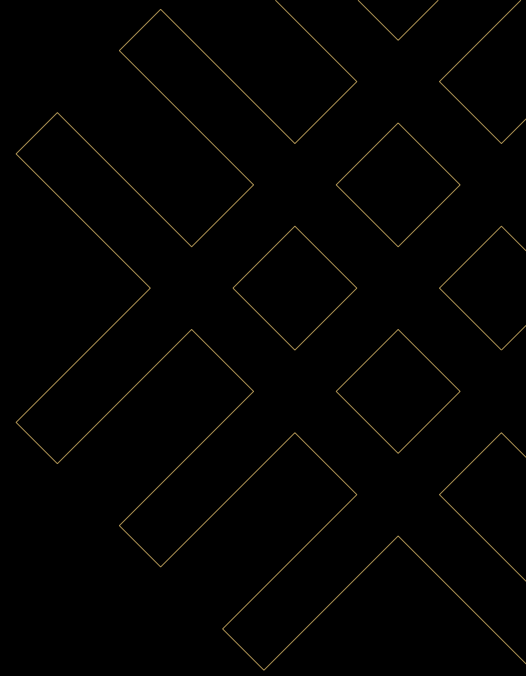




INSTITUTE OF
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AGENCIES



The Alchemy of Effectiveness

A Focus on Canada 2022

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About the Authors



Peter Field

Peter spent 15 years as a strategic planner in advertising and has been a marketing consultant for the last 25 years. Effectiveness case study analysis underpins much of his work, which includes a number of important authored and co-authored marketing and advertising texts: *Marketing in the Era of Accountability*, *Brand Immortality*, *The Long & The Short of it*, *Advertising in a Downturn*, *The Link Between Creativity and Effectiveness*, *Media in Focus*, *Selling Creativity Short*, *Why aren't we doing this?*, *Effectiveness in Context*, *The Crisis in Creative Effectiveness*, *The 5 Principles of Growth in B2B Marketing* and chapters in *Eat Your Greens*, *The Effectiveness Code* and *the Sage Handbook of Advertising*. In April 2020 he updated his research from the 2008 recession with *Advertising in Recession – Long, Short or Dark?* His recent work in collaboration with Robert Brittain includes *Winning or Losing in a Recession (2020)* and *To ESOV and Beyond (2021)*. Peter has a global reputation as an effectiveness expert and communicator and speaks and consults on this topic regularly around the world.



Ian Darby

Ian is a freelance business journalist and editorial consultant, specializing in the advertising and media sectors. Before taking the independent route 10 years ago he held a number of senior roles at UK-based marketing magazines and websites. He was deputy editor of *Campaign*, and a reporter at both *Marketing* and *PR Week*. In addition to writing articles for global titles including *The Drum* he now works for the ICA as a freelance writer and content editor, in addition to a number of major agency groups and industry trade bodies around the world. While the important role of creativity in agencies and client organisations remains his focus, Ian has also penned recent articles on diverse subjects including the rise of retail media, chatbots and in-game advertising.

Foreword

By Scott Knox

The latest Effie Index shows that 26 of the most effective agencies in the North American Top 100 are Canadian. We are a powerhouse of work that works. This report shows that with Canada's sophisticated and diverse agency sector, the country is world class in delivering and testing marketing innovation.

The ICA has embarked on this long-term program of data gathering, creating the country's most in-depth bank of knowledge on marketing effectiveness. We will report insights on and for marketers in Canada and around the world. We are committed to building this for decades to come.

The ICA's Alchemy of Effectiveness database together with the amazing creative, media, production and strategic talents of agencies and marketers across Canada will drive greater effectiveness and spotlight the world-class expertise that resides in our country. It will also serve to prove that marketing is not a cost, but our value exists as a turbo booster for long-term growth and innovation.

We thank the agencies and brands for supporting Effie Awards Canada and providing wider contextual data to build this database. Without their openness and support this initiative would not be possible. I also thank Environics Analytics, Globe and Mail Media Group, LinkedIn and thinktv for their considerable dedication to this project.

And my last, but not least, thanks go to a group of people without whose brilliance and inspiration this project would not be possible. The ICA's Leah Power, Grace Consul and Board of Directors, Effie Awards Canada co-chairs: The Hive's Dustin Rideout and Shopify's Ali Leung, design guru, Field Trip's Alison Garnett, Co-Authors Ian Darby and Peter Field, along with some help from Robert Brittain. Thank you all.



Scott Knox
President & CEO



Foreword

By Jan Kestle

We believe that good data make peoples' lives better. A decade ago, that sentence would have never appeared in a research paper focused on creative advertising, but times have changed. Whether in support of Governments, businesses or social service providers, there is widespread recognition that data can be the foundation of sound analyses that lead to great creative, smart activation and results.

Environics Analytics is proud to support the Alchemy of Effectiveness, and equally proud to partner with The Institute of Canadian Agencies. We have seen first-hand the light bulb moments that happen when great creative connects an audience to an emotion and opportunity. It is magic.

As an industry, we can provide meaningful benefit not only to Canadian businesses but to the communities they serve. Let's lean into our pragmatic and collaborative roots as a nation and show the world how to bring people together around an idea that matters.



Jan Kestle
President

ENVIRONICS
ANALYTICS

Foreword By Catherine MacLeod

At thinktv, we are committed to sharing leading research in advertising effectiveness, which is why we are delighted to support the ICA and Peter Field for a second year of Effie Awards Canada campaign analysis.

There is ample evidence that long-term, brand-building advertising campaigns are more effective and profitable than short-term campaigns - even in a recession. And yet this year's report is notable for the overwhelming number of short-term campaigns - which Peter Field says is cause for concern.

The economic uncertainty of the past few years forced many brands to redirect their advertising spend more toward short-term activations. Nonetheless, as Field points out, Effie Awards Canada submissions reflect an extreme focus on the short term that is not evident in campaigns in the equivalent UK and Australia databases. Field's profitability analysis shows that an advertising campaign is twice as likely to increase a company's profitability if it continues for at least two quarters: Simply stated, brands with a long-term focus will outperform competitors seduced by short-termism.

The fact that television stood out in driving profitability does not surprise us. Campaigns with a larger role for television had a greater long-term impact on the business, and Field found the same thing when evaluating the achievement of companies' short-term goals. Once again, the evidence shows that television advertising effectively builds brands and influences short-term behaviour.

Field has made a compelling case for brands to increase the number of long-term brand-building campaigns to balance out short-term activations. We hope this research will assist Canadian marketing professionals in advocating for more balanced long- and short-term approaches to help brands achieve and sustain superior business results.

Congratulations to everyone who submitted outstanding campaigns for this year's Effie Awards Canada!



Catherine MacLeod
President & CEO

think^{tv}

The Rise Of Short-term Thinking

Brands in Canada, along with many across the world, have needed to demonstrate the tenacity of rodeo bull riders to tame the turbulence of recent times.

First, they were thrown into the COVID-19 crisis, followed by the subsequent nasty downturns, then a rapid emergence and recovery period, only to be shaken by the prospect of a prolonged recession following Russia's invasion of Ukraine.

This report provides insight into the resilience of brands across these extremes of downturn and growth. Containing an analysis of Effie Awards Canada entries for both 2021 and 2022, it covers campaigns that ran mainly in 2020 and 2021.

As time goes on and more data flows into the ICA database, the deeper and richer our findings will be. But, for now, it's clear that some dangerous trends are taking hold of the marketing community in Canada (as they are elsewhere).

These are worrying times because the long-running trend towards short-termism, apparent in global data since around 2007 when performance marketing began to take hold of budgets, has only been accelerated by the events of recent years. In the report that follows, we'll see a definite shift in thinking towards activity that is less brand-centric and far more focused on delivering short-term impact.

This shift is only likely to accelerate as we move through a recession. That's because, during a downturn, many brands and marketers take a shorter-term approach and embrace the classic, but wrong-headed, thinking that this is no time to build a brand but drive short term sales, when exactly the opposite makes sense.

While brands have competed in every kind of context - from the depths of recession to the heights of elation as we emerged from the harshest impacts of COVID-19 - a clear message emerges. Across this mixed economic cycle, Canadian advertisers that have committed to building their brand in good measure, over time and in balance are the big winners.

About The ICA Effectiveness Database

The data for this paper is sourced from the ICA's effectiveness database – the confidential data submitted alongside entries to the Effie Awards Canada. The database covers a comprehensive range of campaign inputs (such as business context, campaign objectives, media budget and media channels) and campaign outcomes (business effectiveness measures). The analysis essentially examines how inputs affect outcomes.

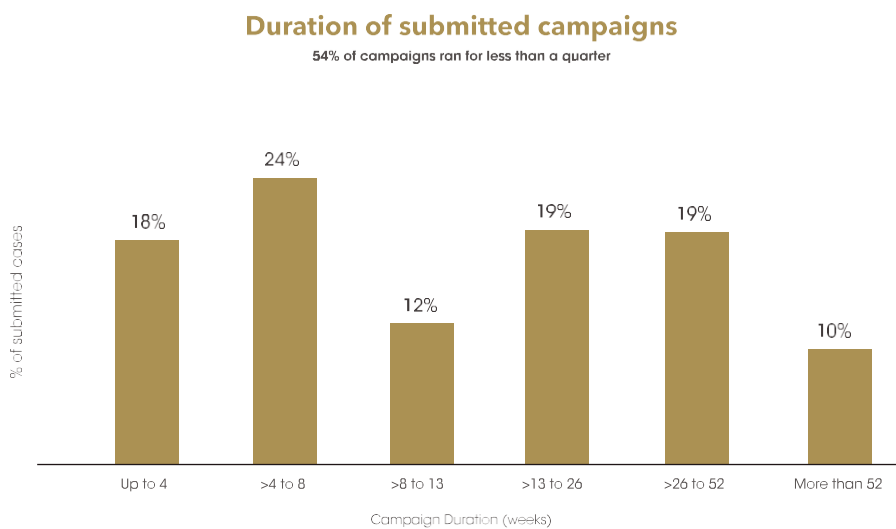
The data in this report covers campaigns that were entered in both the 2021 and 2022 Effie Awards Canada. While a campaign may be entered into multiple Effie categories, it is only captured once in the database.

The business effectiveness measures used in this report include the following metrics: brand profit growth, short-term sales response, long-term share growth, reversal of sales decline, customer retention, and new customer acquisition. Case study authors assess each metric on a 6-point scale of magnitude, from 1 (no effect/not measured/not observed) to 6 (very large effect).

When looking at aggregate scores for business effects, an average score is calculated using the top box score only (6 - very large effect); this is stated as "average number of very large business effects"; the higher the number, the better.

This is a broad measure of effectiveness. Where relevant, the report also looks at individual metrics (e.g. brand profit growth). In these instances, the percentage of campaigns reporting top box scores is stated.

The Importance Of Brand Building



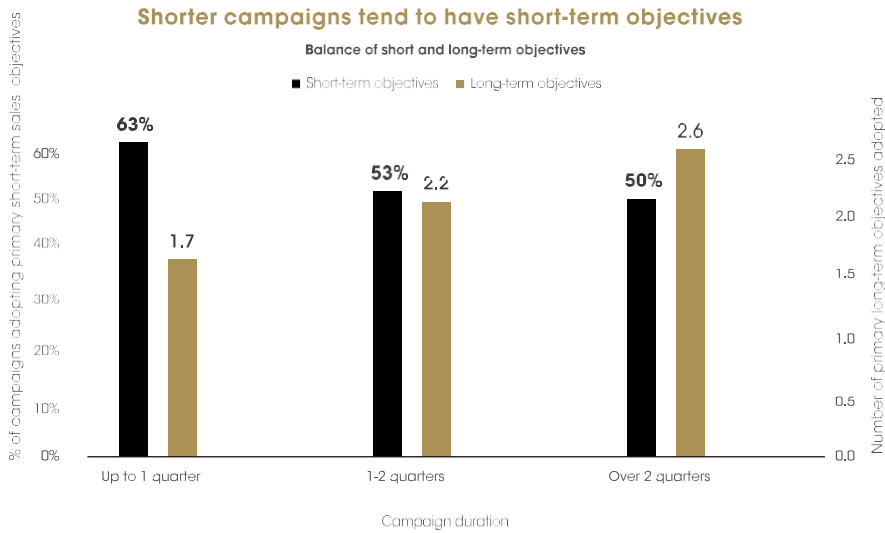
Source: ICA effectiveness database, 2021 & 2022

In assessing the impact of brand-building activity, we first established the durations of the campaigns submitted. This was necessary because the running time of a campaign is known to impact its ability to strengthen the brand, for obvious reasons. So, it is important to first examine the range of submitted campaigns' lifetimes.

Just 29% ran for long-term duration (more than six months and evaluated over this period). Meanwhile, 54% of entries on the ICA database were less than a quarter of a year in duration.

It's worth saying right up front that these case studies reflect an extreme focus on the shorter term, especially when compared to the average entries in the equivalent UK and Australia databases. An indicator that the Canadian marketplace may be even more short-term in its outlook than elsewhere.

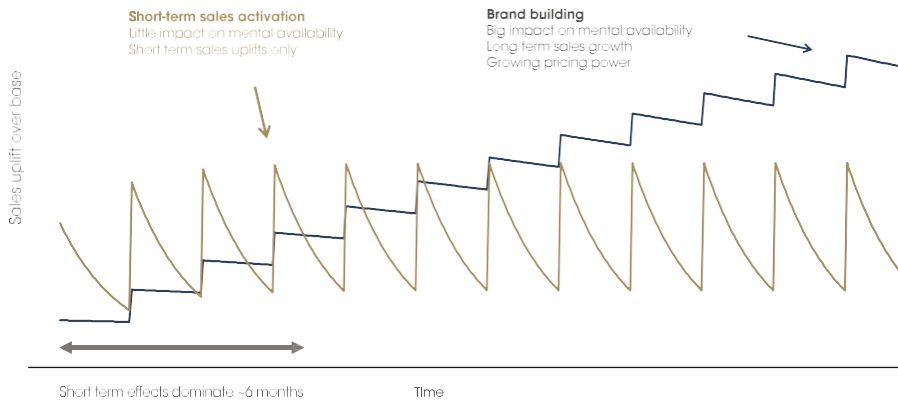
With that in mind, it's important to be aware that when we're looking at the long-term impacts of marketing activity, we're really focusing on that 29% of campaigns that ran for longer than six months.



Source: ICA effectiveness database, 2021 & 2022

Short-term campaigns dominate these submissions and are much more likely to go for short-term sales. But why does that matter, and should this be a concern at all for marketing in Canada?

Why brand building matters



Source: Binet & Field 2013

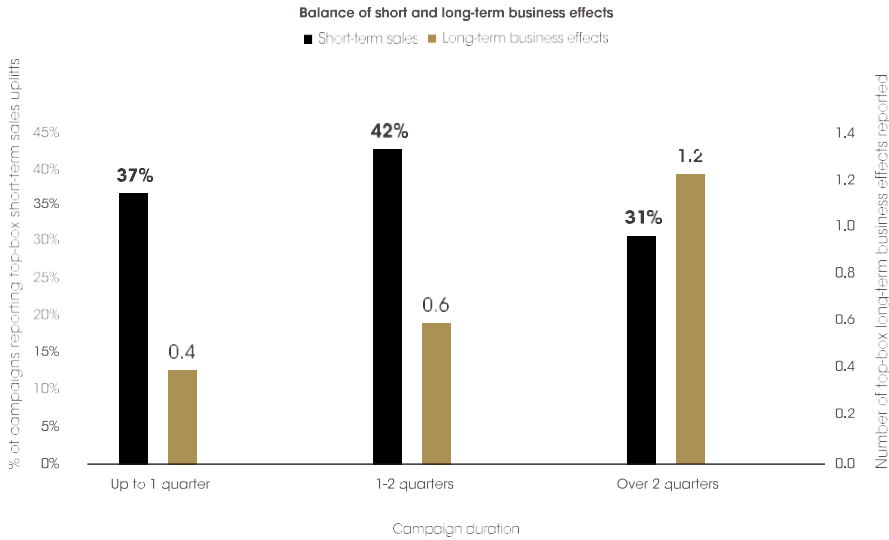
It could be an issue because the short-term activation model, which dominates the Effie Awards Canada entries, shows some large sales spikes, but it's also clear that these are not messages that people are going to remember six months or longer down the line. And for that reason, must be served over and over again. This "always-on" approach is, ultimately, an inefficient way of driving sales for a brand.

As we see from the chart, the brand-building model works in a different way. When done well, the impact of these campaigns tends to accumulate over time, having a weaker impact on short-term sales because they take time to sink in and aren't concerned with the immediate "now"; they're about seduction as opposed to compulsion.

The benefits, in addition to being cumulative in impact, include that they tend to build the brand's esteem and therefore help increase pricing power because people are prepared to pay more for brands they trust and are confident about.

There's an issue for advertisers, though, due to a cusp point on the chart about six months in, where brand building starts to take over as the dominant driver of growth. But if you only ever measure short-term success, you'll see that all the spikes come from the activation work (the "buy now" campaigns), leading you to believe that this is where the positive effects lie. Currently, this is a major issue in the Canadian marketplace.

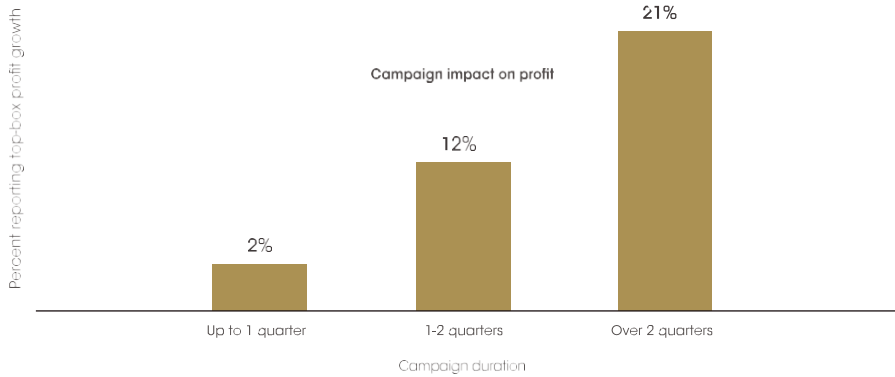
Shorter campaigns under-perform on long-term business success metrics



Source: ICA effectiveness database, 2021 & 2022

The chart shows clearly that shorter-term campaigns, of up to two quarters in duration, are a one-trick pony delivering short business effects. When looking at long-term impact (market share growth, profitability growth, and attracting new customers), there's a stark picture. For the first time, we have clear data from Canada that shows when brands go short-term, they're walking away from these benefits. Brands are only beginning to address these issues in the first two quarters, and it's the longer-term campaigns that are really making a significant difference in driving these effects.

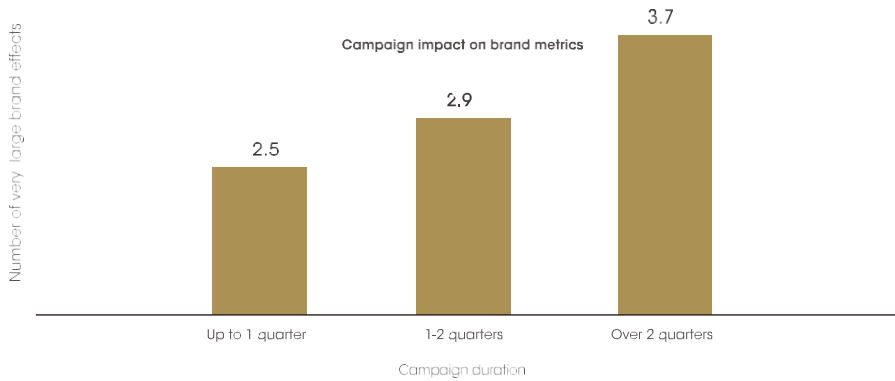
Shorter campaigns are much less profitable
The drivers of profitability require commitment



Source: ICA effectiveness database, 2021 & 2022

Pulling out what is arguably the most important long-term metric, profitability, we see real multipliers in that short-term campaigns (one quarter in duration) have absolutely minimum impact. Most of the action is over the longer term, so if a brand is looking to drive profitability, it has to enter this brand-building model of thinking.

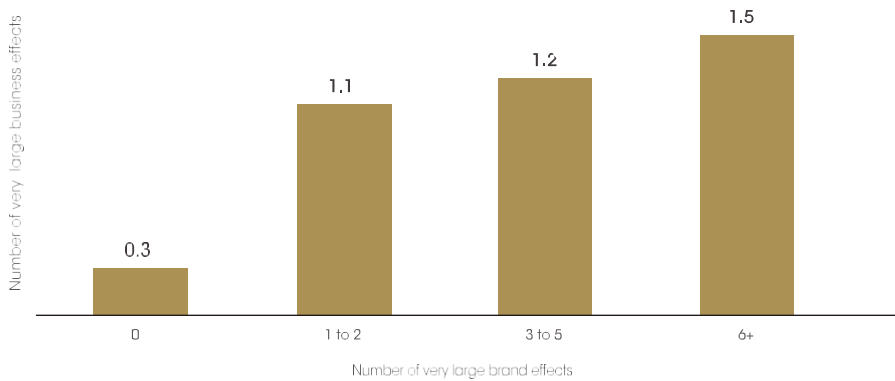
Shorter campaigns build weaker brands
Brand building requires commitment



Source: ICA effectiveness database, 2021 & 2022

It's apparent here that the longer campaigns positively impact a larger range of brand metrics. Achieving an impact of 2.5 "very large brand effects" is not a huge accolade, but the longer an advertiser is in the market, the bigger the impact. The point is that brands investing over the longer term achieved this because they had bigger and broader impacts on brand metrics. Part of this could have been down to creative styles if the shorter campaigns tended to use more activation-focused ads, but in fact there is very little difference in the strength of activation-focused objectives between shorter and longer campaigns. So duration appears to be the major factor here.

For business success, you need to build your brand
Mental Availability drives Effectiveness

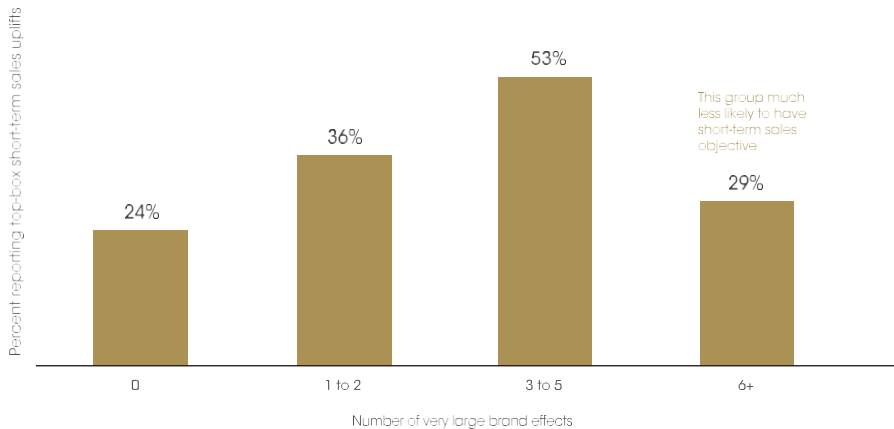


Source: ICA effectiveness database, 2021 & 2022

Now is a good place to evoke the work of the Ehrenberg-Bass Institute for Marketing Science and Professors Byron Sharp and Jenni Romaniuk's work on mental availability (essentially the extent to which a brand comes readily to mind in purchase situations). This involves the degree to which the brand is salient, but also how strongly it is associated with key drivers for purchase in its respective category. Looking at this database of case studies, we've measured mental availability by the number of brand metrics that a campaign shifts and divided these into four groups.

The findings show that if you're doing nothing to build the brand, the chances of driving strong business improvements over the long term are remote, whereas, these improvements strengthen as the brand is supported. It's a very straightforward equation: if you're not strengthening your brand, you're not strengthening your business.

Strengthened brands enjoy improved short-term sales Mental Availability helps short-term sales



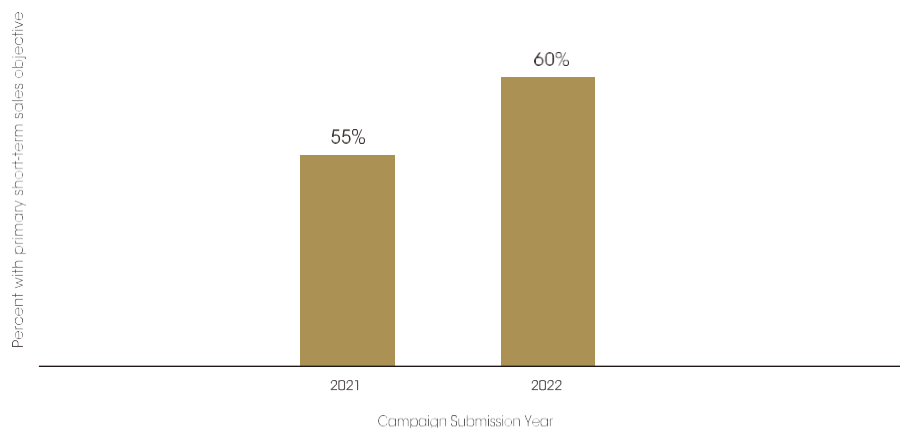
Source: ICA effectiveness database, 2021 & 2022

But there's a slight nuance here because we generally see that stronger brands, those we feel more connected to and come to mind more easily, tend to be more responsive with all their shorter-term performance marketing activity. If two brands serve a performance marketing message in terms of a "buy now," people are more likely to respond to the one they know well and feel good about. The final bar on the chart may appear to contradict this general finding, but in fact, it doesn't: the campaigns that achieved the greatest impact on mental availability were much less likely to be interested in short-term sales objectives. It is likely that they had over-focused the budget on brand building at the expense of activation. As we will see, this is not a recommendation because balance matters.

This finding provides a double mandate for investment in a brand because even where the focus is short-term and there's a need to drive immediate sales, you'll never do that as well without a reasonably strong brand.

But short-term sales objectives have become more common
An uncertain business climate appears to have promoted short-termism

Growing percentage of campaigns with primary short-term sales objectives



Source: ICA effectiveness database, 2021 & 2022

Unfortunately, the trend in the submitted cases from 2021 to 2022 reveals a growing focus on short-term sales, and there has been a marked shift away from most brand-building objectives alongside this.

No Frills' Plan To Bring Pride Into Discount Shopping

One brand that embraced a longer-term approach to creating an enduring platform while also putting a positive emotional spin on a no-frills discount strategy was the 'Haulers' campaign for No Frills, the discount retail chain.

Created in partnership with the brand's agency john st., the activity involved desigmatizing shopping at No Frills to attract more customers before and during the most disruptive time in recent retail history (the Covid-19 pandemic). The Haulers platform, launched in 2018 and still very much alive, was recognized with a Silver at the Effie Awards Canada 2022 awards in the Sustained Success - Services category.

Rather than rebranding the store itself, the idea was to re-categorize no-frills, discount shoppers as "Haulers," providing them with a fresh sense of energy and pride in their shopping.

"When we first came up with the Haulers idea, we definitely felt it had legs," says Ally Ballantyne, President of john st. "But it wasn't until we were faced with different challenges and opportunities that we truly saw the power of the Haulers platform."

Ballantyne says a key factor in its success was the "flexibility and stretchability" of the idea, adapting it to deliver loyalty-based ideas and then executions that were more culturally relevant, such as the launch of a vinyl album. A big part of the thinking was to "act like a lifestyle brand" rather than a traditional grocery store, which involved creating music videos and animated executions as opposed to traditional advertising creative. In addition, TV was deployed effectively with a sizeable allocation of the media budget to drive awareness. A key tactic each year was to create a "hero video" to go live on TV, online video, and "mass" social where a broader audience would be targeted.

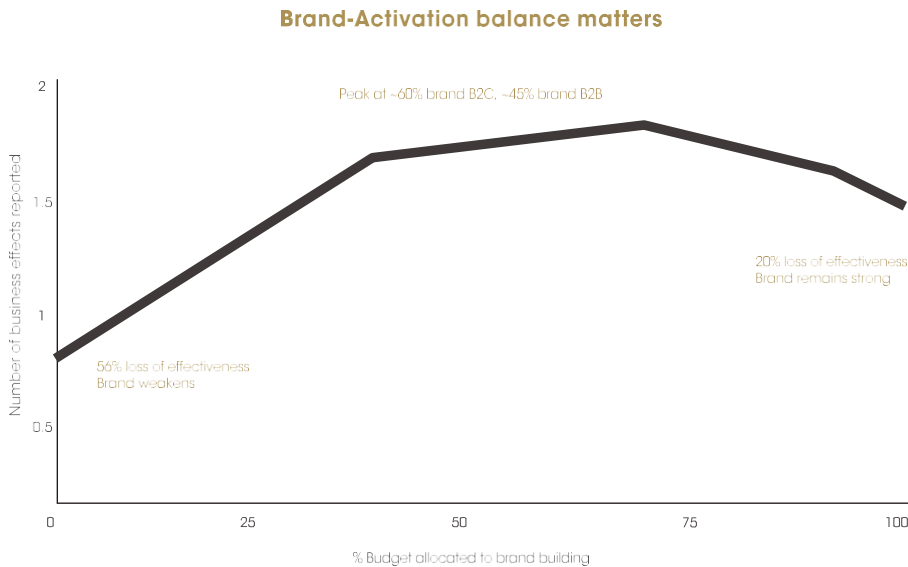
In terms of the campaign objectives, Ballantyne adds: "Driving sales is, no doubt, always a key objective. But No Frills understood they operated in a commoditized category, and they had a differentiation and brand perception problem. We were lucky that the marketing team knew they had to do something different to solve these issues."



The Haulers idea made a lasting business impact here, contributing to an average year-on-year quarter three sales growth rate of 2.07% from 2018-2021. It is a vital shift because the third quarter is particularly important for No Frills due to summer entertaining and back-to-school, and it's when the brand is most active in investing more heavily in paid media.

However, making the brand famous and building strong emotional connections with shoppers was also important. This came to life through targeting a secondary group of shoppers, the “budget savvy,” beyond the core “budget conscious customer.”

Ballantyne says, “We realized that if we could tap into those ‘savvy shopping’ values and allow the brand to express itself emotionally, we could attract a lot more people while not alienating the core shopper.”



Source: IPA Databank, 1998-2016 for-profit cases

Data from the UK, highlighted in this chart, shows that balance in investment really matters. If you over-invest in the brand, you'll see a modest loss in long-term effectiveness. If you over-invest in short-term activation, you'll see a much bigger decline in long-term effectiveness.

The reason for that is that there's a relationship expressed in the curve, with the maximum point of effectiveness being around 60% investment in brand for B2C brands and 45% in brand for B2B.

It's a curve that has a clear peak, and two mistakes that brands can make are (1) an over-emphasis on brand building, accompanied by a loss of effectiveness, which at least can be corrected at a moment's notice through greater investment in activation; and (2) the bigger mistake of walking away from effectively supporting the brand to focus on the short-term business of driving sales. When advertisers do that, the brand weakens, and there's no quick comeback because it typically takes a year or more to rebuild after a protracted period of "going dark."

**The impact of the Brand: Activation balance
can now be seen in the ICA data**

% of budget allocated to brand-building	Number of top-box long-term business effects	% reporting top-box uplifts to short-term sales	Number of all top-box business effects
0%	0.6	43%	1.0
>0% average 75%	0.7	36%	1.1
Difference:	+27%	-15%	+9%

Source: ICA effectiveness database, 2021 & 2022

Building on this point, we now have just enough data from Canada to see the impact of when brands fail to achieve a balance. We can't quite model the curve and see how the impact varies across the spectrum. However, we are able to look at the case studies in terms of two groups - those who spent nothing of their budget on brand building and those who did allocate spend - to see the difference. Those who committed budget to brand building saw a 27% uplift in long-term business effects. This came with a reduction in short-term sales uplifts, but the weakness was small and arguably was largely the result of not reaching the 60:40 balance point.

Strategy And Briefing For Brand Building

We've looked in some detail at the importance of brand building and why striking a balance with shorter-term performance metrics is so vitally important. Now we'll consider some top-line findings from those case studies that really managed to set clear objectives and achieve strong results from brand building.

Campaign objectives that build strong brands are polar opposites of those that drive short-term sales

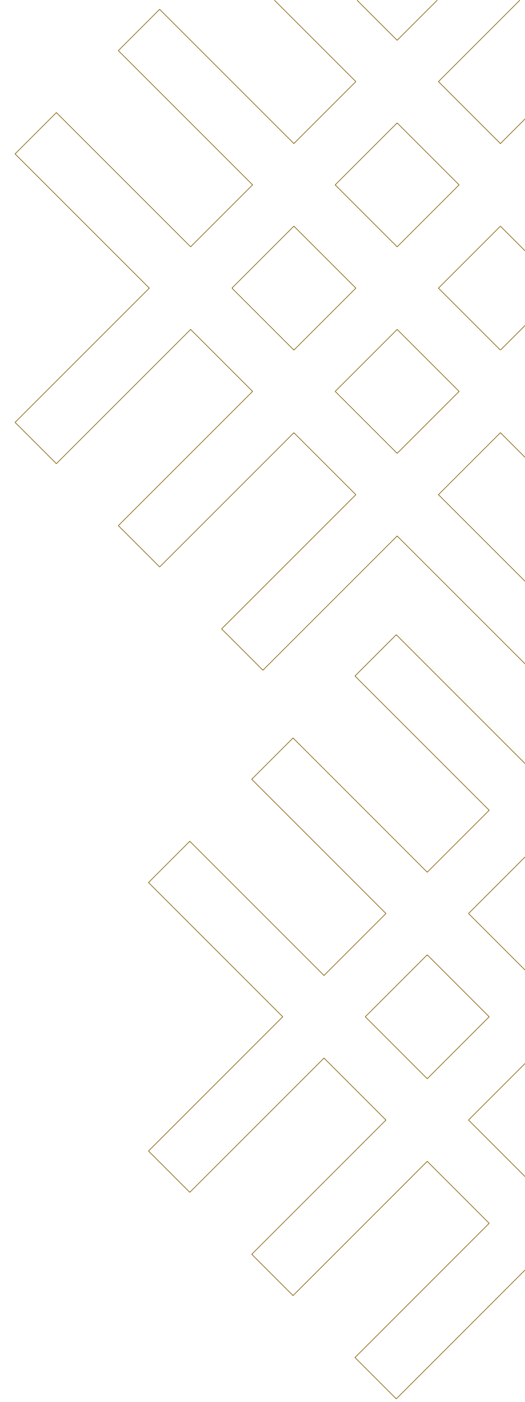
Top 3 Campaign Brand Objectives for brand building success (uplift to brand effects %)	Top 3 Campaign Brand Objectives for max short-term sales uplift (%)
1. Build trust in brand +61%	1. Nudge trial +33%
2. Build customer commitment +58%	2. Product differentiation +20%
3. Build brand fame +46%	3. Build basic brand awareness +10%

Source: ICA effectiveness database, 2021 & 2022

This chart highlights just how different the objectives for brand-building success are compared to those for maximum short-term sales uplift. The three leading components for brand success are featured - build trust in the brand, build customer commitment, and build brand fame - and the others include brand image, emotional appeal, product information, cultural relevance, customer data acquisition, web visits, and earned viewing.

Building trust is emerging at the top of the list, which fits with the effectiveness data from other leading markets, including the UK. Trust has become a more important factor in building brands, rising to the peak position over the past 10 to 15 years. Those campaigns that were trying to build trust in the brand saw a 61% uplift in brand effects versus those that weren't.

What drives trust is, firstly, esteem. Do I believe a brand is good quality and of sound reputation? Creation of trust also involves emotional appeal; does the brand make me want to believe? Distinctiveness of creative assets and the brand idea is another key factor. What also emerges is that steering people to do their own homework helps to build brand trust. Rather than the advertiser saying, "this is what I am, these are the facts," encouraging consumers to find out for themselves can prove valuable here.



IKEA ScrapsBook Initiative And The Power Of Sustainability

Heading into Spring 2021, IKEA collaborated with Rethink Canada, its agency partner, to assist Canadians in their wish to be more sustainable at home by helping them to make a start in the kitchen - the most wasteful room, with 1.3 billion tonnes of food wasted every year.

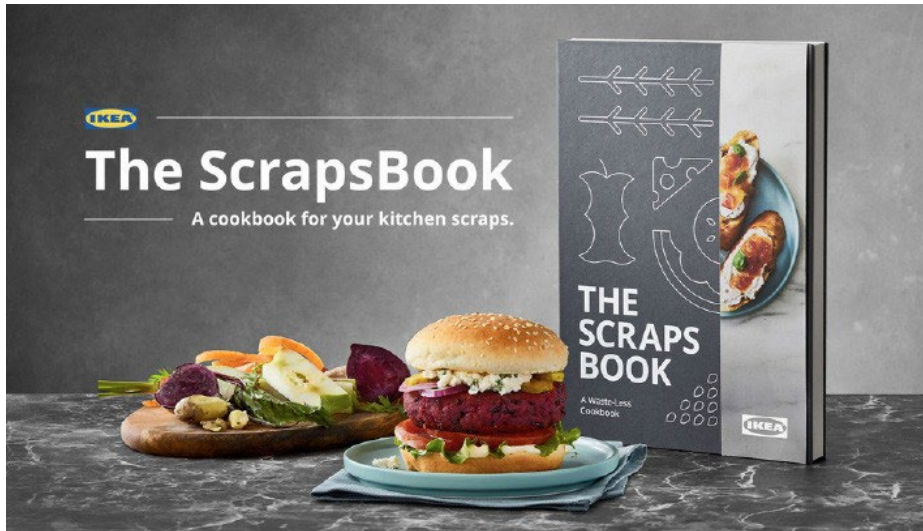
The resulting IKEA ScrapsBook initiative was rewarded with a Silver at the Effie Awards Canada 2022 in the Positive Change - Environmental - category.

IKEA ScrapsBook took the form of a sustainably-produced publication (available in both print and digital formats), filled with recipes dedicated to cooking with food items usually considered waste.

This proved to be an initiative that was executed credibly and was highly relevant to the brand and its kitchen products. It was neither an example of green-washing nor unrelated to decision-making criteria and provided a great study in how to make purpose work to strengthen a brand, with strong effects on sales (up 10%), visitations (16%), and perceptions that IKEA is having a positive impact on the world (3%).

A key feature of the campaign was to highlight that a real point of difference for IKEA was its sustainable offering and larger value around sustainability as a business. Jordan Sequeira, customer engagement and loyalty manager at IKEA, says with ScrapsBook, the brand really wanted to help Canadians live more sustainably in the home: **“But at the same time, we knew that they felt it was either overwhelming, expensive, or unobtainable. So, we really started to dig into an aspect of sustainable living we could help support.”**

Food waste was identified as a relatable and relevant area that would provide a way to connect more deeply with audiences. However, he adds that there was an element of bravery involved: “To convince people to eat stuff that they’d typically throw away was going to be a challenge. You could see it in some of the early comments on Apple Books and Google. People saying, ‘you’re telling me to eat garbage.’ So it was really about inspiring people to see the potential of things we typically discard.”



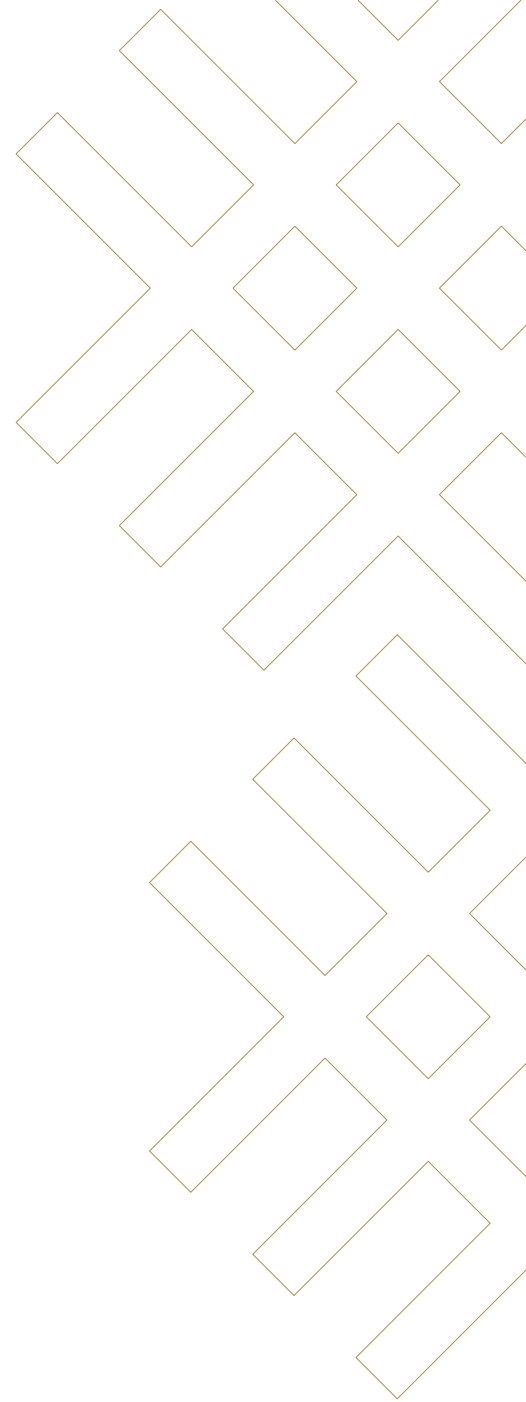
When it comes down to the recipes themselves, Sequeira recommends the Banana Peel Bacon & Wild Rice Pancakes breakfast dish. And, in terms of the impact of the campaign, he confirms that the boost on long-term brand trust metrics was an important component (reflected in the improved “positive impact” score).

He adds that the campaign also drove the short-term business goals in boosting visits to stores: “It really worked both ends of the spectrum at the same time, because we knew we had to drive perceptions and awareness of kitchens, we had to increase our positive impact measures around sustainability and life at home, but like every other retail business we had to get people through the door.”

A similar impact was felt among those brands attempting to build commitment, which can be described as creating a sense of attitudinal loyalty that involves committing to the brand. Product differentiation is one way to build commitment, but esteem is just as important - a sense of the brand's qualities and salience in its category. And there are some overlaps with trust in that powerful emotional platforms can build commitment.

The third factor, building fame and getting a brand talked about, used to be a far stronger factor but has slipped down the rankings. Due to the impact of social media, it's clear that brands can be hyped without being really trusted, and so fame has lost its golden spot.

That said, as we'll see in the Érable du Québec case study later in the report, an investment in a brand-building "fame-based" approach has a wider "halo effect" that creates a positive impact on attitudes and perceptions that aren't even the primary focus of a campaign. In this case, for instance, in "educating" consumers on health and nutritional benefits.



Tim Hortons And Justin Bieber Blend Fame And Authenticity

Quick Serve Restaurant (QSR) business Tim Hortons, working alongside its agency GUT Toronto, partnered in late 2021 with Canadian superstar Justin Bieber in a move to update perceptions of the brand and collaborate on a new range of products that would build anticipation and excitement among guests.

The resulting 'Timbiebs' endorsement, which saw the co-creation and launch of three new Timbits snack flavours with Bieber, was recognized with a Gold in the Influencer Marketing Category and the overall Grand Prix at the 2022 Effie Awards Canada. The launch earned over 2.1 billion social media impressions and boosted sales significantly.

In terms of using effective marketing techniques, the initiative highlighted the value of deploying fame through the entertaining and authentic use of a celebrity (Bieber was a big fan of Tim Hortons). It also made effective use of channels such as TV (including a 60-second spot), out-of-home and radio, alongside great product innovation, to help drive the campaign and to propel a brand that was already part of the fabric of Canada into a major talking point, raising its profile and appeal, especially among younger audiences.

Reflecting on the partnership with Bieber, Solange Bernard, senior director/head of marketing communications at Tim Hortons, describes how the brand had previously worked with athletes (specifically hockey players) but sensed a new opportunity with the singer: "It was about finding something truly authentic. Working with people who truly love our brand. We want to know what memories and relationships they have with the brand because, for us, that really unlocks rich insights to anchor the campaign around."

With Bieber, this took Tim Hortons beyond a straight endorsement because he grew up with the brand and loved the Timbits range especially, which led to a strong collaboration on developing the new flavours and the "Timbiebs" name.

Bieber also provided Tim Hortons with access to a new audience, says Bernard, helping it to "tap into a younger guest mindset to create more relevance with them for a brand that had been around for a long time."



She adds that a key goal of the campaign was to “move the brand forward” and that the Bieber partnership delivered this while also lifting sales and traffic due to the “swell” of social media conversations that grew around the activity. “We wanted to launch very loudly so that guests couldn’t miss what was happening. This started with a tease and then dropping assets across TV, radio, and OOH, but then very granularly across social channels over the full four weeks. It was a very robust media plan.”

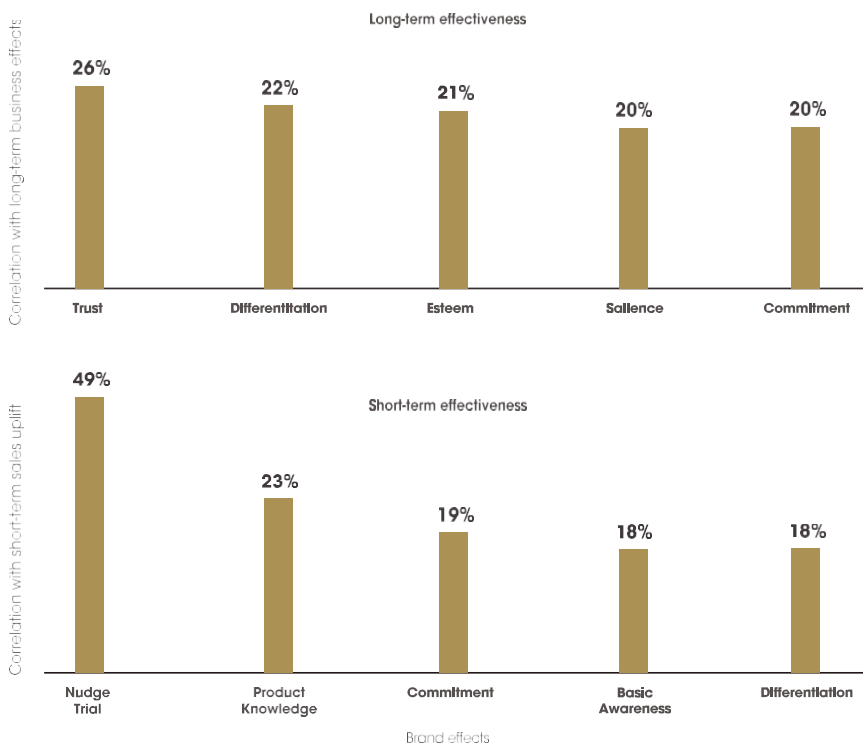
And Tim Hortons is determined to apply similar principles to future activity: “What we had with Justin was so special, and his mark was on everything,” says Solange Bernard. “That sets the bar high with what we do next. We don’t want just an endorsement, we truly want collaboration, and to work together and co-create with a shared love and affinity for the brand.”

The top three campaign objectives for short-term uplift are very different. Nudging trial is a no-brainer, while product differentiation tends to be more about functional benefits. Giving people a reason to buy something - it lasts longer, cleans better - is a clear way of driving short-term sales but doesn't necessarily constitute a great way to build a brand because it involves lots of pieces of information about benefits that are often short-lived.

Then there's basic brand awareness - is this a brand I've ever heard of? - which again tends to help short-term sales but doesn't feature at all in brand building because brands have to operate at a much higher level of salience to make a difference beyond simple awareness.

Brands and marketers have big choices to make because these two baskets of objectives are so different in nature. Accordingly, it makes sense for some businesses to separate short-term and longer-term marketing activities.

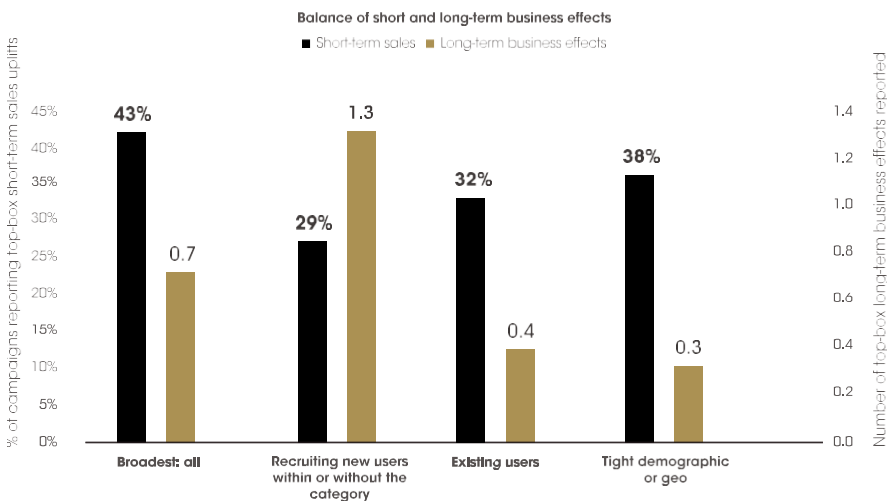
Brand effects play out differently over long and short timeframes
Top 5 brand effects by strength of correlation



Source: ICA effectiveness database, 2021 & 2022

When it comes to building long-term business effectiveness, the top five brand effects in campaigns are all relatively emotional and all related to how we feel. However, what drives short-term effectiveness is a very different basket of effects. This means that, when measuring short against long-term effectiveness, we must be aware of the need to recognize the different levels of impact of the various metrics.

Targeting strategies play out differently over long and short timeframes
Tight targeting makes for cost-effective short-term sales,
but leaves brands heavily exposed in the long term



Source: ICA effectiveness database, 2021 & 2022

The use of targeting is another area in which brands should consider carefully the variance between long and short-term strategies. The best targeting of all is to go very broad because when you're targeting everyone in your category, you're reaching out to people who are new while also reminding people who already know you that you're there - and they are the easiest ones to convert to short-term sales.

Looking at the right-hand side of this chart, the "tight demographic" bars are brands that are probably using performance marketing tools and demographic or geo-targeting data to laser-serve a message to the "soft belly" of the market. The people who know the brand. This focus does drive much better short-term sales, but the people who don't know you, who are more difficult to recruit, are going to be harder to nudge, which is why advertisers need to combine long and short thinking when it comes to targeting. To deploy what Professor Mark Ritson refers to as "bothism" to make the dollars work hardest.

Ricola's Category Disruption Using Strong Insight And Hyper-targeting

Ricola, the herb-based cough drop brand, faced some intriguing challenges early in 2021. Not least the impact of the Covid-19 pandemic, which meant that fewer people were catching colds due to tougher public health restrictions. But the brand was also being outspent by category rivals, including Halls, in the peak cough and cold season.

Working closely with agency partner FUSE Create, Ricola's response was a month-long "test and learn" campaign in the Greater Toronto Area that sought to shift consideration for the brand outside of the main "cold season" by associating Ricola with other usage occasions.

FUSE's conversations around taking the brand into new areas led to the creation of the 'Everyday Voice' campaign, using the line "It's good to have Ricola at the ready" to encourage more proactive consideration of the brand beyond a reactive purchase due to having a cough or cold.

The campaign was awarded Gold in the Marketing Disruptors category at the 2022 Effie Awards Canada and has since been rolled out more substantially across Canada (in the Fall of 2022), on social video channels in the US, and has also been adapted for Ricola in Germany.

Steve Miller, executive creative director and SVP, partner at FUSE Create, says:
"Through research, we learned that people turn to water, tea, or maybe gum if they have a dry throat or hoarseness. But nobody turned to a lozenge. That became the white space opportunity because no other cough drop was talking about it, and giving voice to the issue."

In the test region, Ricola sales grew 18% (while the category grew 5%), and in the control region, Ricola grew 3% (while the category declined by 3%). The campaign used creative that featured an outward view from inside the throat to illustrate when people would need a Ricola to soothe their voice. Each occasion was hyper-targeted by context using paid-for social media and relevant influencers and brought to life in lively and colourful illustrative videos, print and posters. This allowed the campaign



to create moments that best depict the new usage occasions (such as talking on Zoom calls, cheering at sports events or concerts, or being up all night talking with friends).

FUSE also handled all the media buying for the initial test campaign and specifically bought against people who would have an affinity for each usage occasion.

“Everything that our [social] videos would speak to, was specifically what we bought against,” says Miller. “So there was stronger resonance with people who were interested in amusement parks, mountain biking, or whatever the case may be.”

This amounted to a powerful short-term strategy that made intelligent use of hyper-targeting to drive strong sales uplifts by encouraging people to have the product ready at home. Initially making intelligent use of a small activation budget, the strength of the insight and creative approach has been highlighted by its continuing use as a platform by the brand on a larger scale.

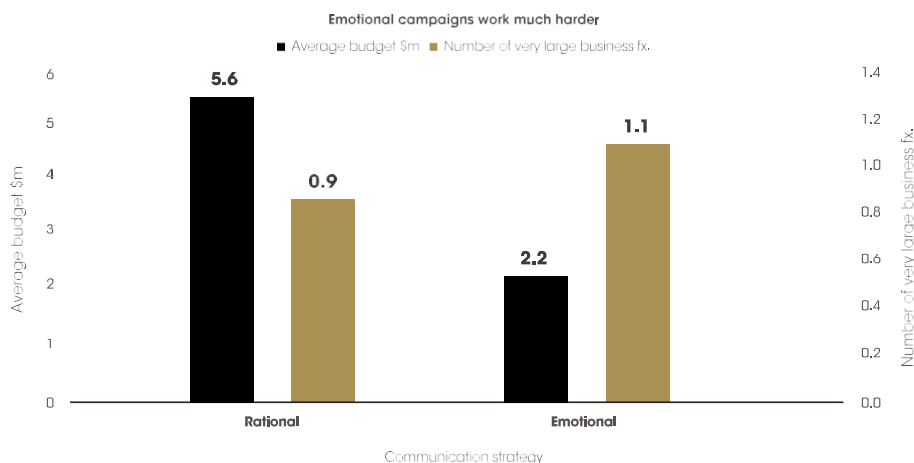
Miller concludes: “‘Everyday Voice’ is a pillar within Ricola’s communications platform. It’s taken on its own focus. Now, whenever we’re planning content on social channels or whatever the case may be, there’s always a nod to continue to build our position around ‘Everyday Voice’.”

When focusing on long-term business effects, we see from the chart that, generally, this requires targeting more broadly. The more tightly targeted activity is fairly dismal at driving longer-term impact, while the targeting that has the biggest impact is focused on driving new customers. However, the problem here, of course, is that this tends to come at a higher cost. Therefore, the findings endorse the accepted wisdom of going for a solution on the left-hand side of the chart - “broadest of all” - to achieve both good short-term sales and relatively strong long-term effects.

The main point here is that tight targeting makes for some very cost-effective short-term sales; the digital ROI metrics will look fantastic but leave brands heavily exposed in the long term.

Emotional campaigns work harder than rational ones

Emotional campaigns achieve greater business effectiveness despite much smaller budgets



Source: ICA effectiveness database, 2021 & 2022

When considering the main creative drivers of effectiveness, it's worth taking a look at the relative budgets. The unfortunate aspect is that rational campaigns, because they don't work very hard, tend to be used by clients with deeper pockets and supported with a great deal of money behind them. We can see from the chart that Canadian campaigns with a rational focus were supported, on average, by more than twice the budget of those with an emotional emphasis.

Juxtaposing these spend figures with the relative impact of rational and emotional campaigns demonstrates clearly that, in terms of bang for your buck, those emotional campaigns are driving a bigger impact on the business for half the spend.

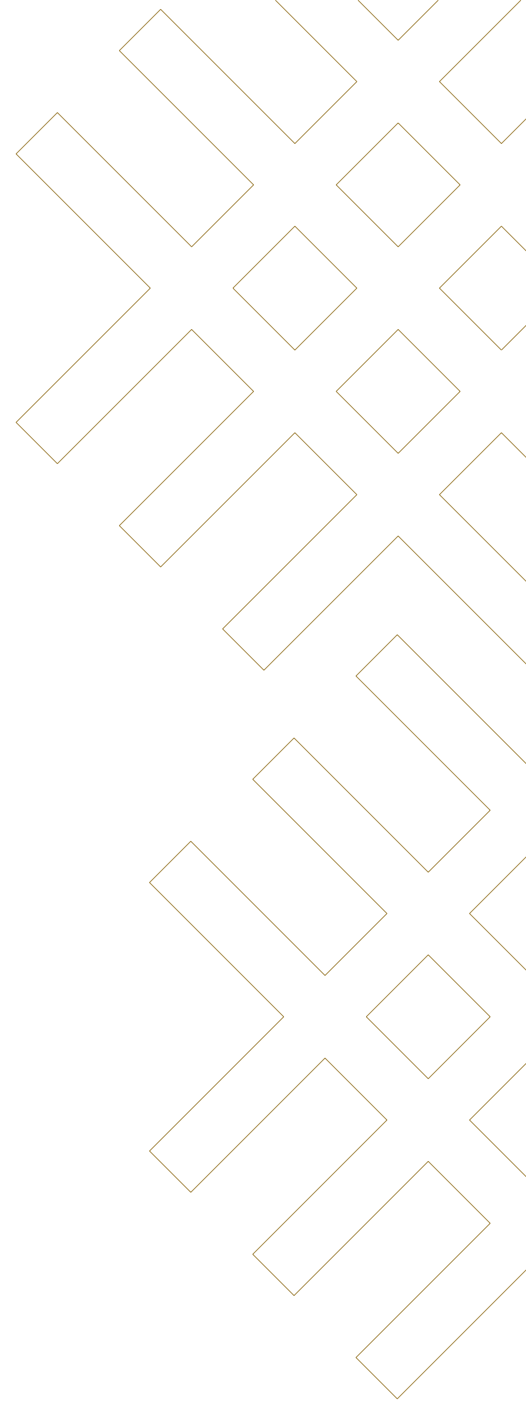
We've seen the reason behind that already, which is that long-term growth is an emotional brand task that involves creating trust and commitment, and you're not going to achieve that with campaigns that shout facts.

A standout example of this use of emotion in action was the 'Feeding Imagination' campaign for Campbell's cracker brand Goldfish, created by Zulu Alpha Kilo, which won Gold in the Snacks & Desserts category at the 2022 Effie Awards Canada.

Adding emotional depth and meaning to the Goldfish brand was identified as a significant opportunity for growth and competitive advantage. A clear purpose - "Feed Imagination" - was selected in order to build this connection with parents of young children who consume the snack. The strategy then focused on activating this purpose by turning the audience into creators, using media to drive the message about the power of childhood imagination, and helping to provide parents with practical ways to spark their kids' creativity.

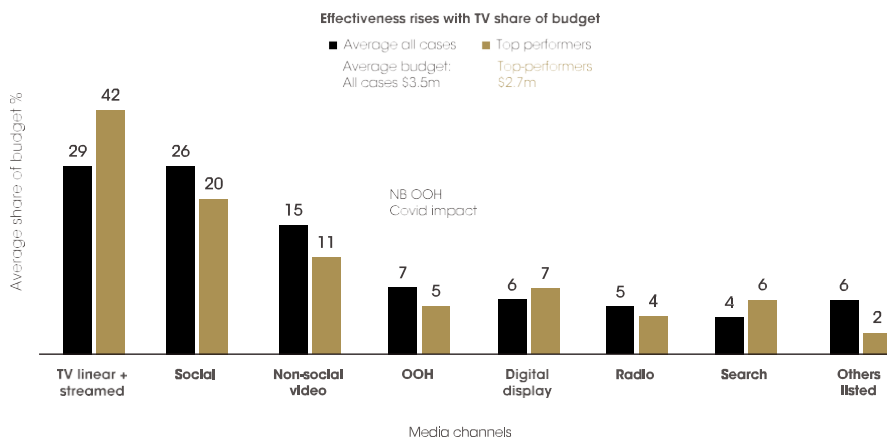
It was fascinating to see how Goldfish deployed the Out-of-Home medium to provide a national canvas for some of the best ideas created by children, celebrating content from kids in a very public and emotive way, while digital channels were used to inspire participation and build momentum, and point-of-sale to drive purchase.

The activity boosted sales while meeting the stated objective of adding emotion, depth, and meaning to the brand. Specifically, the campaign lifted the "Meaningfulness" dimension of brand health within Kantar Millward Brown's proprietary system.



Media Choices For Brand Building

The difference between an average media plan and a top-performer
Top performers achieved 2 or more top-box business effects



Source: ICA effectiveness database, 2021 & 2022

Now, let's take a look at how media choices can play a significant role in boosting campaign effectiveness. The approach used here is to compare the share of budget each media was allocated for the average case versus the top performers. When top performers allocate a greater share of budget to a channel than the average, it implies that the average investment in that channel is underweight for maximum effectiveness.

A picture emerges of the average Effie Awards Canada submission spending 29% of its budget on TV (linear and on-demand combined). Social is almost as significant, with 26% of the average budget allocated, followed by non-social video at 15%.

It seems clear from the findings that TV investment in Canada is underweight. The case studies that put more into the medium achieved better business effects. Meanwhile, the top performers spent slightly less on social media, which was also the case for non-social video.

This appears to reflect the findings of effectiveness studies elsewhere in the past decade that many brands are over-spending on social channels while under-investing in TV.

Making Maple Syrup Famous Beyond Breakfast In Québec

Érable du Québec is the brand name used in Québec by the association that represents more than 13,300 maple syrup producers. Having appointed a new agency, Rethink, it embarked on a dramatic change of marketing strategy based on innovative media usage that was all about boosting mental availability and the fame of the product by using TV and sponsorship at scale over a period of 16 months.

The resulting 'Good in everything' campaign from Rethink, which ran between 2020 and 2022, won a Gold at the 2022 Effie Awards Canada in the Media Idea category. This was thanks to innovative thinking that included hijacking ads from other brands in the context of its sponsorship of Bye Bye, the top-rated show in Québec TV history.

Prior to the 'Good in everything' idea, which involved turning perceptions of maple syrup from a breakfast essential into an everyday cooking staple, Érable du Québec had put marketing resources behind several smaller initiatives with varied messages.

Mylène Denicolaï, director of promotion and market development at the Federation of Quebec Maple Syrup Producers, says of the change in emphasis: "When we met with Rethink they said 'what you're doing is great, but we believe in speaking louder, to more people... why not go big and bold?'"

As a result, the primary focus of the campaign - involving 65% of the budget - was focused on staying "highly visible in the public space in order to build brand awareness and keep maple syrup salient in Québécois' minds." This fame-focused approach was achieved through spend on TV ads and sponsorship of Bye Bye, Québec's December 31st comedic TV show that is the province's equivalent to the Super Bowl in terms of audience ratings.

The brand took this further to convey a simple message of the product's versatility by using media in a creative way. During the live broadcast of Bye Bye, Érable du Québec ran six 10-second ads that directly echoed the previous ad (from grocers to pork producers, mocktails, to insurance) and seized the opportunity to make the brand platform and message famous.

Pascal Routhier, Partner & Head of Strategy at Rethink, says: "Bye Bye is the biggest stage you can have in Québec in terms of audience and the possibility of creating fame. Everybody is watching and has an opinion, criticizes or celebrates."

Routhier adds that this focus on fame had the additional virtue of “creating a positive, magnetic halo around the brand which, in turn, tends to positively affect most opinions, perceptions, and attributes, even if some of them are not even part of the campaign efforts and messages.”

For instance, the campaign played a clear role in shifting perceptions of the potential nutritional benefits and perceived quality of maple syrup. Lifting agreement with the statement that “maple syrup is a gourmet product” by 7% to 82% in Québec (where the activity ran) compared to an unchanged 62% in Ontario (where the campaign didn’t). And agreement with the line “maple syrup is a good source of vitamins and nutrients,” from 52% to 62% in Québec compared to a stable 47% in Ontario.

There were many other shifts in important metrics that occurred only in the Québec test area where the halo of brand building was created. These can be seen in the table below.

TASK: EDUCATE (Develop familiarity and improve attitudes.)	QUÉBEC (brand building efforts)		ONTARIO (lower-funnel efforts only)	
Perceptions and attitudes (agree + totally agree).	2020	2022	2020	2022
<i>Very favorable overall opinion.</i>	67%	73% (+6) ↑	50%	stable
<i>Maple syrup is a very versatile product/ingredient.</i>	90%	93% (+3)	79%	stable
<i>Maple syrup has a place in a healthy diet.</i>	80%	85% (+5) ↑	69%	73% (+4) ↑
<i>Maple syrup is a gourmet product.</i>	75%	82% (+7) ↑	62%	stable
<i>Maple syrup is a better/healthier sugar than other sugars.</i>	79%	81% (+2)	79%	65% (-14) ↓
<i>Maple syrup is an ideal food/ingredient to get an energy boost.</i>	58%	69% (+11) ↑	56%	stable
<i>Maple syrup contains more vitamins and minerals than other sugars.</i>	54%	64% (+10) ↑	48%	stable
<i>Maple syrup is a good source of vitamins and nutrients.</i>	52%	62% (+10) ↑	47%	stable
<i>Maple syrup contains a reasonable amount of calories.</i>	54%	62% (+8) ↑	52%	stable
<i>Maple syrup is the sugar of choice for athletes and wellness enthusiasts.</i>	39%	46% (+7) ↑	29%	stable

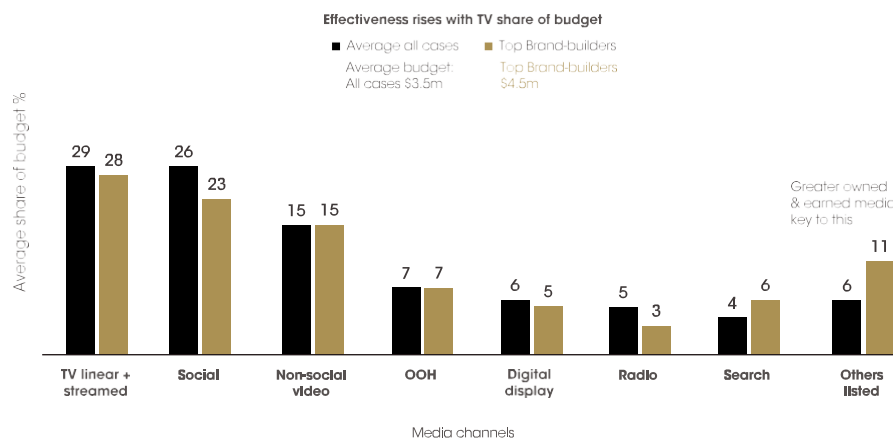
In terms of the direct campaign objectives, campaign recall reached 80% (+34 versus the norm), and Érable du Québec’s brand awareness grew by 26% (from 60% to 86%) between summer 2020 and January 2022. In addition, maple syrup usage grew and diversified - 70% of respondents claimed to have substituted sugar with maple syrup at some point in the previous year, while 60% mentioned having tried it in new contexts/recipes, with 42% starting or increasing their usage of maple in a meal other than breakfast.

Mylène Denicolaï is confident that it will continue to build on the success of the ‘Good in everything’ platform: “We’re just at the beginning this year, but we are going for a similar pattern. Smaller things throughout the year, but always a big campaign around this area that maple is ‘Good in everything.’ So, for sure, we’re not done with that.”

A final point here on broadcaster streaming, albeit in its very early days. The average, in all cases, was 28% allocated to linear TV advertising and just 1% to broadcaster-owned streaming. But for the top performers, it was not only a case of much higher spend on TV but also on these streaming services. Recent data from the UK suggests that the ratio for an average-size brand should be about 4:1 when it comes to linear/streaming, which points to an interesting, exciting and productive future for advertising on these platforms.

The difference between an average media plan and a top brand-builder

Media plans appear broadly optimized for brand impact



Source: ICA effectiveness database, 2021 & 2022

The approach used here is similar to the last chart, but this time the share of budget each media was allocated for the average case is compared to the cases that made the biggest impacts to the strength of brand metrics. When top brand builders allocate a greater share of budget to a channel than the average, it implies that the average investment in that channel is underweight for maximum brand-building impact.

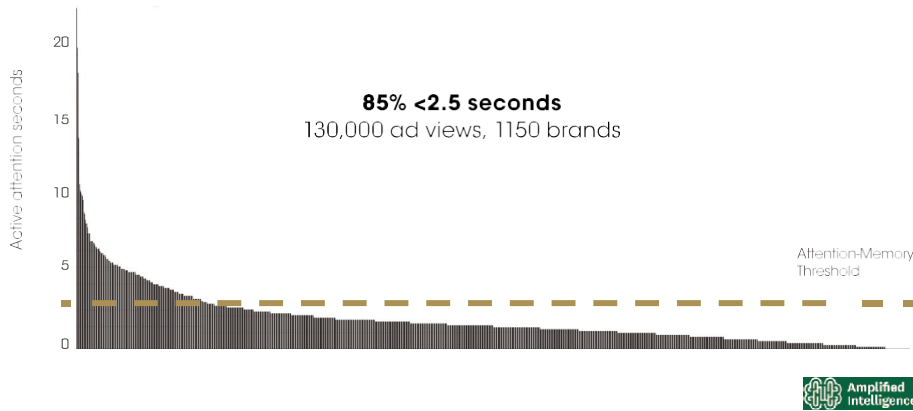
The reassuring news for brands in Canada is that broadly speaking, media plans are already optimized for brand impact.

When comparing the leading brand builders with the average case study, we don't see much difference in terms of achieving top brand effects, with the exception of greater investment in owned and earned media.

The challenge for brand building online

"When ads don't meet the Attention-Memory Threshold of 2.5 seconds, it's hard for Mental Availability to grow."

Dr Karen Nelson-Field



Source: ICA effectiveness database, 2021 & 2022

Some will find it difficult to accept that brands generally over-invest in social media, but the work of Dr. Karen Nelson-Field, an acclaimed researcher in media science, goes a long way to explaining why this is the case. Marketers have tended to assume that the viewing of a video ad has the same value across all platforms - so all that matters is the cost per thousand views, a metric that online video tends to perform well on.

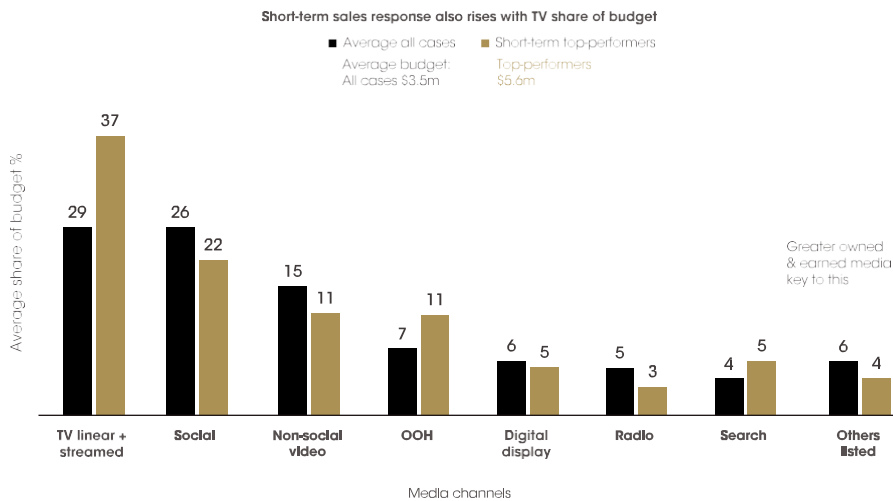
But Dr. Nelson-Field's research has taught us two important things about video advertising: firstly that if it doesn't achieve at least 2.5 seconds of active attention, it is very unlikely to build the mental availability of the brand; secondly that in a vast study of 130,000 online ads (social and non-social), only 15% achieved this target. Her research teaches us that TV performs better and that there is enormous variation across online video platforms. She argues that cost per thousand is an invalid currency and that only when we pay for attention seconds will the long-term value of video platform exposures be costed in.

This supports the view that, in terms of brand effectiveness, advertisers are over-investing in digital video because it hasn't got the necessary attributes to build long-term value. While it can still do a useful job in the short term, it's hard to see how online video can seduce a consumer over the long term when they're viewing an ad for one second.

There's clearly a reminder role here. If audiences have seen a TV commercial, then just a couple of seconds of social video will have some value in rekindling emotions, but that's very much a secondary and supportive role. If brands aren't making the primary investment, they won't see that benefit.

The difference between an average media plan and a short-term top-performer

Top performers achieved top-box short-term sales uplifts



Source: ICA effectiveness database, 2021 & 2022

Looking at short-term sales response, it emerges that the top performers also invest more in TV. That's because the medium not only helps to build brands, it also has a powerful short-term effect, especially when used in the form of direct response TV.

Admittedly, it can be an expensive way of achieving these short-term objectives, but the findings do capture TV's clear role here. Otherwise, there are some small differences, including over-investment in social, but not to the extent when we looked at the brand-building effects of media.

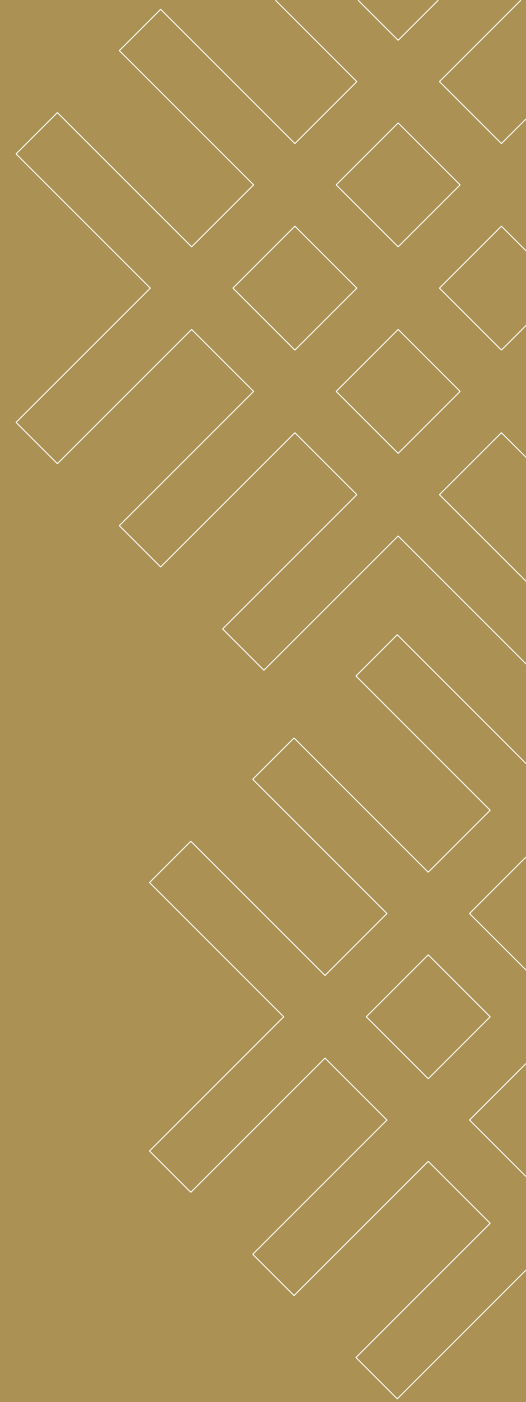
The Value Of Long-term Brand Building

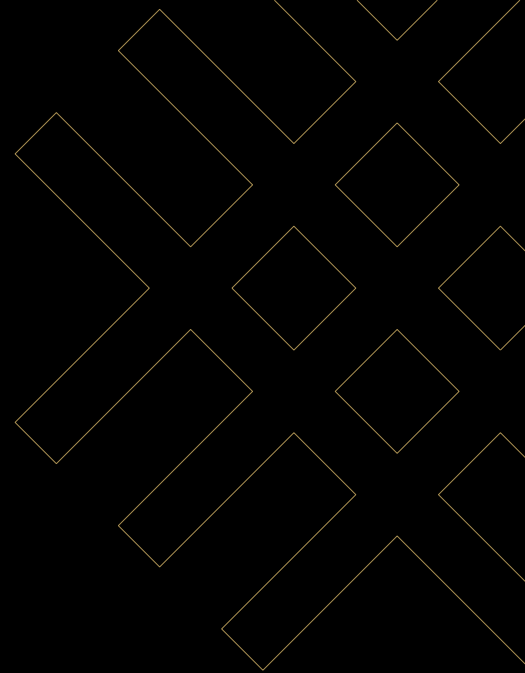
The most powerful and essential finding from this analysis of Effie Awards Canada entries is that it's folly to ignore the vital importance of brand building to the long-term success of brands. This investment in brand has strategic, creative and media implications that are widely overlooked.

Overbalancing towards a short-term, tactical approach obviously has its attractions but risks mortgaging the future of the brand for temporary gain. It doesn't make sense in either the good times or in recession.

Brand building is an especially smart idea during a period of economic downturn because it provides the platform for long-term sales growth during the recovery and usually at reduced media cost (media costs tend to be more competitive, and the contest for share of voice less fierce during a recession). Additionally, brand investment helps to defend and ultimately grow pricing power over time, which is especially important during a recession. Furthermore, given the strong evidence that "mental availability" is linked to growth, the risks of "switching off" brand activity outweigh any temporary savings. So it isn't surprising that the benefits of investing in brand building over the economic cycle of recession and recovery are now well established.

However, Canada has clearly been strongly seduced by short-termism, and it is a vital role of marketing to push back against the quarterly pressures and seek balance with long-term growth. The 60:40 rule (60% investment in brand, alongside 40% activation) is a valuable guideline for achieving this and making the biggest impact possible on the most important drivers of business success.





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