE THAN IT EVER WAS."

and we worked together in order to prepare him to be my successor. And I'm very fortunate that PepsiCo chose to go with Jason. I know the business is in really good hands.

#### What trends made the biggest impact on your business over the last few years?

Consolidation has been a big trend on both sides of the desk, so you essentially have five retailers that have a share of the Canadian food dollar that is around 90%. And then consolidation on the marketer side with the most recent deals like Kraft and Heinz as an example. There's fewer players, bigger players, so that changes the dynamics of how you get to the consumer based on who you're dealing with and who you're competing with.

Also, our bull's-eye consumer used to be a suburban family of four with a dog and a station wagon. And I'm not going to say it's a disappearing breed, but longer term that is not who we're going to be targeting. We're going to be a lot more focused on multiple ethnicities, multiple demographics, and there's growing complexity there. One of the trends we've seen is the re-urbanization of Canada. People are moving out of the suburbs back into the cities as real estate in the suburbs becomes increasingly expensive. The impact is profound because they spend their time differently, they shop differently.

Also, the impact of e-commerce on how we do business and how to best facilitate the lifestyle of busy

Canadians who don't like to grocery shop. That poses unique challenges in the food industry, and we're keeping a very interested eye on the different methodology and investing in our own research to make sure that we're ready when the time comes to play in this space. I'm not saying we're betting on a single model, but we're researching the different options.

In terms of targeting different ethnic groups, how is that being reflected in product development at PepsiCo? It's an evolving model. At the highest level, we know that first generation Canadians take their habits, behaviours and brands with them from wherever they come from. And so as a global company, we have local portfolios in India and Pakistan and China that we can leverage to cater to first-generation Canadians. One example would be that the number one PepsiCo snack in India is called Kurkure, which we made available in Canada a few years ago.

As we think about second and third generation Canadians, the plan is to market to them like we market to any other Canadians. They go through the schooling system and grow up here and watch Canadian advertising and build love of Canadian brands.

We've [tried many] different flavours, we had Ginger Wasabi Lay's, we had Spicy Curry Lay's, we had Tandoori Doritos, Butter Chicken is one of the current flavours [a finalist in the Lay's "Do Us a Flavour" contest]. So we try to keep things relevant and interesting for as broad a group of Canadians as possible.

#### What about the amount of global adaptation versus homegrown marketing in the CPG industry - how have you seen that change?

As a consumer, I see a lot more advertising that's coming from some sort of global perspective. They tend to be fairly benign, flavourless, odourless because they're trying to reach multiple cultures and demographics with one single message, and we all know that's not how the world is composed.

We've always thought of Canada as a diverse country but it's way more fragmented and diverse than it ever was. And I think you need to be more surgical in how you talk to consumers. So I'm not a big fan of these global spots.

We're very fortunate in our environment to have the best of both worlds of being able to lift from some of the greatest advertising campaigns in the world, but when that doesn't make sense for us, we still have the ability to develop our own [like Lay's "Do Us a Flavour" or anthem spots for Quaker]. I think that's more the exception for global companies like PepsiCo these days than the norm. And quite frankly, I think that gives us a unique competitive advantage.

#### "BE CURIOUS. LEARN ABOUT THE BUSINESS AS MUCH AS YOU CAN. GO VISIT A PLANT, GO SPEND TIME IN THE STORES...BE LEARNING MACHINES."

#### When we interviewed you back in 2007, you said "Innovation is the lifeblood of our business" - how has that manifested itself in the years since?

Over time our focus has gone from flavour extensions and less incremental ideas to what we call "platform innovation." The perfect example is a bread bite snack that we launched three years ago called Twistos. We were looking for ways to enter a different aisle of the store, the cracker aisle, and provide a healthier snacking alternative to Canadians. So we sourced this product from Argentina. Their flavours were not what you would call traditional flavours for the Canadian palate, so working with our local seasoning partners, we were able to develop flavours that were more in line with what Canadians would expect from a midafternoon snack.

It was the same thing for advertising – their advertising I think would have been unacceptable to most Canadians, so we worked with our advertising agency [BBDO] here to develop an ad that reached the consumers that we wanted to reach. It was a great example of leveraging the global network, but adapting to local tastes and behaviours.

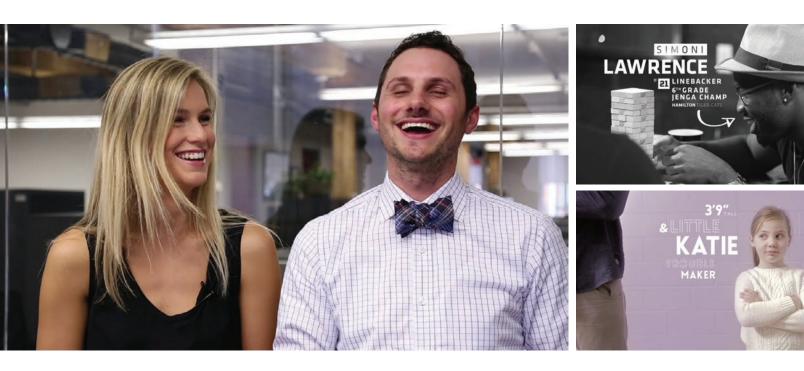
#### What piece of advice would you give to the next generation of young marketers?

It's the same one I've given for years – you want to find the organization that's right for you, with the right values that you will be comfortable with, the right leadership that's going to be committed to investing in you and passionate about your success. And then once you find that organization – it may be a big company or a small company – be curious. Learn about the business as much as you can.

Oftentimes I'm surprised by how little people know outside of their functional area. Go visit a plant, go spend time in the stores, go and see how P&Ls are built. Become smarter. Because all this will accumulate and make you a more effective marketer. So my advice is to be learning machines – the more you know, the more fun you'll have and the more successful you'll be. **B** 

YOUR LEGACY WAS NOT A 'GIMMIE'. ALL THE BEST MARC, FROM YOUR FRIENDS AT MATCH MG.





# Inside the CFL's digital drive

THE LEAGUE'S PLAYBOOK HAS BEEN OVERTAKEN WITH ONLINE CONTENT MOVES AND A DIVE INTO DATA AS IT LOOKS TO CONNECT WITH FANS IN NEW WAYS – AND, EVENTUALLY, BECOME A GLOBAL BRAND.

n a small downtown Toronto studio, a pair of 20-somethings banter back and forth in front of a camera, throwing to off-screen content and cracking puns about things like a Calgary Stampeders-inspired corn maze.

They're Brodie Lawson and Max Rosenberg, the youthful hosts of *The Snap Wrap*, one of several YouTube series from the Canadian Football League.

The Snap blog first launched last September and the video series, produced in-house at the league, kicked off in June as an additional way to showcase all that content that doesn't necessarily fit with the tone of standard CFL game coverage – like an Edmonton Eskimos cheerleader getting a marriage proposal at a game.

Lawson and Rosenberg – and *The Snap Wrap* itself – are just one part of how the near 60-year-old organization has been upping its content game to connect better with fans – both avid and those with potential to be so – and a coveted younger demographic.

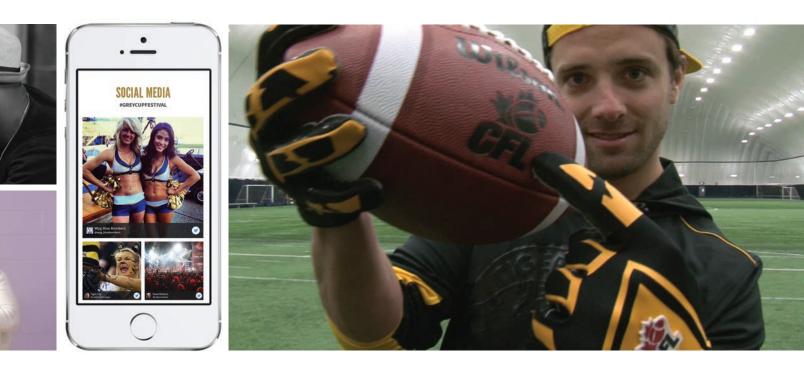
Connecting with younger fans has been a priority for the CFL for several years. And when Jeffrey Orridge became the league's 13th commissioner in March, the longtime sports media exec made a point to say that courting a younger demo and the more casual fan were crucial for the CFL's continued momentum and growth.

The CFL is no doubt popular. A survey of about 4,000 Canadians released in June out of the University of Lethbridge suggested that 26% followed the CFL closely or very closely, behind the NHL, but ahead of MLB, the NBA and Major League Soccer.

Still, interest proved lower among younger fans (18 to 34), with 18% following somewhat or very closely – on par with the NBA and lower than the 21% who followed the NFL and 19% following MLB.

Now, a digitally-savvy team at the league is working to help bring Canadian football to fans in new ways. Calling many of the plays is Christina Litz, a former Corus Entertainment and Rogers Media exec who has been the CFL's VP of broadcast and media assets since April 2014.

"I'm a big believer in fail fast," she says. Her team of 11 takes feedback from fans online using social and analytics and pays attention to both online message boards and forums at major events like the Grey Cup, all to take a test-and-learn approach with its content



plans – ranging from surprisingly divisive emoji usage to original YouTube content.

This game plan has led to more budget spent in the past two years on content creation and events such as bar nights in local markets to engage fans.

Outside of *The Snap Wrap*, for example, the CFL has used other content to show a different side of the game and its players on a YouTube channel with just over 14,800 subscribers. Working with Toronto agency OneMethod, it launched two series ahead of last year's Grey Cup.

From left: The Snap Wrap hosts Brodie Lawson and Max Rosenberg; a look at some of the league's recent online content; wide receiver Andy Fantuz stars in a video as part of the Whistle Sports partnership.

*GameTime with Simoni Lawrence* captured the conversations between the Hamilton Tiger-Cats player and other CFL stars over friendly matches of Jenga or Battleship. Meanwhile, *Just Playin' Starring Little Katie* featured a six-year-old girl interviewing – and sometimes grilling – the players on everything from their beards to their records.

In May came a bigger play when the CFL announced a partnership with Whistle Sports, a fast-growing multichannel network based in New York. Since launching in January 2014, Whistle Sports has forged partnerships with properties including the NFL, PGA Tour, NASCAR and MLB and has tens of millions of subscribers.

Now, it's helping to deliver more viewers to the CFL's content, along with working with the league and YouTube stars Brodie Smith and the Dude Perfect team for new videos.

"Whistle works on the fly, and they really want to work with the authentic personalities of our players," Litz says. Funny, often unscripted moments have been common in the CFL's overall content play. "At the end of the day, when it comes to fan engagement, sports is amazing, but I think we have a lot to learn from other entertainment properties," she adds.

It's kept some of those learnings in mind with its latest big task: an overhauled website, set to debut in September. CFL.ca has seen some updates over the years, but the platform hasn't been updated since 2007 – the pre-smartphone, pre-tablet era.

The more visually appealing and mobile-friendly redesign spotlights the league's teams, players and cheerleaders with their own profile pages. It will also integrate other content like the current stand-alone Snap Wrap blog, and be home to an array of shareable content.

"For casual fans, we're making the sport a lot more approachable," says Lanny Geffen, VP of user experience and design at OneMethod, which is leading the redesign.

Traditionally, pro sports sites are full of tables and numbers that can be pretty meaningless to a more casual fan, he notes. Instead, the CFL hopes to make those figures more visual and shareable among fans and their friends. For example, if a Hamilton fan's made a friendly bet with his Argonauts-loving buddy, he can tweet out a stat showing how well his star player is throwing that game.

"That only works if it's near real-time, and that has been a gap for us in the most recent past," Litz says.

So this fall, the league will begin testing a new statistics application from New York software firm SharpHat, created by a team that's worked on similar applications for the NFL. The process is extensive. Along with compiling historical data back to 1907, the new system will include technology to gain near real-time stats from games and in-depth metrics on the plays and athletes (for



The league goes after fan engagement with a sleeker website design, providing more shareable content. example, a quarterback's pass completion percentage).

Currently, a team on the ground at a game has to enter each play, figure out the statistics around it and have it approved by the CFL's lead statistician. "What we're doing is basically taking the brains of the head statistician and putting that into the new application," says Nick Maou, president and CEO at SharpHat. "The fans will be able to see the stats for each play and cumulative [stats] for the game as it's going on, pretty close to real time."

Starting this fall until the season ends with the Grey Cup in late November, the CFL will test the new system, and by next year, the near real-time stats will be available to coaches, the media and fans through content on the updated CFL.ca. On the website side, the stats will feed into infographics and content that will be shareable.

The overhauled data gathering also will allow other companies – and the CFL itself – to create better fantasy football programs, Litz notes. "When our fans have asked why we aren't doing more in fantasy or why we're not doing more in gaming in general, our stats system quite frankly hasn't allowed us to even consider that," she says. In June, the league did release its "Pick'Em" app and website created by Pound & Grain, a straightforward choose-the-winner-type game meant to keep fan interest all season, but now it hopes to have the capacity to create more in-depth fantasy options.

Improved fantasy offerings will be one more step in the league's greater strategy to connect with fans. "We don't expect people to go in, sit in their seat, stay still and leave at the end," says Sara Moore, VP of marketing



CONTACT NEIL EWEN AT 416-408-2300 X247 OR NEWEN@BRUNICO.COM FOR MORE DETAILS.

and events, who joined the league in 2011 after stints at Mobilicity, Yahoo Canada and Rogers Wireless. Her major priority is to create experiences that allow people to feel connected to the league, its teams and the game itself.

For example, better engagement with younger fans was part of the thinking behind launching a *Thursday Night Football* broadcast this year. The TSN-led broadcast, running until Labour Day, has worked closely with the league to highlight the communal fan experience with music and social media content.

So far, ratings for *Thursday Night Football* have been on par with last year's combined averages for the week (which include Friday, Saturday and Sunday night games) and have often outperformed average ratings within the 18-to-49 demographic.

The league has also worked with Bensimon Byrne on its branding and positioning around fan engagement, including a TV spot for last year's Grey Cup that was created out of fan-submitted video.

Beyond keeping up with millennials and casual fans, Orridge and others at the league share a long-term goal of making the CFL a truly international brand.

There are already the beginnings of interest south of

Kraft Dinne

the border and across the pond – the flames just need to be fanned, Moore says.

In the U.S., the game (broadcast through ESPN) is particularly popular in regions with NCAA teams, from which some players join the CFL (Michael Sam and Rakeem Cato are recent noteworthy additions).

"It's good football for a football-crazy nation," Moore says.

The league also sees interest from viewers in the U.K. and Ireland, who get broadcasts through BT Sport and often send requests asking about potential exhibition games happening there (for now at least, they aren't).

But this fall, the CFL will officially launch a new paid subscription YouTube channel for countries that can't see the game another way.

The idea, Moore says, is to get a well-packaged game out there for more people to sample. Coupled with the players being great ambassadors, she says it's the right mix to take the league to the next level. "I think the CFL has all the right ingredients to be a global brand," she says.

Until then, it plans to continue its digital plays – creating new content, changing direction when needed, and running the extra yard to score well with fans and keep them coming back to the game. **B** 

### Looking good, Kraft*Heinz*

#### **\* PIGEON** BRANDS

YOUR BRAND DESIGNERS SINCE 1979



www.pigeonbrands.com

# SCIENCE FICTION TECH GETS A REALITY CHECK

Biometrics, mind control and teleportation – these are a few of science fiction's favourite things. But we've got news for you. They're no longer tropes seen in over-the-top films or futuristic novels. Tech companies, and even brands, are bringing to life the ability to pay with your eyes, be in more than one place at a time and control the world around you with your mind. Here's a guide to the recent tech advancements and how some brands are jumping on board.



#### MINDCONTROL

#### THE BBC'S THOUGHT-POWERED REMOTE

It's not in market just yet, but the BBC is taking steps toward creating "Mind Control TV" remote technology that will let viewers select and watch programs just by thinking about it.

The broadcaster is working with UX studio This Place (which has recently been making waves with its MindRDR app, which connects with Google Glass to allow people to control the device using their mind) to create a prototype EEG headset for viewers.

It's meant to work with the BBC's iPlayer, and during recent trials, 10 of the broadcaster's staffers experimented with the technology by concentrating on which TV shows to watch through the iPlayer, with the headset translating their brains' electrical activity into actionable data.

#### **TELEPORTATION (ALMOST)**

#### **BEAM ME UP, MARRIOTT HOTELS!**

Humans can't physically teleport from one place to another (at least not yet) – science hasn't quite caught up to the possibility of moving through space and time. But this didn't stop Marriott Hotels from trying. Last year, the brand designed "The Teleporter" and virtually transported Americans in eight cities to places like Hawaii and London.

The brand created a vision of the future of travel, without having to break the laws of science. It used 3D, 360-degree live-action video, and mixed it with photoreal CGI and 4D elements such as heat, wind and mist to show users destinations around the world, as well as what Marriott Hotels of the future might look like.

The phone-like booths (developed with the help of video effects and creative content studio Framestore, as well as experiential marketing agency Relevent) delivered "sensory inputs" to almost every single part of the human body. When inside, a person could feel the sun on their face, the sea spray on their skin, the wind in their hair, the ground rumbling beneath their feet and the smell of somewhere new. The idea was to make people question whether, when every sense is telling you that you're travelling, are you?



#### FEEL YOUR DESTINATION AT ARLANDA AIRPORT

You read news reports about the extreme heat in Dubai or the frigid cold in Northern Canada, but nothing beats being able to physically feel the climate in far-off places. And now you can, without actually being there — if you happen to be in the Stockholm Arlanda Airport until the end of August.

Working with Sweden-based agency Åkestam Holst, the airport is using wind and temperature simulations, as well as audio-visual installations, to give travellers a preview of their destination just by stepping through a door.

The Swedish airport and agency engineered a "Climate Portal," where a person need not get on a plane to feel the heat of a desert, the cold of a snow-covered mountain or experience a city's vibrant lights. Three large chambers act as direct links to the world and are hooked up to online weather stations in several different countries. The data from the weather stations is then translated directly to the portals and simulated in real-time.

#### **BIOMETRICS**

Astonishingly, the two most popular passwords last year were "123456" and "password" (you'll be pleased to know "iloveyou" dropped off the top 20 list, compiled by security company SplashData). But wait, it gets worse. Around 99% of the world's passwords are among the top 10,000.

With increased concern over privacy issues these days, is it time we kill the password? PayPal's head of global developer advocacy, Jonathan LeBlanc, has been hinting at a future without passwords while speaking at tech conferences around the U.S. and Europe. He's pointing to biometrics providing an answer to humanity's identification woes, painting a picture of a world where we can one day ingest or inject devices to be used in place of cumbersome codes. LeBlanc told the *Wall Street Journal* his company has been working with developers and specialists in vein and heartbeat recognition technologies to create futuristic ways to allow "natural body identification."

While we're still a ways away from computer chip tattoos and ingestible devices, the numbers behind biometric technology back PayPal's and other companies' (such as Apple and Samsung with their smartphone fingerprinting technologies) interest in the space. By 2020, Grand View Research expects the global biometrics technology market to reach a staggering US\$24.59 billion. Cue the eager startups attempting to get a piece of the pie with devices that use human body systems, from the eyes to the heart and even a person's face, to make payments, access information and even personalize the shopping experience. Check out a few examples below.



#### SMILE TO PAY BY ALIBABA

Just before leaving the stage after his keynote speech at the CeBit conference in Hannover, Germany earlier this year, Alibaba founder Jack Ma teased at his company's latest invention, Smile to Pay. The Chinese e-commerce giant is experimenting with a facial-recognition technology that allows smartphone users to take a photo of themselves before checkout to confirm their identity and make a purchase online. (A couple of months later, MasterCard announced it too is looking to launch an app that allows people to pay by selfie.)

#### **BIYO'S VEIN PATTERN READER**



As revolutionary as fingerprint technology may be, the truth is a person's thumb impression can be lifted from most surfaces. But Biyo, a U.S.-based startup, has taken the next step in handprint identification and combined it

with vein patterns. It uses infrared light to capture these patterns on a person's palm, with the technology also able to track flowing blood. So even if someone were to chop a person's hand off and sneak it into a store, the company says it wouldn't work at the checkout due to the lack of blood flow in the severed hand, naturally.

#### DOCOMO AND FUJITSU'S IRIS SCANNER

If ever there was a technology from the film *Minority Report* that viewers would most like to see in real life, eye scanning would probably be it. And this summer, Japanese mobile phone operator NTT Docomo

and technology company Fujitsu made some wishful thinkers happy, developing and releasing the first-ever smartphone that can scan its owner's iris to unlock the device and make purchases – much like Apple Pay, which uses fingerprints, but with a less likely chance of a person's "eyeprint" being stolen by fraudsters.





We don't need to tell you (again) how quickly the world of new tech moves, or how it seems as soon as you figure out how to use your shiny new toy, something newer comes along to replace it. But what if we got a jump on the engineers and developers of the world, and let them catch up to us for a change? // We reached out to creative minds in several corners of the industry to get a sense of which recent developments excite them, and what their next steps and applications should be. What do virtual reality, wearables and AI look like in an ideal world? How will they connect brands with consumers, and how will that experience be different? And considering how quickly limitations are being stripped away, these ideas aren't as far-fetched as you might think.

🖊 BY JOSH KOLM

#### BRANDS GET A SLICE OF THE SHARING ECONOMY



Marilou Aubin and Jennifer Varvaresso, interactive creative directors, Lg2 Montreal

f 2015 was the year the sharing economy exploded, 2016 will be the year brands have to join in.

Sharing economy companies are not selling products. They're offering platforms to connect people, so they invest everything in that service to meet people's needs, making it cheaper,

more convenient and profitable for all. Even if technology made this shift possible, the revolution is actually social.

Brands need to find ways to monetize mediation services instead of just selling products because the opportunities are plentiful. If a brand manufactures cars, is it in the business of selling vehicles or helping people get around? A great answer to that question is Car2Go, the car sharing service created by Smart.

Is a telecom provider in the business of selling data or helping to connect people? Singapore telco StarHub allows subscribers to donate unused data to charity, but this also could have been a model where users can buy and sell unused data to each other directly, with the telco getting a percentage of the transactions.

In 2015, Montreal saw the arrival of Provender, a business connecting farmers directly to restaurants, but why isn't there a



food wholesaler or a distributor behind this initiative?

A renovation centre could offer a service where people can rent their tools to others directly, thus acquiring valuable behavioural data for e-commerce purposes. Building off that, a clothing retailer could pair people with similar profiles (from gender to size to style) and help them sell and buy used clothes among themselves and, of course, offer pieces to help complete the look. By accepting that they are not always at the centre of commercial activity, brands can "gain from the periphery" by facilitating or augmenting consumers' sharing experience.



#### **EMBRACING RICH CONTENT**



WW e've known for a long time that content is king, but with the fast-paced advances in technological innovation and the evolution of social media platforms, the way content is experienced and consumed is having a profound effect on the way it is produced and amplified.

Mark Childs, CMO, Samsung Canada

Twenty years ago, no one was working to solve the problem of how to shoot the best possible 15-second video. But today we are experiencing a shift in the media consumption habits of consumers, who are now accustomed to watching video in 15-second (or

less) snippets on social media via their mobile devices, as well as a rise of live broadcast social platforms such as Periscope. Suddenly, designing technology that maximizes the chance of shooting a great short video worth "liking" is a technology problem worth solving.

This creates a virtuous circle: as the technology improves, it enables content producers to create new forms of storytelling and delve into subjects previously out of reach for those mediums.

Now think about this in the context of big screen entertainment. As video technology gets better – thanks to innovations like UHD and curved TVs – we are seeing growing demand for 4K and UHD content, which has already been answered with new Netflix series like *House of Cards* and *Sense8*, which offer immersive, cinematic experiences shot in 4K.

Just as 3D technology is changing the way movies are produced, bringing never-before-possible experiences to moviegoers, imagine what happens when the most creative minds in Hollywood or in the videogame business start looking for new ways to tell stories with 4K, UHD and virtual reality content.

Could we be close to a day when the moviegoer becomes a part of the next Avengers movie? Or a marriage of movies and videogames where the summer's biggest blockbusters become interactive, choose-your-own-adventure type films? This focus on developing new experiences in virtual and augmented reality will fundamentally change the way consumers think about movies, television and other forms of video content.



#### THE DEATH OF DISPLAY



Patrick Schroen, group director of digital technology and innovation, JWT Toronto

he future of the web isn't actually new. Tim Berners-Lee, inventor of the World Wide Web, had an early vision of Web 3.0 in 2001: "I have a dream for the web [in which computers] become capable of analyzing all the data on the web." Also referred to as the Semantic Web, Web 3.0 is really about computers and servers working together to get pieces of information you need in front of you, be it through Siri, home automation or internet-connected fridges. But in a world without a web browser and with an increasing demand to directly get to the information we want quicker and without interruption, what place does that leave for display ads and paid media?

You can create promoted content, but consumers lose trust in information if they know companies have paid to be the returned result. In Google search results, consumers have naturally developed "banner blindness," ignoring sections of the screen where they know paid results are and going straight to the organic results.

In Web 3.0, search results are more direct to the information with less browsing anyway, and in some cases, just a single result is returned, leaving little to no options for advertisers. That is, unless they become the trusted content through subscription-based services that consumers really want, or "advertising as a service."

In a future where your smart fridge is aware of its contents, your home could be as well, creating a "shopping list" of not just groceries, but things like toiletries and smart light bulbs that are about to burn out, as part of a home inventory of products. If a consumer has already subscribed or expressed interest in a product, location-based data can be used to connect them to inventory from a local store, and a brand can send a notification when they're in the area that the product is available.

These are not passive ads but actual services for consumers that also promote your content. There is a criticism that advertising as a service takes the creativity out of advertising. But while it's true these aren't graphic-based ads, it doesn't mean you can't be creative with your data.

#### A TRULY MOBILE PATH-TO-PURCHASE



Www.ith mobile's inherent "always on/always on you" nature, the line between what's retail and what's not is becoming blurred. New marketing opportunities are opening up that are context agnostic: as long as you're connected, retail opportunities may exist for anything, anywhere, any time. Google, British Council and Amazon

**Steve Savic**, ECD, Critical Mass

have begun to catalogue millions of objects. While some have launched object recognition tech as a simple visual dictionary, others are developing it to connect customers to their online store. And now that everything around us has a huge data layer attached to it (and not just our online presence), the world is essentially a massive product catalogue. By connecting to this data layer, recognition technology can turn sounds, images and objects into real-time

retail experiences with the user right in the middle. So imagine your next retail opportunity happens while taking a stroll. Take a picture of a car on the street, and that street instantly transforms into an online showroom.

Now, make the experience tactile by inserting yourself into it and trying before you buy. Augmented reality isn't new, but special effects that can recognize things as subtle as movement, angle and shadow have just emerged, so your mobile device is better able to be the mirror that lets you virtually try on or see yourself in almost anything you're interested in. Simply scan yourself and instantly see the virtual results



in a live video stream that's true to life, connected and 100% free of buyer's remorse.

And forget cart and checkout for the fulfillment step – in a mobile retail world, what you buy comes to you, wherever you are. In Belgium, telecom provider Base has turned mobile phones into actual addresses. Two interacting apps establish a dynamic connection between the delivery service and customer so when you move, your address moves, making "home" wherever your mobile is. So, can ordering pizza to your next picnic in the park be that far off? Not at all. In fact, it's already happening.



#### RETAIL TECH FINDS A HOME IN THE REAL WORLD

ricks-and-

mortar

retailers

are making great

strides with their



Ian MacDonald, director of consumer marketing, AutoTrader.ca digital offerings, growing online revenues at a rate faster than pureplays like Amazon. But we also see online

businesses like

Indochino, Clearly and Warby Parker discovering that complementing their digital presence with a physical storefront can deliver incremental sales, brand awareness, lowered logistical costs and enriched customer insight. Consumers increasingly expect to be able to research, shop and buy from brands on any platform they choose – digital or physical – at any time.

Having that brings inherent attribution problems and a crossplatform customer profiling task that feels daunting. But there are significant gains for attribution, conversion optimization and market share growth to be had.

Bluetooth beacons already enable relevant alerts to be sent to mobile phones of nearby potential customers, and have been offered by Facebook to small businesses. But most recently, advanced signal-based location tracking via a mobile device that doesn't require Bluetooth to identify customers has developed, reaching the 70% of people who don't leave Bluetooth enabled on their phones.

The same tech can also provide heatmapping and analytics to optimize merchandising, store layout, staffing patterns and even window displays. Car dealers who are closed on Sundays can see how many people are perusing the lot and calculate whether being open on that day has positive ROI without ever having to incur the cost of trialling it. We wouldn't have to rely on studies and psychology to pin down where people go first when they enter a store. A supermarket can see with more accuracy which aisles are most visited via dwell time and location tracking, and can therefore arrange them for maximum convenience or to drive discovery.

#### DREAMING OF MORE CREATIVE SHEEP



Mikko Haapoja, director of creative technology, Jam3 Vou've probably seen Google's eye catching Deep Dream images floating around the internet. At first glance, you'd think these images are simply examples of '60s psychedelic art, but they're in fact visualizing the work of a form of AI, called a neural network, as it tries to find animals within networks of images. (*Ed. note: our cover, and the image below, are examples.*) The main purpose of neural networks

is not to create trippy images, but to solve

"fuzzy" or non-binary problems. Fuzzy problems are the kinds of things humans are very good at solving but give computers a hard time.

With its neural network, Google is trying to solve whether you'd like to visit a specific site or not. Simply knowing what your consumer wants is already a powerful thing in advertising,

but there are also potential creative uses.

What if Coke wanted to create a website where users could share images of happiness? Currently, to recognize the emotion a user is conveying, a facial feature recognition library could be used to output the shape of a "happy" user's facial features. Then a developer would meticulously write code that analyzes the geometry of the mouth, for instance, to check if the corners of the mouth are upturned. This



technique is tedious to write and very error prone.

The most amazing part of neural nets is they are applications that can learn. The developer instead writes the base application, which then learns what faces look like when conveying different emotions through "training" as images of people are passed through the neural net. This is similar to the way banks have been analyzing handwritten cheques for years, using object character recognition, with an accuracy of more than 99%.

The rise of "easy to use" neural network libraries, the stunning results of experiments like Deep Dream and the proven reliability in solving problems with object character recognition at banks make neural networks a really interesting technology to watch as they become incorporated into more creative concepts and applications.

strategy September 2015 | 25

#### **TECH LEAVES THE PHONE BEHIND**



The flashlight was invented over a hundred years ago, but never in its history did anyone think a flashlight should be a tiny light near the top of a rectangle that you awkwardly hold in front of you. That would be a ridiculous product. Yet here we are in 2015 and when most of us need a flashlight, we use our smartphone.

Jeff Vermeersch, director of creative technology, Tribal Worldwide

This is because it is more convenient when everyone has a smartphone that they almost always have in front of their face. The problem is the way a smartphone works is the ultimate

in compromise. It's incredibly okay at everything (like video chatting, predicting the weather or being a telephone) but not particularly great at anything.

There was once a popular iPhone app that used the gyroscope of the phone to mimic a level. Was it convenient?



Yes. Was it actually a good level? No. Today, you can buy a level with the traditional form factor and a myriad of smart functions. Way better.

Thanks to progressively cheaper and accessible technology, smart devices will start peeling functionality away

from smartphones. Where we once built specialized function into a generalized device, we can now build generalized functionality into a specialized device. And its functionality and form can be perfected for one dedicated task.

GasBuddy is an app that tells you the prices of gas in your area. Most people probably don't open it unless they are low on gas, at which point they just want to see the station near them with the lowest gas price. Taking that user need and applying it to a smart device, you get a small, dash-mounted screen. It would know where you are, what road you are driving on, the direction you are headed and have access to all of the GasBuddy data. The screen would simply display the next three gas stations on your current route with distance, brand and price.

The best smart devices will also remove our need to think about them at all. Currently, a GasBuddy user has to unlock their phone, open the app and read the data. This is a conscious action. Users of a GasBuddy smart device would simply glance at the screen when they realize they are low on gas. It will become as integral as the fuel gauge and, ideally, just as forgettable.



#### INTELLIGENT ADS AND PRODUCT DESIGN



or Volvo's "6 Billion Hours" campaign, Grey Canada delivered pre-roll using a set of rules designed to correlate a vehicle feature to the relevancy of a YouTube video being watched. We strategized against popular video uploads and searches provided by Google's DoubleClick team to identify what pre-roll would play based on keywords, video title and description.

Marc Cattapan, technology and UX director, Grey Canada

Setting up and testing the rules of engagement absorbed many man hours, and testing their relevancy was assumptive, since we had no way of knowing if that visitor was in the market for a new car or if the vehicle met that visitor's current transportation needs.

As AI becomes more robust and commonplace in the advertising process, those same data sets used in the Volvo pre-roll will be less prescriptive and more fluid. The customization of the ads will be more instantaneous and personalized.

The ad will be manipulated to match the user's propensity to search for specific colours of a car, whether they currently own a vehicle, their immediate family size (to determine the cargo capacity), what their credit rating allows them to afford and whether they like to spend leisure time in wilderness or urban environments.

Getting to that stage of intelligent marketing will hinge on the development of artificial neural networks (see previous page). As technology becomes more integrated into our lives, we provide neural networks with more data and these algorithms become more evolved. With more data they will anticipate and participate in conversations with empathy and timing, knowing what cues lead into the next topic and at which point to interject key messaging, and which topics to steer clear from.

Google is already integrating neural networks' ability to learn through its speech and facial recognition software, but the potential of neural networks' AI has further possibilities. Advertising will be closely tied to the manufacturing process, as this "on demand" economy forces the build and design of products to be integrated into when and how a consumer responds to ads. Cost of producing inventory will plummet, but that doesn't mean media spend will increase, as a single ad can be dynamic and far-reaching. Suddenly, ads will have the ability to target consumers with the intimacy of a whisper, instead of trying to shout louder amongst the noise.

#### **VR GROWS OUT OF GAMING**



Lucile Bousquet, senior director, marketing and communications, Ubisoft

hile virtual reality is commonly associated with gaming, other industries are realizing its potential: healthcare, education, manufacturing, entertainment, tourism...and advertising.

There's a lot of talk about consumer adoption, but the main democratization factor will probably come from enterprises. Technology is becoming more advanced and

affordable, so more uses are surfacing, and we're just at the beginning of this incredible adventure.

VR's use in marketing will be a way to introduce an audience to a new concept or experience by creating "physical" connections and sensory engagement where none was possible before.

In tourism, we see a new form of marketing brochure with Destination BC offering tourists a preview of the province with a 360-degree VR video. We also see Qantas offering the possibility for first class passengers to borrow a VR headset to visit the Australian airline's destinations virtually during flight. These tactics help engage travellers in emotional conversations about where and why they should travel.

The whole concept of VR means it breaks down barriers that separate a viewer from their entertainment. We've already seen a VR app that allows viewers to join Paul McCartney on stage in concert. Brands will be able to offer "money can't buy" experiences, like watching hockey games from the bench or attending sold-out concerts in the front row. VR could also increase empathy and generosity in the non-profit sector by putting viewers in a journalist or NGO's shoes during a natural disaster or humanitarian crisis.

Engineering, medical and military sectors already use VR for training purposes, saving money on practice materials by simulating real-life situations instead. NASA's been using VR to improve the quality of life and mental health of astronauts on long-term missions. So we can imagine universities or companies using it widely, making training more engaging and enjoyable.



This is especially true for new generations that are no longer motivated by whiteboard teaching methods.

In the manufacturing and product design sectors, VR can design and simulate products to cut prototyping costs and let consumers preview experiences for products that aren't yet available. Audi announced it would be using VR to give potential buyers an in-depth look at car customization options.

Opportunities are limitless: real estate firms or architects offering virtual walk-throughs, virtual product customization for 3D printing, community collaborative design and more.

It's a bit early to predict exactly where the market is headed, but I can say this with confidence: the future of VR in gaming is exciting, but it extends far beyond the industry.



#### CREATIVITY GETS AUTOMATED



A utomated creativity is changing a digital creative's role. Universally accessible big data, app development and faster cross-platform server-side coding platforms have allowed us to work with more automated processes in real-time. Early systems are already letting retail clients create online campaigns from customizable experiences and automated media builders, as well as use dynamic built-in testing

**Todd Lawson**, CCO, Dashboard

of various versions offered by many SaaS cos. Right now, these systems rely on agencies to create large libraries of completed assets such as banners, social ads, videos or a mobile version. We spend our grunt hours and client money manually creating dozens of them, each with alternate messaging.

What we're starting to move towards is true real-time content creation: libraries not filled with finished singular assets, but a collection of sub-components that dynamically form to create the finished ad unit or experience. Not the kind of variety we see in the latest media-serving case study, but true user data-based experience delivery with little need to monitor or update manually.

Say Toyota set up every dealer franchise website and media hosting on a single platform. They could connect to a trusted auto feed to access every car image and specification, and build out an initial library of individual, brand-approved styles and assets. Then, with coded logic, we would change each user's experience based on their interactions in real-time on the micro level: vehicle trim based on colours they research, button sizes, headlines and copy compositions that grabbed their attention, as well as offer hierarchy, types of embedded content and decide what not to show. Similar to how current re-marketing display ads offer up a link back, but even more granular into the marketing message's DNA.

A creative team's role won't be devising a single clever campaign, but to better optimize input and output of content creation systems with a human touch. It means forcing results based on live consumer data and creative intent, not creative mandate.

Head to strategyonline.ca to read up on more Next Big Things.



# Advertising by the numbers

WHEN IT COMES TO DATA, TOMORROW'S NEXT BIG THING IS GETTING CREATIVE WITH THE NUMBERS YOU HAVE, BAKING THEM INTO THE STORIES YOU TELL TO REALLY RESONATE WITH YOUR AUDIENCE.

ou know something in advertising has hit it big when it gets a new category at the annual Cannes Lions Festival of Creativity. This year marked the inaugural Creative Data Lions, and though no Grand Prix was awarded, 28 trophies were handed out among the 700+ entries.

Of the six Gold Creative Data Lions, five were for the public sector, while only one was considered commercial. The brand campaign, by *Madden NFL*, Google and San Francisco-based agency Heat, sent users GIFs from the videogame whenever one of their favourite real-life NFL stars scored a touchdown or made a great play. The campaign tapped into players' game profile pages (which included player preference), NFL data and social chatter. Users were encouraged to share (and even create their own) GIFs with friends as a way to trashtalk live. More than 500,000 GIFs were created, while *Madden NFL* saw a 14% sales bump. ("Giferator" would also go on to win two other Gold, three Silver and two Bronze Lions.)

"Big data" has been the big buzzword of the past half-decade, with companies lured by the possibilities that raw numbers from varying data sets could provide. What would happen if you paired information from Facebook with sales figures, weather trends or traffic information? Could you predict what a person wanted to buy before they even knew themselves? Could you create such a tailored program they'd be forever loyal to your brand? But that's old news. Today, it's not just using data to better target ads, create stronger strategic plans or provide better analysis. Rather, the number crunching is creeping into the creative itself.

"I think data used to be this big black hole," says Paul Tedesco, VP managing director, Track DDB. "But now it's something everyone is focused on. People are starting to get comfortable with how we use data and with the fact that we can use it to drive creativity, without being creepy."

Agencies such as Sid Lee and Publicis have said they want to improve on their data/analytics abilities via partnerships and hires, while others like DDB and Proximity have renewed focus on their datacrunchers, with a rebranding or major hire. In the case of Track DDB, it changed its name to keep its direct response, CRM and data services as a core offering after the Rapp brand was spun out as a stand-alone shop globally. And at Proximity, president Adrian Capobianco, who took over in February, has a strong digital and data bent, following his time at IBM and a number of digital agencies.

Brands are also bolstering their investment in data. PepsiCo insights director Acky Dinnepati says the brand recently launched an inhouse analytics department (now four people), following a successful department launch in the U.S. Over at milk producer Natrel, Caroline Losson, VP marketing, says a big focus has been on beefing up its internal team to crunch some numbers over the last two years in an effort to hard-wire insights into its marketing.

In strategy's annual State of the Marketing Nation survey, 58% of marketers said they were using data to drive marketing in 2014, up from 48% in 2013. Research firm Trendata found even greater desire among marketers to use data to guide their efforts. The study, which polled 1,500 marketing and communication execs around the world, found creating customized messages and personalized experiences was a top priority for 66% of respondents.

#### Opposite page:

Videogame Madden NFL tapped into player data to create a GIFgenerating program. **Right:** Audi's "Perfect Day" used weather and other data to encourage test drives at optimal times.

There are a number of factors driving this growth, says Adam Green, creative agency lead at Google Canada. First, more brands and agencies are actually using data in new and unique ways, leading to case studies proving its effectiveness. And as is the cyclical nature of advertising, the more case studies presented, the more likely brands are to invest in lesser-proven ground.

Second, consumers are becoming more comfortable with the notion of turning over their information to brands – for a price. One study by Microsoft Canada found that 77% of consumers were willing to turn over their valuable personal information if they received something in return, up from 68% in 2014. This is putting the fears of some marketers at ease.

Third, Green says data is simply easier to come by. While the notion of "big data" conjures the image of multiple data sets, more and more, brands are turning to different types of numbers. He points to brands that might have an interest in the flu. While they once relied on health agencies for outbreak statistics weeks after the fact, search terms and social feeds can highlight problem zones within days, sometimes even minutes, making the data much more useful in a real-time capacity.

Finally, the "keepers" of in-house data are starting to realize the potential of what they have, Track DDB's Tedesco says. Natrel is a prime example of this. Losson says historically it has only relied on sales figures, but increasingly, it's exploring new sources of information, from macro trends to social info, even neuroscience. (This has already led to a new brand strategy for the coming year, she says, but it is still in the very early stages of development.)

All of this has led to more brands being really innovative in how they integrate data directly into the creative itself.

Kris Hoet, head of innovation at FCB globally, points to Spotify's Serendipity function, which pinpoints another person on the planet listening to the same song at the exact same time. Launched in summer 2014, the streaming service's "artist in residence" developed and designed the feature to create more intimacv in what would otherwise be a private experience - highlighting connections with others in the world. The data is something Spotify has at its fingertips (who is playing what, and where), just displayed differently that made it, if not useful, touching.

But brands are also tapping into different sources of information – not just the data sets in their control.

Green points to "The Perfect Day" campaign from Audi Germany in which, on rainy days, consumers were invited to book a convertible test drive on the next sunny day. Developed by Razorfish Berlin, it was based on the insight that people don't enjoy test-driving with the top down on cloudy and rainy afternoons, and also found those days a bit depressing. So, to cheer up the prospective customer, targeted mobile ads were sent to people with a proclivity towards convertibles, using weather trends to target the areas geographically and sun positioning (where the sun is in the sky) to determine the best time to book a test drive. The campaign ran for three weeks in May 2014



and led to 535 test drives – a 51% conversion rate.

Closer to home, Tedesco points to a campaign for Kraft's What's Cooking newsletter.

"We [used] the weather and geographical location, and previous items [readers] had used from a menu standpoint to deliver, on a snowy cold day, their favourite recipes," he says.

So if someone's favourite food was cheesecake, they might get a comforting cheesecake recipe, versus his neighbour who received one for stew. The personalized recipes received a 25% higher open rate than normal, and continue to rise each time they send out another.

Other brands are using the data to find new audiences. Green points to a campaign (for a brand he can't

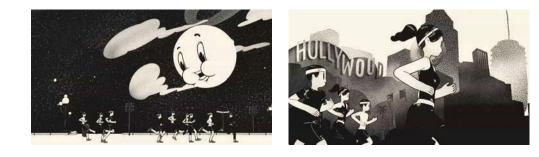
name yet), in which the search and browsing history of visitors to its website was analyzed. Using an internal Google tool called Professor X, the brand compared the consumers' browsing patterns to the general internet population, and found that it over-indexed with people who "varn-bomb" – which is to cover everyday objects from trees to airplanes in knitted sweaters. It was an unexpected finding. So now, that brand is gearing a campaign directly at these yarn-bombers, though Green couldn't provide more details at press time.

"Eighty percent [of the results] you see are expected," Green says of the tool. "Twenty percent leave people scratching their head." Data, pundits say, won't replace creative where they were active and even the weather. It also encouraged people to outdo themselves in 2015 with personalized workout plans. The campaign earned more than 200 million media impressions and won a Bronze Innovation Lion this year.

"The true value of big data doesn't lie in reflection," said AKQA on its website, "but in the opportunity to take the data and turn it into a personal, relevant and motivating story."

However, there are still a number of barriers to the success of datadriven marketing, not least of which being departmental silos.

The sheer volume of information many organizations have can be daunting to sort through, says Tedesco (IBM estimates 90% of all



Nike created animated spots for users of its Nike+ system with personalized statistics. ideas, rather, it can help agencies create more targeted messaging for specific audiences that they might not even know exist.

And, of course, data can help create more personalized messaging generally.

Green points to last year's Nike campaign with AKQA, in which the brand rolled out 100,000 unique videos for users of its Nike+ system, populating the animated clips with users' statistics. The campaign, "Your Year," which taps into the growing trend of consumers quantifying their lives (by tracking everything from their health, fitness and food), targeted the FuelBand's most active users, and highlighted not only the user's fitness historically, but the locations the world's data was generated in the past two years). Historically, that information has been siloed into different departments, so getting everyone together to discuss what types of information companies have on hand can be challenging.

Losson concurs, adding that because Natrel has not been super active in data-crunching in the past, it's been a big exercise in identifying gaps in its data (information it believes it should have on hand, but doesn't). Natrel, she says, is at the stage where it's trying to determine if paying to fill in those data gaps is worth the ROI. Over at PepsiCo, Dinnepati says beyond identifying the useful sources of information, structuring this info in a way that actually yields usable insights is tough. "It's kind of like looking for a needle in a haystack."

There's also the ongoing resource issue, in terms of dollars, but also personnel. Research firm IDC found 53% of large Canadian organizations said lack of talent was the biggest impediment to completing big data projects at their companies.

And there's a view, especially among creatives, that data isn't the marketing panacea it's promised to be.

BBH's John Hegarty is one of the most well-known opponents of using data to drive creativity. In an Ad Week speech in Europe in 2013, he said, "I'm not sure I want people to know who I am. I find that slightly Orwellian and I object to it. I think there'll be a huge backlash...To those brands that say 'I understand you,' I say 'Fuck off. You don't understand me. Mind your own business. I don't want to be understood by you.'"

Beyond the creepiness of data creating hyper-targeted ads, FCB's Hoet says there's also a fear among creatives that data can strip advertising of its emotional core.

"The word 'data' alone sounds very cold and scientific," he says. "It doesn't really sound like something that will inspire anybody to come up with a great idea."

"I think we did that classic human thing of 'Oh my God, we have all these data sets – there must be something in it," says Mark Tomblin, chief strategy officer, Taxi. "We like finding patterns and stories. And it's not that data sets aren't analyzable – clearly they are – it's that the good, compelling stories about it's [ability to] change a business or brand are quite slow to emerge."

Green echoes this: "Data is a bit like paint. It can be used to paint a beautiful Mona Lisa or Dogs Playing Poker. It all depends on how good an artist you are. And at some point, it doesn't necessarily benefit you to have more colour options if you don't know how to paint." **D** 



EPICA AWARDS

### A DIFFERENT ANGLE ON CREATIVITY



#### Epica is the only global creative prize awarded by the press.

Its jury of editors and journalists work at 50 of the world's leading marketing and communications magazines. An impartial jury of experts, all passionate about creativity. Launched in 1987, the competition attracts thousands of entries from more than 70 countries. Epica puts the best advertising, PR, design and digital campaigns in the headlines. Is your work epic enough?

Strategy is a member of the Epica jury. To see a full list of our jury members: epica-awards.com/awards/jury

> ENTER NOW www.epica-awards.com



# **TD'S GROWING INTEREST**

FROM JOHNNYCASH MACHINES TO GRUMPY OLD MEN TO HEARTFELT THANK-YOUS, TD CANADA TRUST HAS BANKED ON COMFORT FOR 160 YEARS. BY MEGAN HAYNES

magine if instead of the comfy green chair, TD Canada Trust's main imagery was an open door. Or a pair of comfortable slippers. Or a smoking pipe.

In 2000, the bank's marketers were discussing a brand identity for its post-merger life, after TD and Canada Trust became one entity. It was Ian Mirlin, of Torontobased agency Harrod and Mirlin (later absorbed into FCB), who suggested finding an inhabitable metaphor, says Chris Armstrong, former EVP/CMO (and now CEO of retirement planning firm Life's Next Steps), who was in charge of marketing at the time of the merger.

Comfort was a key demand for customers, Armstrong says. "I think the big five [banks] had been the subject of a lot of public derision [in the 1990s]. There was a notion that Mr. and Mrs. Front-Porch Canada did not get a good banking deal, that the oligopoly was not service-oriented."

"Sometimes consumers didn't feel comfortable," adds Dominic Mercuri, EVP and CMO at the bank today. "[When asked] 'What would make me stay with an organization?' [The response was], 'Make me feel comfortable.""

That's where the chair, smoking pipe, slippers and even

open door came in – they were all meant to represent the idea of comfort.

The chair almost didn't make the cut, Armstrong says. It was neither the most favourable nor least favourable metaphor – but it was certainly one of the most physically comfortable. It won out in the end, and today enjoys 86% recognition among Canadians.

Of course, a big comfy chair wasn't the only thing introduced in 2001: Armstrong says the decision was made to make sure the concept of "comfort" permeated all aspects of the brand's retail banking. Its tagline, "Banking can be this comfortable," would go on to shape everything the brand did in the new millennium (and continues to shape how it approaches business today).

In Canada, the brand has more than 1,150 locations with nearly 80,000 employees. It's the second largest bank in the country, in terms of revenue and locations (and briefly beat out RBC in 2014, before dropping back to second place this year). And, amid the financial crisis of 2008, TD remained stable, in fact, growing into new markets such as the U.S., where it's since gone on to

#### Opposite page,

clockwise from left: An early Bank of Toronto location in Toronto; an ad from 1919; creative from the '50s; a campaign from the '90s; banking by phone in 1984; the Green Machine debuted in 1976; a head office building in 1941; targeting farmers in 1950; a \$5 note from 1912. Right: More recent creative with the now-iconic green chair.

create a huge presence for itself. (It is now the eighth strongest bank worldwide, according to an annual ranking by Bloomberg.)

But comfort has been a key pillar for the bank over the course of its history. And, as it celebrates its 160th anniversary this year, it's that commitment to creating a comfortable experience, and putting the consumer at the heart of all marketing and business decisions, that's brought it success.

**NUMEROUS BANKS FILTERED INTO WHAT WOULD** eventually become TD Canada Trust.

The big players in TD's history, however, are The Bank of Toronto (founded in 1855), Dominion Bank (founded in 1869) and Canada Trust (originally the Huron and Erie Savings and Loan Society, founded in 1864).

The earliest incarnation of the bank was actually the Millers, Merchants and Farmers Bank of Canada West, but the name was turned down by the legislators (as was its original mission to sell flour, grain, produce and insurance and act as a bank).

The Bank of Toronto followed (focused strictly on banking), incorporated in 1855 with £500,000 in capital.

At the time, a massive influx of immigrants flooded the country. The Bank of Toronto – like all banks at the time – was more focused on breadth than branding. Having bricks-and-mortar locations in the community was the most effective way to garner new customers. Expansion was rapid, with new branches quickly opening across Southern Ontario, and the first out-ofprovince location found its way to Montreal a few years later in 1859.

The concept of comfort at the turn of the century was different than it is today. Chris Stamper, SVP corporate marketing, says much of the advertising for all banks at the time was geared towards letting people know the bank's location in a community and assuring people it could be trusted with their money. For The Bank of Toronto, farmers and millers were an important target demographic, and early ads went out of their way to assure this group the bank would "meet reliable farmers in any reasonable demands for credit."

The mid-1800s to mid-1900s weren't an easy time, according to Joseph Schull, in his book *100 Years of Banking in Canada: A History of the Toronto Dominion Bank*, penned for the brand's centennial. The financial institutions weathered a recession, a depression, a run on the bank, not to mention two World Wars. And with its deep roots in Ontario, expansion was a struggle – especially in the West, where it opened and was quickly forced to close a number of branches.

By 1955, none of the banks that would go on to form TD could be considered a leader in Canada – that honour belonged to RBC and CIBC. But they were of respectable sizes: The Bank of Toronto boasted 256 branches across Canada to Dominion's 193. And on Feb. 1, 1955, the financial landscape changed with the merger of The Bank of Toronto and Dominion Bank.

**TORONTO DOMINION'S ADVERTISING IN THE '50S** was really geared at telling the world about the new brand, says Stamper. "[Messaging was designed to tell consumers] it was a bigger, larger institution that could reach, connect and help a lot more people," he says. "You see that in the evolution of the brand in that [they say] 'We're big, we're here and we can be your bank because we've got the security, stability and breadth.'"

With the advent of television, the bank put out a steady stream of marketing geared at teaching consumers about its new products.

One ad, from the '70s, featured a man calmly waiting in a delivery room, surrounded by nervous fathers-to-be. He doesn't have to worry, the voiceover says, TD will be there for him with its new Twin chequing and savings



account. He's then handed one baby. Two babies. Three babies. And he isn't phased. Cue the jingle and the tag, "The bank where people make the difference."

This was the consistent theme across most of TD's ads at the time (including one humorous spot where a man walks through a zoo, complete with a man in a gorilla suit, touting the benefits of borrowing against his cash flow).

While TD chugged along, continuing to grow in the '50s to '90s, Canada Trust came into its own.

What was unique about Canada Trust was the relationship between its head office and branch managers. In the '60s and '70s, Allyn Taylor and Merv Lahn, then president and CEO, respectively, gave near-complete control over how the branches were run, according to Philip Smith, in his book *The Trust-Builders: The Remarkable Rise of Canada Trust.* The branch managers, they reasoned, were in the best position to know what consumers would want because they were the ones on the ground, in the communities.

Smith gives the example of one Hamilton branch that was moving locations back in 1963. To help get the word out and entice new customers, the general manager decided to give away gifts to anyone who opened a savings account. Customers could choose between a camera (which weren't cheap at the time) or a glass coffee maker. Executives were "horrified," worried they'd become associated with five-and-dime stores, says Smith.

But that fear was misplaced: on opening day, the branch ran out of gift inventory, and ended up extending its opening "day" into three weeks after restocking. More than 6,000 new accounts were opened.

After this, Canada Trust brought on its first marketing exec, Don McLean.

It wasn't a smooth start for McLean, a former beer marketer with no financial background: his first campaign was built around the tag "Start something with us," and tellers were made to wear pins that said "Start something with me," which caused a fair bit of leering and inappropriate comments towards female staff. It was quickly canned. But overall, the marketing campaigns were considered a success, helping Canada Trust grow quickly. The trust raised its profit to \$3.2 billion in 1971, from \$2.2. billion three years earlier, and Smith credits a lot of that to its marketing presence.

Canada Trust had a number of big hits, despite being a smaller financial institution. In 1984, following the rush from other banks to introduce automated banking machines (TD launched its Green Machine in 1976), the Canada Trust folks batted around ideas for a name. "Casheteria," "Harvey Wallbanker" and "Johnny Paycheque" were floated. Someone suggested a JohnnyCash machine. And the singer himself actually went for it, offering to play a number of concerts for both employees and customers and create a commercial to help promote the new machines. ("Why walk the line?" was the tag.)

This was also the time the bank made the strategic decision to put its consumers at the heart of all its decisions, says Smith. Marketing was geared around alleviating banking pain-points – for example, a "Burn Your Mortgage" campaign offered one customer a month the opportunity to have their entire loan paid off. The bank was criminally charged, and later cleared, with running an illegal lottery, but it ended up being one of its most popular executions of the time.

# CONGRATULATIONS ON **160 YEARS**

H+K would like to congratulate TD Bank on their 160th anniversary. It is truly a privilege to work alongside you as you enjoy continuing success.

#### hkstrategies.ca



The well-known "Grumpy Old Men" campaign juxtaposed "the good old days" of banking with the new. More importantly, in 1976, the marketing department suggested a radical new idea: extended bankers hours. Most banks only operated from 10 a.m. to 3 p.m., though Canada Trust was open 9 a.m. to 5 p.m. Eric Minns, then a senior product manager, recognized that more and more, both husband and wife were working, so business hours didn't make sense for most people.

The branding team bounced around ideas like "Nine-to-nine, all the time" before landing on "Eight-to-eight, six days straight." (The logic was it would be easier



"[TODAY THE QUESTION IS] HOW TO CONTINUE TO GIVE THAT PERSONAL, HUMAN CONNECTION. THAT'S GOING TO BE THE KEY."

to sell upper management on a six-day work week, rather than seven.)

And it was a gamble: to make this marketing campaign work, Canada Trust had to hire hundreds of new, parttime staff in order to keep the lights on. But it fit with the company's strategy of offering better service, so it tried a pilot run in London, Ontario. The entire push cost the company less than half a million, according to Smith (that included marketing materials and new staff salaries), but netted more than 15,000 new accounts and \$24 million in deposits in London alone. The campaign was extended across the entire network, and would go on to become one of the most enduring brand promises, even as Canada Trust merged into TD.

THAT MERGER FOLLOWED A FAILED ONE between TD and CIBC (kiboshed by then-finance

minister Paul Martin). TD and Canada Trust officially signed the papers on Feb. 1, 2000, 45 years after The Bank of Toronto and Dominion Bank merger.

Internally, the Canada Trust teams seemingly took charge of the marketing department, says Armstrong, who joined Canada Trust to lead its direct marketing practice in 1997, before taking charge as CMO in 2000.



Happy Birthday TD, from your agency partners. Following your passion for a better, greener and brighter Canada we've collectively made a donation to the TD Friends of the Environment Foundation. **fef.td.com** 











Starcom

He says the two brands, while both customer-focused, had different brand identities. TD was better known for its transactional acumen and sales-driven approach, a welcome addition to Canada Trust, which he says was better known for its customer service.

Conversations started around how the new TD Canada Trust could differentiate itself from the competition. "Building a better bank" became the theme in the marketing department.

"We asked people things like 'Why do you bank? How do you bank? What do you think about when you think about a bank? How do you choose a bank?" says Stamper.

Thus rose the idea of comfortable banking, which became the theme across all marketing communication.



A customer receives money for her community in a recent "Make Today Matter" campaign spot. Armstrong remembers that to help people transition from TD and Canada Trust to TD Canada Trust, thousands of booklets had to be printed, and each one was customized for individual customers. A specialized software had to be used to create the personalized pamphlets, but it was important that they understood how the merger would affect their banking in particular, he says, and that was something that couldn't be communicated on a mass scale. It cost more, but it resulted in a more comfortable transition.

What's more, he says though "Banking can be this comfortable" was created around the marketing table, the decision was made to make sure that philosophy permeated all aspects of the brand's business – requiring buy in from the top.

"There were lots of people trying to push us off the puck, [asking] 'Hey guys, is this service-oriented branding, banking-can-be-this-comfortable philosophy where we want to be?'" Armstrong recalls. "Or do we want to be the low-rate bank? The new-product-everymonth bank?'

"But frankly, the guys running the retail banks said,

'No, none of those are as defensible as the customer satisfaction positioning.'"

So the bank started selling the messaging. The "Grumpy Old Men" campaign, by DraftFCB (in which two older gentlemen ruminate on "the good old days" when the banks were closed when you wanted to visit or provided advice you didn't want), juxtaposed the "old ways" with the new ones, and were among the best known ads of the mid '00s. Stamper says the grumpy old men still have 55% brand familiarity, despite being retired in 2012.

Alan Middleton, marketing professor at Schulich School of Business, says this was a great move.

"Canadians just assumed in retail banking, all banks were the same," he says. "There's no point in leaving one because they're about as good or as bad as each other."

"Banking can be this comfortable" wasn't just a tagline either, he says. TD lived it, allowing the brand to positively differentiate itself. "They recognized a brand promise they could keep."

"Imagine that you're the client and in comes the agency with the position line 'Banking can be this comfortable.' Gah! That's boring. Is that all?" Middleton adds. "TD's insight was 'It might not be the most exciting or involving line, but if we commit ourselves, it'll grow in stature, importance and credibility' – which is exactly what it's done."

And the concept of comfort truly resonated: the brand would go on to win the Synovate (now Ipsos Reid) Award for customer service excellence in banking 10 years in a row, the J.D. Power and Associates customer satisfaction award for the past 10 years, and it's twice topped Interbrand's biennial Best Canadian Brand list.

And it's the commitment to giving customers what they want that will carry the bank forward for the next 160 years, Mercuri says.

More recently, TD (currently phasing out "Canada Trust" from most of its branding) has taken its "Banking can be this comfortable" philosophy and spread it across all its businesses, Mercuri says. That is to say, it wants to make all access points with the bank – whether that's people taking out loans, getting insurance or investing their money – as easy and comfortable as possible.

And while that might be easily said, the digital era has made maintaining face time with customers more challenging than ever.

"We need to make sure we keep consumers engaged with TD as an organization," he says. "It was different when customers' primary relationship was done face-toface. [Today the question is] how to continue to give that personal, human connection. That's going to be the key to the future success of our organization and others."

To that end, the brand has beefed up its digital capabilities, bringing on more staff members to help

manage its experiential and social. It also brought in Leo Burnett as its agency of record in 2012 to build on the work from FCB. The iconic grumpy old men were retired, with creative focus shifting toward its products and services that challenge the industry's norms (such as the extended business hours). It brought on board Aeroplan to launch a new Visa, allowing people to collect travel reward points. The bank has also recently rolled out options such as bank-by-text and the ability to deposit cheques by taking a photo with your phone. Up next, Mercuri says they're exploring tools such as digital wallets, and other types of technology that help make the process of banking as easy as possible.



"WE'RE REALLY FOCUSED AS AN ORGANIZATION ON BEING 'BETTER' – NOT THE BEST. WHEN YOU'RE THE BEST, YOU SETTLE." which community leaders across North America were gifted with at least \$30,000 from the bank. They were asked to give back to their community in any way they saw fit (one bought musical instruments, while another put the money towards improving an animal shelter).

The acts of kindness were cut into a handful of videos, with nearly five million views, and an 80% positive ranking.

This theme continued in the latest campaign, launched in July. To highlight that the brand has been with its consumers through all their major life events, it surprised a handful with real-life photo galleries of their major milestones, with the help of some family and friends. A week in, the super-cut already had more than 3.5 million

views (over 4.6 million at press time).

But more importantly to Stamper, the comments have been overwhelmingly positive. "They say, 'I want to bank with this bank," he says. "As a brand, from a vision standpoint, [we believe] legendary experiences build a better bank. So we're really focused as an organization on being 'better' – not the best. When you're the best, you settle. When you're better, everyday, you're trying to do more. We'll keep trying to be better." **D** 



And, of course, digital is making it easier than ever to connect with consumers in meaningful ways, he adds.

One of the brand's most successful campaigns last year, the "Automated Thanking Machine," in which unsuspecting ATM users were gifted with expensive presents, netted 22 million views online, not to mention massive social chatter around the campaign.

The video stunt (a collaboration between Leo Burnett, Diamond Integrated Marketing and Hill+Knowlton Strategies) was followed up with an even bigger giving stunt, "Make Today Matter," in

# AND THEN. Top Media Players 157-37.2

S+RAteo

6nsumers

VCPP

5

+ Ime

Media companies are building out their tools & capabilities, emerging as the Go-To source for unique marketing solutions.

**Are you creating one-stop solutions for brands?** *Strategy* is profiling the leading players that are providing in-house content development, data services, ad platforms and analytics to craft effective programs.

MAIN

00.10

20005

Don't miss this opportunity to showcase the expertise & innovation you're bringing to marketers and their agency partners.

All ARCYCLING 45% is SALE

6855

75%

50%.

100%

morey

recycling

For more info please contact strategy's special projects division: Lisa Faktor 416 408 2300 x 477 lfaktor@brunico.com

Strategy Top Media Players Supplement | Streeting: November | Commitment: September 15

# Can cereal get its groove back?

AS FAMILIES RETURN TO SCHOOL-YEAR BREAKFAST ROUTINES, CEREALS ARE FIGHTING TO MAKE THE GRADE WITH CONSUMERS WHO STRAYED TO OTHER OPTIONS. WILL CHANGING PERCEPTIONS AND NEW STRATEGIES REVAMP A STALE CATEGORY?

BY TANYA KOSTIW

he cereal aisle in Metro tells a collection of tales – from aggressive pricing and nutrition promises to familiar cartoon characters. I'm here under the guise of research, but I'm also picking up sugary cereal, which harkens back to the days when my brother and I, in our infinite kid wisdom, would try to eat as much of it at once (because it was a treat, not an everyday option) so the other ended up with less.

Tapping into the nostalgia millennials hold for these brands is among the strategies traditional breakfast cereal companies are employing in an effort to breathe new life into a mature category that has been feeling the squeeze from many fronts.

The category in Canada is sluggish, according to data from Euromonitor. Breakfast cereals saw modest growth from 2011 to 2013, but dipped 1.7% between 2013 and 2014. Consumers' desire for health and convenience are putting pressure on cereals, as they turn to alternatives.

"Competition is rising from all sides, such as fast foods like McDonald's and Tim Hortons," according to an executive summary of Euromonitor's 2014 *Breakfast Cereals in Canada* report. "On top of that, protein-packed items such as Greek yogurt, at-home breakfast sandwiches and eggs, and protein bars remain popular and present more challenges for the breakfast cereals category." Among the trends hurting cereals in a 2013 U.S. report ominously called *Cereal Killers: Five Trends Revolutionizing the American Breakfast* is the "snackfast" phenomenon. And there's no shortage of packaged grab-and-go options (for instance, Mondelez's BelVita brands its biscuits specifically for the morning), with all the major cereal manufacturers diversifying into this space with offerings like bars, squares and bite-sized pieces.

Manufacturers are also stepping up their cereal game, says Jason Doolan, General Mills' director of marketing formerly for cereal (now on snacks),

which has triggered a recent rebound (tonnage sales volume for RTE cereal is up 0.4% in the 52 weeks ending June 27 compared to last year, according to Nielsen data). "Those of us in the category are starting to sharpen our pencils, we're

strategy September 2015 39



bringing better news, more relevant messaging than ever before, and it's starting to pay off."

Cereal has taken a look in the mirror and is trying to revamp its image, with some brands shifting strategy, but can the category combat the pressures it faces, build on its recent turnaround and get its groove back?

#### **CEREAL'S NUTRITION-FOCUSED REVAMP**

It was about a year ago when the Breakfast Cereals of Canada, working with Public and Felicity PR, launched a campaign called "What's in the Bowl?" to tackle "consumer misperceptions about cereal." The program from the organization that represents Kellogg, General Mills, Post Foods and Quaker offered education around ingredients and nutritional benefits through an interactive website and Facebook campaign, aiming to change perceptions, such as consumers' top deterrent to buying or eating cereal – "too much sugar." And this notion of "rebooting the consumer message" is a survival strategy posited by the *Cereal Killers* report.

Drawing consumers' attention to cereals' benefits is part of a multi-pronged approach David Bagozzi, VP marketing, Post Foods, believes is required to revamp the category.

"There is no silver bullet that can get the cereal category fired up – it's a mature category, it's been flat for a number of years. But...if we remind consumers about the inherent goodness in cereal, there's a big opportunity there."

With supporting facts and data around nutrition – not a particular sexy topic, Bagozzi admits – it's a matter of crafting a relevant message around these benefits (not to mention asserting cereal's cost-efficiency), he says. As such, modernizing communications around nutrients and facts are part of Post's work-stream.

It's a strategy Kellogg has also embraced since launching its "Cereal & Milk" campaign in Canada last May, which highlighted the traditional breakfast's taste, health and lifestyle benefits. The multi-channel campaign, which began in 2013, marked Kellogg's first efforts to "reinvigorate the cereal category," says Chris Bell, VP marketing, Kellogg Canada.

Over at General Mills, Multi-Grain Cheerios has found a way to join the health conversation – by supporting a health-related cause. Its "World Without Dieting" campaign last year encouraged consumers to eschew cyclical dieting for a healthy lifestyle. The program, with work by Cossette, drove double-digit growth, and a new leg of the campaign tackling "dietainment" kicked off in June.

But to give cereal a better health rep, the changes in the category run deeper than image management.

#### A MORE THAN SKIN-DEEP MAKEOVER

Dietary changes are one of the factors putting the squeeze on cereal cos, says Debi Andrus, assistant professor of marketing at the University of Calgary's Haskyane School of Business, and they're taking a look at their ingredients.

This fall, General Mills will roll out four Cheerios SKUs free of artificial flavours and colours, joining its other brands boasting the same benefit, such as Minions and Chex, while Shredded Wheat and original Shreddies from competitor Post and the majority of Kellogg's Kashi lineup are Non-GMO Project verified.

"We do want to up the health credentials overall for cereal," says Emma Eriksson, director of marketing for cereal, General Mills, adding the company will examine its whole portfolio.

When it comes to negative perceptions around cereal, offerings specifically for kids with cartoon characters and a lot of sugar is a major issue, says Andrus. (Euromonitor predicts sales of kids' cereals to drop again this year.)

"They have to break that mold," she says. "The research shows that children will eat cereal without sugar so you don't need to do all of that."

Reducing sugar by 40% and removing artificial flavours and colours was central to Post's Alpha Bits' recent reformulation, which hit shelves this summer in a new package. Digital support is slated to roll out in August,

while TV is planned for January. "You can't lose sight of the importance of 'renovate' to ensure your food still remains relevant," says Post's Bagozzi.

On the innovation side, Post and other brands are tapping into the latest health trends to appeal to consumers – offering products with buzzy ingredients and benefits like protein, gluten-free, flax, organic and quinoa. Whether it's a response or contributing factor, the move is arguably wrapped up in the mainstream-ification of what was once niche – an idea Kellogg Company CEO John Bryant highlighted in the media in late 2013. Reports cited him saying Kashi had become too mainstream, and nutrition that was progressive seven or eight years ago had moved

> into the mass side, such as Raisin Bran with omega-3. As such, the idea was to focus on newer trends with Kashi, such as quinoa. In Canada, Kashi debuted its first offerings with the ingredient earlier this year – Organic Promise Quinoa Multigrain Flakes & Raisins cereal and two flavour SKUs of Seven Grain with Quinoa bars. This year, Kellogg (which led the cereal category last year with 44% share) also released a new Vector SKU with the highest amount of protein in its lineup.

Over at General Mills, mass-appeal brand Cheerios has also tapped into health trends with products targeted to the "healthy foodie wannabe" sect (those who want interesting taste and natural nutritional benefits, but are not as likely to peruse the organic aisle). This summer, Cheerios Plus Protein and Plus Flax rolled out in resealable bags – but are merchandized with the mainstream offerings – with supporting TV creative developed internally.

### GO NICHE TO GO HOME (WITH CONSUMERS)

Slowly, but surely, breakfast cereal companies are starting to realize the needs of different consumer segments and creating products tailored to them, says Tom Arhontoudis, marketing professor and program coordinator at the George Brown Centre for Business.

"In the past we had almost a one-shoe-fits-all solution. I think today's marketer, especially in this category, has to be aware of the needs, the wants, cultures, values, taboos (with all the allergies) of the target audience."

For its part, General Mills has been shifting its strategy in recognition of this.

"I think we've liberated ourselves from saying, 'We need a product that needs 100% distribution, and it needs to be a blockbuster product," says Doolan. "We're now willing to embrace more niche business models, and that's allowed us to bring better innovation to market, and it challenges our business model in terms of how we support them."

This unhinging of the business model is letting the company take advantage of the momentum in the category, he says. As such, General Mills is betting big on innovation, bringing what Doolan believes to be a record 11 new products in the category to market this fiscal year. Among them are Nature Valley Muesli, which debuted this summer targeting health-conscious consumers, and Cinnamon Chex, which bolsters the company's gluten-free lineup.

"One size does not fit all so we really have to go after these pockets of consumers that have specific needs, and it requires a little bit of a different go-to-market strategy," says Eriksson. "You can't just launch one big idea a year and bet all your investment on that."

With Lucky Charms, the company has found a new audience in millennials in recent years, and has built on this strategy with a TV spot by Saatchi & Saatchi out of New York that debuted in August, featuring the Chocolate Lucky Charms SKU, which returned to shelves this summer. At World Pride last year, the brand worked with Diamond Integrated Marketing on the "Lucky To Be" campaign, which reintroduced the cereal to millennials, tying its rainbow charm to self-expression. It netted 1.1 million impressions, while sales grew 12% year-over-year in English Canada in subsequent months.

Post Foods also has its eyes on the millennial cohort, as it gears up to strategically shift Honey Bunches of Oats next year, with a new, 360-campaign to target this demo. And though Post's portfolio has targeted different demographics, Bagozzi says the company needs to sharpen up its efforts. "You've got to make sure you have a target, the right message, the right proposition and the right medium – all things we know – and I think we've got to be a little more diligent around that."

#### THINK OUTSIDE THE CEREAL BOX

While competing in a mature market like cereal inherently has its disadvantages, it also means it's ripe for fresh ideas to make a splash. Continuing its "Cereal & Milk" program, Kellogg is running an on-pack promotion for its Cereal & Milk To Go cup – a portable, reusable container that keeps

"YOU CAN'T JUST LAUNCH ONE BIG IDEA A YEAR AND BET ALL YOUR INVESTMENT ON THAT." - EMMA ERIKSSON, MARKETING DIRECTOR OF CEREAL, GENERAL MILLS



the two separate – available via mail-in rebate. (Cereal portability is also on Post's radar, says Bagozzi.) Kellogg also ran a program until July where consumers could buy participating cereals and Nutri-Grain boxes to receive their choice of not just similar products, but interestingly, milk, bananas or berries.

In the U.S., General Mills has also tapped into convenience via innovation with its oatmeal in a Keurig cup format, prepared in the machine like coffee. (The Canadian team couldn't speak to whether there are plans to bring this here.)

Given consumers' busy lives, brands should offer

their products in places their target audiences frequent, says George Brown's Arhontoudis, pointing to how Quaker has partnered with McDonald's for its oatmeal. Or consider a breakfast truck with healthy options to cater to millennials, he adds.

Moreover, ethnic food, which Canadians are embracing – is an area brands could consider exploring, says the U of C's Andrus. Similarly, Arhontoudis sees an opportunity in this space, and says products like Greek yogurt and Chorizo sausages have become "overnight sensations."

Whether the cereal category can fully bounce back is yet to be seen, but one thing's for certain – the players who stand to win and lose the most won't sit on their laurels.

"We're betting big on really trying to add some new and innovative options for consumers to make sure that the category keeps strengthening," says General Mills' Eriksson. "We're seeing it rebounding, we're really encouraged, but we've got to really work hard to make sure that we keep that going." **B**  ...the award that identifies the programs, plans and partnerships that embody the best new thinking in Canada's shopper marketing industry.

We're looking for campaigns that challenged the status quo, breakthrough innovation and next-level collaboration. Submit yours to take centre stage at the Shopper Marketing Forum this April and be featured in the May issue of strategy\*.

### **Early bird deadline: September 18, 2015** Final deadline: October 23, 2015

If you're a retailer, brand or agency with a great shopper innovation case to share check out the categories at:

### shopperinnovationawards.strategyonline.ca



\* SIA is included in strategy's Creative Report Card

THE NEW SPORTS MARKETING: PROPERTIES, PLATFORMS & PARTNERS /// SUPPLEMENT SERIES As the space evolves beyond traditional sponsorship to new kinds of programs, this is the first in a series of profiles that explore the next wave of sports marketing opportunities for brands.

## FlipGive amps up sports and community sponsorship

With the increasing cost of sports - especially hockey parents are being asked to help fund more and more activities.

As any parent with kids in hockey can attest, youth sports are expensive. And Toronto-based fundraising platform FlipGive wants to help alleviate that pressure.

"Fundraising sucks," says Steve Croth, CEO of FlipGive. "But parents are being asked, more than ever, to step up and raise money for their schools and to cover the costs of sports."

FlipGive wants to modernize traditional grassroots fundraising. The company partners with retailers and restaurants, encouraging people to shop for the things they already want or need. "We're a modern-day alternative to selling chocolate bars or over-priced almonds."

The platform works like this: parents head to FlipGive (or a FlipGive network partner site), where they create an online fundraising campaign. They raise money when they and their friends shop with FlipGive retailers. Ten to 50% of what they spend is given back (by the retailers) to their fundraising campaign.

There are more than 50 retailers to shop with, including Indigo, Aldo, Nike and Under Armour. The platform brings shoppers to retailers through fundraising, but without the need for discounts or coupons - that money is instead directed to the sports, school or community organization. Beyond the sales generated by these transactions, Croth says it introduces new shoppers to brands, helps build equity, and have more impact in their communities. "This model goes after better customers who aren't discount

seekers," he says. "We attract people with high household incomes, who are college educated, and have kids." In fact, 71% of the shoppers are female, between the ages of 25 and 54, with the majority earning more than \$100,000 a year.

"We're helping retailers thrive in a tough environment," he says. "We're bringing the Toms Shoes model of 'give when you buy' to retailers across North America." He points to the "Fuel

the Game" campaign with Under Armour and online team management platform TeamSnap, which saw shoppers spend on average 40% more than a typical Under Armour customer (and all at full price). The campaign, and thus Under Armour, received more than 10 million impressions, with 87% of shoppers new to the retailer. Another 45% opted in to future email communication from the brand, Croth says.

Since its relaunch in 2013 (previously, the company operated as Better the World), it has generated more than \$30 million in sales for its retail partners while helping to raise more than \$3.5 million for schools, sports teams



FlipGive makes fundraising as easy as a click, with participants able to buy what they'd really like while helping give back to their communities.

and community organizations across North America.

What's more, there's very little the retailer has to do to participate.

"We do a lot of mapping at the start of the relationship, what brands are willing and unwilling to support," he says. "And then the platform allows us to match the brand with the relevant and appropriate campaigns when fund more and more activities.

they come in. " (FlipGive also reviews all campaigns to ensure their legitimacy.)

"It's turnkey," he says. Fundraisers are the ones who get the word out, encouraging their friends and family to spend their money to support the campaign. Retailers simply create special

> offers (via their affiliate platform with a give percentage) and then sit back and let people shop.

"Retailers are in a tough spot these days," he says. "They're all fighting for a smaller piece of a shrinking pie. Between flat consumer spend, international competitors moving in on their territories, microretail and new e-commerce competition, the rivalry has never been more intense. Retailers need new ways to grab share and expand their pie. And I think that's what we're giving them."

FlipGive is a great opportunity for retailers to amp up CSR activities, he adds. "When you sign up to be a FlipGive retail partner, you're putting your hand up and saying 'I really care about our customers and what's happening in our communities. And we care so deeply, we're embedding it in the way we do business."

# The renaissance of relevance

BY KAREN HOWE

predict that the next big thing in advertising will be... real advertising. The kind of advertising that actually involves the brand and a benefit related to its product.

In the future, we can expect to see ideas that will showcase a product or service that fulfills a need instead of gently stroking our social consciousness and hoping we'll open our wallet while in a state of somnolence.

We've been down the rabbit hole of borrowed interest for a long

time. It's time to climb out. Coke sowed the seeds. In the '70s it put a bunch of people on a hill, had them hold hands and sing, "I'd like to teach the world to sing (in perfect harmony.)" By 2013 it conferred its quest for world peace upon vending machines situated in India and Pakistan, encouraging the people at either end, who could see each other via a screen, to touch hands and form a peace sign together.

Benetton picked up the social cause baton in earnest in 1990 when it launched a campaign featuring an unflinching portrait of AIDS victim and activist David Kirby on his deathbed, surrounded by his family. There was nary a whisper about Benetton's clothing line. It created a firestorm. Was this borrowed interest, naked opportunism or a brand that stood



KAREN HOWE is SVP/CD at One Advertising.

for more than a sales receipt? Over the decades, Benetton has gone on to provide commentary on racism, politics, interracial marriage, religion, birth control and LGBT rights. Where it stands on pleated pants or patch pockets, I couldn't tell you.

To this day, the spate of collective social consciousness continues to be raised via Cannes and Madison Avenueconstructed activations rather than by students on campuses or demonstrations at Queen's Park.

This year we saw Always tackle sexism with its "#LikeAGirl" campaign. It was handsomely awarded with many Gold Lions.

Dove has been firmly attached to the



In 1971, Coca-Cola started the trend of using advertising to push a social message with its "Hilltop" ad. Is it time to lay this strategy to rest and refocus on product attributes?

coattails of borrowed interest for years. The brand has created a whole new industry preying on female insecurity. It kicked it off with "Evolution," where it questioned society's version of beauty. Dove's oeuvre includes "Real Beauty Sketches" (women being afraid to describe themselves as beautiful to an artist who was drawing them). Then there was "Choose Beautiful" (women afraid to walk through a door that described them as such). And of course, "Patches," where woman were taught they didn't need a fictional patch to make them beautiful because they already were.

The face soap itself has barely entered into the equation for years.

Cheerios has come out with the idea of "We all love to connect." It is now the champion of unexpected relationships versus the breakfast of champions. The cereal now fosters unconventional pairings versus fuelling you up for the day. Honey Maid's "This is Wholesome" campaign celebrated all kinds of families. It included printed and rolled up anticampaign comments to spell the word "love." Not much about the biscuits.

Nature Valley's new campaign is busy shining a light on the fact that kids today are tethered to a screen instead of running through a field. This brand wants us to get our kids out to play and to experience nature.

There are studies that have shown

that some consumers, and of particular note, that henpecked strata known as "millennials," identify with brands that mirror their social values. But do they buy them? Literally?

Social consciousness as a brand platform is now, overwhelmingly, the advertising tool of choice. It's the not-so-new normal. Some would say cliché. When Benetton came out of the gate it fuelled accusations of heartless opportunism.

These days it would be de rigueur.

Okay, so if that's now, what's the future? I think we will see the renaissance

of relevance. We will start to produce creative centred on ideas that actually have something to do with the product.

It's brave, but it is coming. Brands will find the courage to start standing on their own two feet again instead of dithering in the morass of social cause.

Agencies and advertisers will stand shoulder-to-shoulder and fearlessly expound real reasons to invite a product into your life.

Matt Biespiel, the senior director of global brand development for McDonald's, spoke at Cannes this year, and I think he said it best: "Advertising is not a four-letter word."

Amen, brother.





## WHAT ARE YOU WAITING FOR? TAKE THE MIC 2-WEEK FREE TRIAL.

Find out why it's the authoritative source for media news and industry analysis. http://bruni.co/MICTrial



An invaluable publication reaching key decision-makers in the media buying and planning business.

Join over 1,600 individually subscribed media buyers and planners with full site access.



mediaincanada.com

# COLLECTING DATA IN THE PHYSICAL DOBLES

**AN INSTRUCTIONAL ESSAY** 

One of the most prevalent trends in advertising and media today is the prominence and importance of data collection in the digital world. While essential to unlocking new opportunities to reach your target market and predicting future trends, there's no reason data collection should be confined to the digital world. If we're expected to truly understand our target's behaviour, we have to find other creative ways to collect data and study our target in as natural an environment as possible.

The trusty sidewalk survey is a safe place to start. Remember to bring observational tools like a clip-board, pen and paper with a list of questions you want to ask. People are more receptive in large groups, so parks and public malls are perfect because your subjects are at ease. Smile at all times to appear friendly. You don't want to tip them off that you're actually collecting data.

To collect data of an even higher quality, it's better if you're not spotted. You'll want to watch from further away. Evergreen shrubs make an excellent shield for your body. Stay crouched. Keep your eyes open as wide as you can to maximize your field of vision. Your target is not expecting to be observed or engaged, so you'll get more *authentic results.* Use binoculars. Keep one hand on your hips for stability and one hand on the binoculars at all times. Safety first. Practise sleeping with your eyes open to strengthen your vision. If you decide to approach your target, keep your identity a secret. Pose as a mailman or maybe a delivery guy. If necessary, you can steal their dog and return it the following day to gain their trust. Forming a relationship with your target is key to unlocking deep insight-driven data. For closer, more advanced observation, such as while your target sleeps, wear a turtleneck to cover your mouth and hush your breathing. Remember to take notes, though video is preferred. Skylights or bedroom closets are great vantage points. If you're a personal beauty brand, consider bathroom observation. Install a two-way mirror while your target is at work. Swap out their shampoo with conditioner to keep them guessing and on edge. Soon, you'll be able to predict your target's every move, like what body part they will wash next in the shower. Clothes can slow you down, so all of this should be done without them, *with the exception of the turtleneck.* Many people keep insights hidden in their top drawer. And remember, smell is the most powerful tool you have.

Sleep in your target's bed while they're on vacation. If they arrive home early and you are discovered there, *don't panic*. You have options. Electronic voice changes are a great way to conceal your identity. If they arrive home at night, cut the power to their home and smash things in the dark. This will buy you time, sometimes up to a few hours, as they flee the premises.

When collecting *and* harnessing data in the real world, we must be as intrusive and relentless as we are in the digital world. We need to dive deeper into our demographic's personal lives and personal history than we ever have before. Only then can we build truly great brand relationships.

Data collection for this article provided by Ig2.



### Are you up on Canada's smartest activations? Bring the team & get briefed.

September 16, 2015 Berkeley Church

Get your ticket to an entertaining curation of the year's hits. promoawards.strategyonline.ca

> For group rates contact Joel Pinto at: 416-408-2300 x650 or jpinto@brunico.com

Presented by CAPMA and Strategy



In association with *strategy*, film & TV journal *Playback* partners with Telefilm to delve into how top CMOs build go-to-market strategies today. The event focuses in on entertainment brands' successful approach to harnessing the digital, data and content potential of the marketer's tool kit.

> Oct 29 • Bram & Bluma Appel Salon marketingsummit.playbackonline.ca

To register or for more info please contact: Joel Pinto at jpinto@brunico.com or 416-408-2300 x650