

# INCITE

#### **ABOUT THE COVER**

The cover of this issue of *INCITE* demonstrates the visual and tactile impact that physical media can deliver. It is printed on Supreme Gloss 100lb cover stock in four colour process with a gloss aqueous varnish. Printing was on a Heidelberg Speedmaster CD74 6 colour press at 350 line screen. The bubble wrap is hand-cut and manually applied to each cover.

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# THE YEAR AHEAD ISSUE

**INCITE | IDEAS FOR INCITING ACTION 2019 | ISSUE 01** 



Direct mail used to be separate from mass marketing – its own industry with its own rules and lexicon. As the spotlight grew on digital, and everyone's energies and resources went into keeping up with the Kardashians,

direct mail was sometimes seen as disconnected and – well – analogue.

Fast forward, and direct media is where it's at. In a mobile age, the online/offline divide is moot, as people no longer distinguish between the two. All channels are converging directly around the consumer. And, this is where the winners are relevant brands that know how to connect effectively and authentically with the consumer.

We are experiencing a new marketing paradigm. The rules of the game have changed, and marketing is more complex compared with the ease that mass media once afforded. But, if we think about the essence of marketing, and what good marketing is meant to do, that hasn't changed. Every marketer wants to get their brand in a customer's hands. It's a simple goal – just harder to achieve.

So, what does it take to make that brand connection in today's marketing economy? What are the ideas for inciting action?

After five years of publishing *INCITE* as a showcase for the best direct mail marketing from around the world, we are evolving into a magazine that showcases ideas to incite action. Our objective is to help marketers navigate the contemporary landscape with new concepts, topics and industry perspectives that lead to tangible results.

In this first issue, our annual edition, we're looking at the fundamental ideas and themes that shape smarter marketing. The kind of thinking that leads to better results. We're also showcasing a retrospective of the best direct marketing applications – from around the world and across industries. These are the stories that, in our opinion, best exemplify the influence and intelligence of the modern marketing mix.

As the editor of *INCITE* for 2019, it's a privilege to be part of bringing this magazine to a wider audience and, hopefully, seeing its influence extend throughout our marketing community. We'll be welcoming guest curators to our pages, and encouraging everyone in our industry to contribute ideas that put change into perspective and encourage the kind of thinking that incites action.

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Esmé Rottschafer

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# THE MARKETING WATCH LIST

We were lucky enough to get a front-row seat as Canada's leading marketers gathered in Toronto for a day of impactful exploration at Canada Post's Think INSIDE the Box. Addressing the fundamental shift in marketing economics, headliners Andrew Au and Tom Goodwin were joined by a team of industry experts, as they challenged participants to reimagine marketing in a post-digital world.

During a day of speaker sessions, breakout opportunities and animated discussions, we learned about the common themes and new ideas that crave attention – concepts that influence how smartly we market in 2019. This marketing conference covered a whole spectrum of thinking – from artificial intelligence (AI) and data-driven marketing, to the rise of mass personalization, life-stage marketing and what customer experience (CX) really means.

Sometimes, it's hard to separate the developments that will be valuable and long-lasting from those that inevitably fade. Here is some stand-out thinking from industry experts. Key insights about what to watch in the coming year:

# DIGITAL TRANSFORMATION TO GENERATE REVENUE

It's time to shift our thinking from marketing as a service to marketing as a profit centre, and push ourselves beyond notching up impressions – creating instead clear paths to retail, inciting action and generating real revenue.

In our collective dash to be digital, we sometimes forget that the online and offline worlds are not – nor should they be – mutually exclusive. We're already experiencing the potential of smarter customer journeys powered by AI – through chat bots, customized experiences and contextual advertising. And, in its current form, AI is a prediction engine, enhanced by human creativity. It helps us make better decisions.

Hyper personalization has reached the point where companies know what you want even before you do – and can serve it up online or offline. Digital and physical worlds are working together and using immersive technology like mixed reality (MR) to create brave, new, digitally transformed customer experiences.

And, while there's no denying that customers expect more, as marketers we

shouldn't be intimidated by this. Let's be grateful that there's never been a better time to leverage technology to meet those expectations. Instead of thinking digital-only, we need to start using digital transformatively within the context of our physical world.

# TESTING AND LEARNING TO IMPROVE RESULTS

Mad Men have given way to Math Men, and data is in the driver's seat. From the stats we gather on website visitors and the social media interactions we track. to the demographic profiles that help us replicate our best customers, data drives the most successful marketing campaigns. But often only after they've failed. Let data be your teacher as you experiment, test, reassess and respond at speed. At some time or another, we've all been guilty of running a test, not getting the results we want and declaring it a failure. Instead of walking away from the opportunity, sometimes you simply need to recalibrate. Be smart about the learning you take away, and try again. Agile course corrections often lead to the most penetrating insights. Make sure, too, that everyone has access to the same data, in a consistent format. That makes it easier to understand what works, as well as where and how to apply it.

# LIFE-STAGE MARKETING TO INCREASE RELEVANCE

For many marketers, the ultimate prize is the attention of the coveted millennial cohort. It's where our generational focus has been directed, and it won't be long before the conversation shifts in pursuit of Gen Z (also called Homelanders, GenEdge or iGen). The trouble with segmentation based on generation is that it can result in misleading stereotypes. We need to shift that focus, bust some of the myths, manage expectations and build respectful, relevant and valuable brand experiences that recognize different needs. We can

"Digital and physical worlds are working together and using immersive technology like mixed reality to create brave, new, digitally transformed customer experiences."

start by acknowledging life stages – and that the cohorts can influence each other, especially when more than one generation shares a living space (think children influencing parental shopping habits). A millennial with kids is likely to have more in common with a Gen Xer than with a younger millennial who's still living at home. The pre-boomer, silent generation and Gen Z might be similarly risk-averse – and that could be significant when it comes to data privacy, for example. As life stages ebb, flow and cycle, we see behaviour patterns reflected across the generations.

As marketers, we should watch our language when talking to different generations. Reskinning a millennial campaign for boomers takes more than adding an old-school sound track. Depending on life stage, consumers can talk differently about the same products, and that needs to be reflected in the way brands connect.

## LIKEABILITY TO REPLACE LOYALTY

Spraying and praying was built on a supply economy. We're now in a demand economy. The funnel has flipped and the path to purchase is no longer conveniently linear. With the consumer at the centre of everything, attraction and conversion can occur simultaneously, at multiple touchpoints and any stage of the customer relationship. Just think about your last spontaneous Instagram purchase from a retailer that was new to you. Rather than focusing on loyalty, the new economics favour relevance — to earn more effective distribution — and being likeable — to create greater value.

# VALUE-DRIVEN EXPERIENCES TO MEET CONSUMER EXPECTATIONS

While technology is a valuable tool, we can't lose sight of the human meaning and value people seek from their interactions,

and where they choose to spend their time. We block ads in favour of content for a reason. In this new era of marketing, customers need to feel valued – and there's no better way to do this than to treat them as perennial prospects. Today's 4.0 customer both influences and is influenced by other consumers – and has high expectations that companies will adapt to fit their needs.

It's up to us as marketers to use data to inform – not to decide. We need to be careful that we don't become so focused on the data that we dehumanize. Prospects are people first. In an ecosystem that has created customer empowerment, we can't afford to take anything for granted.

# **RESOLVING TO BE IN THE MOMENT**

Trigger-based marketing marches to the customer's timeline. More than ever, success looks like the right offer, the right person and the right time. And, it's all about using data – predictive analytics, transactional data, SKU data, web browsing and call centre data.

There's nothing to say that digital and print are mutually exclusive. New print technology means you can deploy triggered tactics with direct mail as well as digital. Think about the events you allow to be triggers. Don't be too personalized, or customers will ask, "How do you know all this about me?"

# THE OPPORTUNITY TO ACHIEVE BALANCE

Digital natives no longer do internet dating and mobile banking. They date and they bank. That's how people exist and interact in 2019. So, why do we still separate our media channels and talk about traditional media, when really we need to be discussing proven media? Sometimes, it seems like we've lost our focus in the face of too many shiny tactics that are immediate, trackable and trendy. The way forward really doesn't need to be littered with marketing

distractions, which too often derail us from reaching our marketing goals.

If we want to keep things in perspective, simplicity is where we should be headed. The architecture of choice on the path to purchase needs to be clear and present. And, as we embrace the post-digital age, it's time to weave proven media – like print, direct mail and TV – back into the mix, focusing on achieving the right balance and leveraging what works well together.

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# DATAGRAM

# DIRECT MAIL WELCOMES MARKETERS TO BETTER RESULTS



IT'S EASIER TO UNDERSTAND

IT'S MORE PERSUASIVE

21% LESS mental effort is required to process direct mail than digital mail.



66% KEEP MAIL

THEY CONSIDER USEFUL

Use demographics and psychographics

to find people who are interested in

REACH THE RIGHT PEOPLE

your product.

SHOW APPRECIATION

Let your customers know you truly appreciate their business.



43% ORDERED A PRODUCT ONLINE

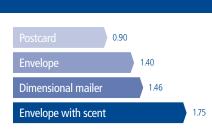


64% VISITED A WEBSITE



54% ENGAGED IN SOCIAL MEDIA

TURN AWARENESS INTO ACTION Direct mail leads to conversion.



20% higher motivation response to

direct mail than digital media.

## IT'S INCREASINGLY EFFECTIVE\*

As you add sensory elements, your direct mail piece becomes more effective at engaging the brain.

\*Effectiveness based on motivation-to-cognitive load ratio, as explained in *A Bias for Action*, 2015.



IN REACTION TO DIRECT MAIL

CREATE A LOCAL SENSATION

Make the most of geotargeting to connect with customers close to you.



# SHARING ISN'T JUST FOR ONLINE

- 26% have shared an email ad
- 22% have shared a social media promotion
- 32% have shared a direct mail ad

Sources: Canada Post: Complete studies of Breaking Through the Noise, 2015 and A Bias for Action, 2015 are available for download at canadapost.ca/smartmailmarketing.





# MARKETING SMARTER

# A GUIDE TO CHANGE THAT MATTERS

Tom Goodwin, EVP and Head of Innovation, Zenith Media

It's easy to be delirious about change, especially if you work in marketing. We witness almost endless thought leadership about the accelerating pace of change, and we're told everything is different now. On a calm day, we'll hear that millennials don't want to buy stuff anymore, that media is fragmenting fast, that TV and brands are dying. It's not unusual to see a Lunascape that includes 5,000 marketing technology firms or to be told Alexa will change everything. All this without even getting into Blockchain, quantum computing or the Fourth Industrial Revolution and artificial intelligence.

The beauty of my role as Head of Innovation at Zenith Media is that I get to travel. And, while it's nice to see markets in Mumbai, car dealerships in Seattle, farming in Tuscany and restaurants in Auckland or Shenzhen, what's important to me is I get to be up in the air. That's where I escape Wi-Fi and find perspective. I am able to see change in context, both at home and away. I have the luxury of working out which changes actually matter and – most importantly – what should stay the same. And I get to assess what all this means in the relatable terms of everyday life. I get paid to make things simpler, not to stir up a panic and get people to invest in a solution for the sake of it. My role is to both reassure and provoke, not whip up a frenzy.

# WHY DO WE ALWAYS GET TECHNOLOGY WRONG?

I find it best to view change in the context of the past. The first steam engines didn't replace the waterwheels that powered factories. Instead they pumped water to power the very same wheels. The first radio shows read from newspapers. The first TV shows were live-action plays with TV cameras pointed at them. Likewise, in our digital behaviour, we're replicating old models when we introduce new technology. We may augment them with some innovative garnish and invent new business models, processes and products around them but, fundamentally, they remain rooted in the past. Not convinced? Why do we still have to print out most 'e-tickets'? How come your passport stores biometric data in a paper book?

## **EARLY-STAGE INTERNET**

In the early 2000s our focus was largely on the desktop. First we saw the internet as a channel for written content, before visual content also became popular. Its presence didn't expand media time as a whole, and we didn't see TV use decline. Instead, the internet cannibalized time with newspapers and, to a lesser extent, radio. While we may think this era created Facebook, YouTube and Wikipedia, our lives didn't really change that much. E-commerce grew steadily.

but we saw few dramatic changes in how we lived most aspects of our lives.

## THE MOBILIZATION OF THE INTERNET

The greatest shifts happened between 2006 and 2011. The smartphone turned every spare moment into a time to consume media, and no cup of coffee was left unphotographed. We started sharing moments, locations, thoughts changing the meaning of being social and in touch. The mobile phone didn't so much eat other media, but grow the pie. Apps proliferated – from listening to music anywhere, to tracking friends and paying for meals. We witnessed the birth of Snapchat, Uber, Airbnb, Tinder, Instagram, Twitter, Spotify, WhatsApp and Kickstarter. These companies changed how we behaved, and what we expect of them. They influenced business models and led to the disappearance of many incumbent companies. The Nest thermostat ushered in the smart home. Now we think about devices not as products but as systems that learn our habits and adjust accordingly. The iPad encouraged us to think less of media channels, and more of black rectangles that serve us content.

3G brought us speed, and more of us became smartphone users. Both led to massive increases in e-commerce – and spontaneity. HotelTonight and Google Flights made last-minute travel plans simple. Yet simplicity, speed and responsiveness created consumers that are demanding, impatient and unforgiving. If Spotify allows me to listen to all the music ever created, why can't I watch the TV I love when I'm in London?

#### THE CALM BEFORE THE STORM?

The last six or so years have seen remarkably little change. Of course, Teslas got more popular, we spent even more time on our phones, newspapers successfully introduced paywalls, Amazon

stocked more products. Iteration and incremental improvements, but few paradigm shifts. Casper, Allbirds, Away luggage and Bonobos started off with simple, online product offerings before opening stores. Not revolutionary, but a new twist on last-century direct retailing. Birchbox and Blue Apron introduced us to subscription commerce. Again, not lifechanging, but augmenting how we cook or the way we discover new things.

"We keep
assuming
what's new
is better and
what's old
doesn't work."

If we are honest with ourselves, most of the western world remains surprisingly unchanged. My wallet contains the exact same cards and IDs it did in 2004. I don't use my face to enter buildings or pay for goods. My TV set still wants me to browse by TV channel and time. Remarkably, my local grocery store, clothing outlets and car dealerships are much the same. Most of all, there's really nothing substantively new in advertising and marketing. We've merely bolted digital or social specs onto the same production process.

#### A TIME FOR REIMAGINATION

The biggest changes have come from companies who are truly rethinking business. Seamless or Deliveroo have offered sensible ways for takeaway food joints and restaurants to sell their food via an app. The next stage is to rethink the industry, and use the virtual branding of Dark Kitchens (also known as ghost restaurants) to serve up a model and premises built for purpose. Lemonade Insurance isn't just a nice new app that allows you to buy home insurance, it's a complete rethinking of the pricing process and the claims flow oriented around behavioral economics, Al and your phone's camera. We see Starbucks, Burger King and McDonald's reimagining their locations around mobile ordering and pickup, as well as offering digital kiosks.

## RETHINKING MARKETING

In the world of marketing and advertising we've altered traditional forms of advertising – added components to suit the digital realm, but we've done remarkably little rethinking. Do physical retailers today look remarkably different from pre-internet retailers? They may have staff with iPads or a buy-online-pick-up-in-store program, but has the experience been rethought? We can now sell CPG products on the internet, but aren't we photographing the same products and stacking them on digital shelves? We've taken TV ads and stuck them on YouTube, taken newspaper banner ads and put them on mobile phones. We've not created a single new ad unit since the 60s.

We've become obsessed with what you can measure most easily. We believe that unless you click on an ad it's a waste of time. We've become obsessed with technology and targeting, and stopped dreaming big with ideas. We favour spending money on the ads closest to purchase, because they show the clearest attribution, not because they necessarily work better.

We keep assuming what's new is better and what's old doesn't work. We've become obsessed with plausible deniability, and risk not using the power of novelty to make wonderful new things possible.

#### AN AMAZING NEW WORLD

Much like oil paint tubes allowed the impressionist art movement to form, and the invention of elevators was the birth of skyscrapers, technology is the most empowering and liberating force for change. Here are some ways to embrace it:

## **GOING DIRECT**

The rise of digitally-native vertical brands is often seen as a threat, but they're actually creating an amazing new playbook. For strong consumer brands, there has never been a better time to work with the plethora of companies that can help you sell direct to consumers and increase your margins. The marketplace is now packed with thin horizontal layers of expertise that make it easy to avoid areas where you lack experience. From logistics to payment layers, data providers to affiliate models, prototyping organizations to experts in expanding into new counties like China, it's never been easier, less risky and faster to scale.

## SHOPPABLE ADVERTISING

Shoppable content is any type that provides a direct purchasing opportunity and allows consumers to add products to their cart from an on-screen view. For years, we've assumed ads can either build brand equity or convert awareness, likeability and other brand metrics into action. Now rich, premium, well-targeted ads on platforms like Facebook, Instagram or Twitter allow brands to do both. The purchase funnel has become as simple as a swipe.

## **NEW SCREENS**

For so long, screens have gotten smaller and closer to us. The end point appears to be the mobile phone – the most personal and tactile screen the world has ever known – and the best place ever to advertise. Yet it seems likely that new screens will soon proliferate. From projected surfaces to smart mirrors, home hubs and car-based screens, we're going

to see a lot of black mirrors in more places. Connected to the internet, they'll serve rich, real-time ads that can be personalized. A whole new canvas to explore. I hope we start out using gif-like premium images, instead of cutting down 60-second TV ads.

#### **BRIDGING**

We need to start seeing the world less as online and offline, and more as the amalgamation of the two. How can we use image recognition or QR codes to bridge printed advertising or catalogues directly to e-commerce sites? How can every outdoor ad become a chance to interact – perhaps to search Airbnbs in the area, find places to go, look for flights home?

#### PROGRAMMATIC REDUX

Programmatic has long been associated with remnant inventory and dubious pricing models, when it really means using software, data and code to find, buy, place and create ads more intelligently. We can now use data and real-time triggers to make ads that are either more relevant to the audience or the moment in time. Perhaps anti-cold sore medications during the first cold snap, placement of Rolex ads on days the stock market soars, ads featuring local imagery or using news headlines. A lot will soon be possible. We've always used programmatic to buy audiences. Now we can use it to buy contexts as well as people. We can see how ads perform, then optimize in real time and serve units sequentially.

#### MAKE NEW EXPERIENCES

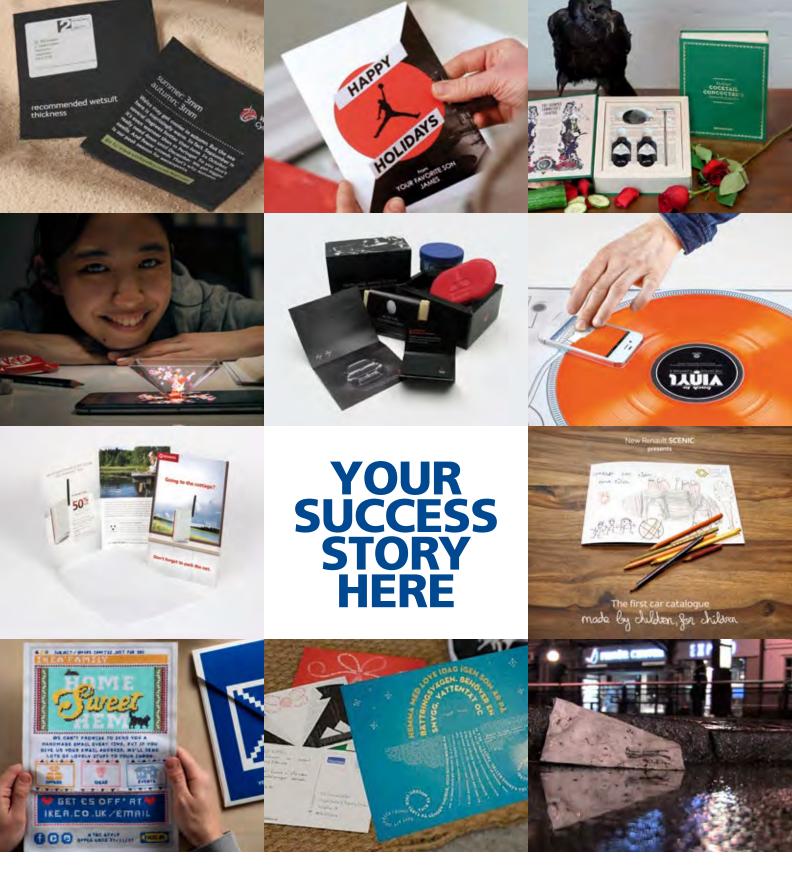
We'll soon be able to see ourselves not as product makers but as experience creators. How can gyms become wellness centres designed around many aspects of modern health instead of places to use work-out machines? How can banks move from places to keep money to financial

gateways and the owner of payments, financial recommendations, budgeting, loyalty points, even keep copies of receipts for guarantees and price matching?

#### **PARTING THOUGHTS**

Not everything is changing, but we must rethink everything. Let's avoid being dazzled by distractions or overly focused on technology and change. As Marshal McLuhan said, "First we shape our tools, then they shape us." We have the best tools we've ever known, so we need to find a way to use them to reshape and reimagine what we do - leveraging the best of our online and offline worlds. Instead of waiting for change, we need to lead it. Think about how people exist and interact. That's the key to reaching them. Be excited and curious about technology. But, more than anything, be obsessed with people – because customers are the people who matter most.

Tom Goodwin is EVP and Head of Innovation at Zenith Media. His role is to understand new technology, behaviours and platforms and ideate and implement solutions for clients. An industry provocateur and commentator, he's a regular contributor to the Guardian, Inc, GQ, TechCrunch, Forbes, Ad Age, Ad Week and Digiday, and his work has featured in the New York Times, Economist and the Times. Voted the #1 voice in Marketing by LinkedIn, and one of 30 people to follow on Twitter by Business Insider, Tom joined Zenith after founding Tomorrow, an agency to provide innovative advertising and marketing solutions for the post-digital age. He has an MEng in Structural Engineering and a BArch in Architecture from the University of Sheffield, U.K.



*INCITE* showcases the best use of direct mail in marketing from around the world. **Submit your success story to** *INCITE* **at canadapost.ca/incitesubmissions** 

# CASE STUDY

When wayfair.ca customers check things out they're soon motivated to check out. >>

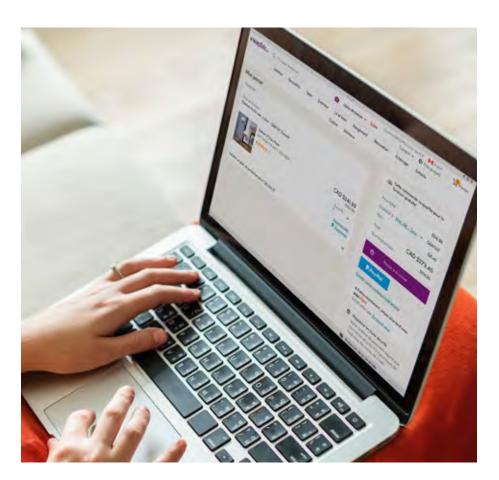
# WHEN WAYFAIR.CA CUSTOMERS CHECK THINGS OUT THEY'RE SOON MOTIVATED TO CHECK OUT

Wayfair tested physical and digital triggers to attract and nurture qualifed prospects to increase conversion.

As e-commerce has grown, it's become more common to buy large items, like furniture, online. According to Statista's Digital Market outlook, between 2018 and 2022 worldwide sales of furniture online are expected to grow at an average annual rate of 11.9 per cent. Online furniture sales in the U.S. now account for 15.3 per cent of the category (+11.1 per cent from 2014). Canada's online furniture sales are estimated to represent a healthy \$1.8 billion in 2018.

Wayfair, the largest U.S. online retailer of furniture and home decor, launched Wayfair Canada in 2016. With a selection of 10 million items, at a variety of price points and styles, there is literally something for everyone. And, the Canadian customer already knew the brand, as many were shopping the U.S. site before the launch of wayfair.ca.

Demand from Canada led Wayfair to hypothesize that the Canadian market was underserved. "We thought we could benefit the Canadian customer by creating a holistic experience, where you shop at a Canadian website in your local currency and don't pay duties on top of the prices," says Davinder Singh, Chief Marketing Officer at Wayfair Canada. Within two years of launch, wayfair.ca achieved a level of brand awareness similar to the U.S. "Combined with exceptional customer service, ease of checkout and fast delivery, it was a winning combination [for Canadians]," says Singh.







# Challenge

Despite a strong start in Canada, and broad brand awareness, wayfair.ca focused marketing efforts on increasing conversion through consideration and cart recovery.

#### Relevance

Wayfair.ca needed to get its brand into the hands of qualified consumers and wanted to lower purchase-decision barriers.

- The path to purchase in furniture is messy, and more complicated than other categories – and many shoppers start their search with a non-branded inquiry.
- Google data suggested shoppers search frequently and are quick to decide once they are ready – typically within a week.
- Like most online retailers, cart
   abandonment is a big challenge for
   wayfair.ca, as window shoppers often
   select items and place them in their carts
   as a way of bookmarking a short-list.

IDEAS FOR INCITING ACTION

 Despite online shopping being on the rise in Canada, many Canadians still want elements of their shopping experiences to be tangible.

# **Inciting Action**

"As a company, we're data-driven and testing-oriented," says Singh. "Every decision we make is tested, and once it's successful, we scale it."

Leveraging data from over 3,000 shoppers, Canada Post had created an e-commerce index that identified postal codes with the most active online shoppers. Using this qualified data set, Wayfair Canada and Canada Post collaborated on testing two marketing mix hypotheses to 1) increase acquisition and 2) boost remarketing efforts.

1.A direct mail campaign would generate incremental customers by qualifying a motivated audience and creating a tangible trigger in a relevant context - the home. A test group was created using Canada Post's proprietary e-commerce audience index with the postal codes that included the most active online shoppers. For the control group, Canada Post profiled Wayfair's customers, to create a demographic look-alike list. Wayfair's existing customers were suppressed. That way, only new customers received the message, which included an offer of 10 per cent off any purchase. Wayfair mailed

a mix of 100,000 postcards and 100,000 mini-catalogues to the test group using postal code targeting.

"As a company, we're data-driven and testing-oriented. Every decision we make is tested, and once it's successful, we scale it."

Davinder Singh, CMO, Wayfair Canada

2. A hyper-personalized physical remarketing trigger along with digital would improve cart recovery more than digital-only. This remarketing test was designed to get shoppers who had abandoned their carts to come back and complete a purchase. Wayfair worked with Canada Post to examine customers who had abandoned their carts, as well

as the category of goods they browsed before abandoning them. Within a day, 15,000 customers received hyperpersonalized postcards at their home. Each postcard showcased products in the same category of goods the customer initially abandoned.

## **Results**

These two successful tests were part of what Singh calls "phase one" of the company's efforts to further calibrate its marketing ecosystem towards greater brand conversion.

Using intelligence from the e-commerce audience list, Wayfair saw a 90 per cent lift over the demographic look-alike group.

The addition of physical direct mail triggers to digital efforts, and the creation of timely personalization, increased relevance and provided strong results. "The direct mail retargeting response rate was about double the digital-only retargeting response rate," says Singh.

The test proved that adding a physical direct mail component activated the marketing mix. Singh believes, "The primary objective of marketing is to reach the right customer at the right time, with the right message; whether that's online or physical doesn't matter. The customer doesn't think of themselves as a physical or digital customer — they engage with you through multiple channels."

# **Case Study Debrief**

# **COMPANY** Wayfair Canada

# **INDUSTRY** Furniture Home Decor

#### Inciting Action

Wayfair used qualified data sets to test adding direct mail to its digital media mix. Their aim was to attract new users, as well as increase conversion by nurturing prospects who had abandoned their carts.

## **Results**

90 per cent lift over the control created from the demographic look-alike group.

# **Conversion Funnel**

Dots indicate where direct mail was used to incite action.



### **Data Sources**

E-commerce index, e-commerce cart, postal code

# **Media Formats**

Postcards, mini-catalogue

# **Activation Pillars**

Physicality

Data

Connectivity

# **Kev Take-Aways**

- Consumers don't think of themselves as digital or physical users.
- Direct mail is a responsive re-targeting mechanism.
- Direct mail and digital media are more effective together.
- Qualifying your audience is pivotal to attraction and conversion.

We like the approach Canada Post takes. It's not common, especially with non-digital players, to take an experiment-driven approach to test and understand different hypotheses. The fact that we were able to learn and experiment together, at a fast pace, was great.

— Davinder Singh, CMO, Wayfair Canada

# CASE STORIES

A collection of inspired work from around the globe and across industries showcasing the many ways modern marketers are using direct mail media to increase marketing relevance and incite action.

**Visit Wales | Travel Tourism** 

# OCTOBER WATERS IN WALES ARE WARMER THAN IN PORTUGAL

By mailing out samples of wetsuit material, Visit Wales shifted perception to extend its watersports season.

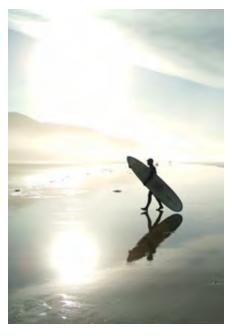
A number of watersports enthusiasts had registered interest in Wales as a holiday destination on the Visit Wales website. The aim of the initiative was to drive incremental visits to Wales in autumn.

But the target only associated Wales with watersports in the summer. To tackle misperceptions of Wales head-on, the idea needed to easily associate watersports in Wales with autumn. In fact, in October the water is warmer in Wales than in Portugal.

The campaign drew attention to the fact that the water temperature was at its warmest between September and November, thanks to the Gulf Stream. This meant watersports enthusiasts could wear a thinner wetsuit. The simple message was mailed on a piece of neoprene the exact thickness of an autumn wetsuit. No envelope required. The message? "Wales may get cooler in autumn. But the sea here is surprisingly warm. In fact September is several degrees hotter than June. So you don't really need 4mm until December. We get bigger swells. And fewer crowds. That's why autumn is our peak season for watersports."

The campaign targeted a specific group of people based on their interest and spoke to them in a language that was motivating. As creative director Paul Snoxell said of the campaign, "It's arresting, tactile, quick and the perfect product demo."







Client: Visit Wales **Product**: Holiday Destination **Country**: United Kingdom **Agency**: Partners Andrews Aldridge **Agency Team**: Creative Directors — Paul Snoxell, Andy Todd, Art Director — Simon Nicholls, Copywriter — Dan Wright, Account Executive — Ethne Gladstone, Account Manager — Jessica Brown, Account Director — Caroline Macpherson.

# HOLIDAY SWISH LIST

Foot Locker and Jordan Brand use hyper targeting to turn a digital wish list into a holiday card that amplifies sales.

Foot Locker and Jordan Brand wanted to create hype and drive sales of Jordan products during the holiday season.

Their young audience starts to think about the gifts they want a couple of months ahead of the holidays. The campaign took advantage of this by launching mid-November, helping self-directed young people take their gift destiny into their own hands.

The Holiday Card That Delivers' gave American teens the opportunity to create wish lists before Black Friday and Cyber Monday, when many family members buy holiday gifts. Banner ads, social media posts and influencer messages drove traffic to a website where the teens could create a wish list, with the clothing and footwear they wanted, disguised as a holiday card. The holiday greetings were then mailed to parents, grandparents and anyone in need of gift ideas that the teen had identified.

Over 1,700 customized cards were printed and mailed during the first week, and the campaign led to a 12 per cent lift in Jordan Brand sales at Foot Locker, contributing significantly to Foot Locker's 39 per cent growth over the holiday period. Almost everyone who created a card shared it on social media, helping generate 22 million earned impressions.

This mass personalization campaign gave teens control, used holiday cards as custom catalogues and used precision targeting to ensure the best opportunity for conversion with family members most likely to spend money. Like Michael Jordan said, "Some... want it to happen, some wish it would happen, others make it happen." And these kids made it happen.









Client: Foot Locker **Product:** Foot Locker **Country:** United States **Agency:** BBDO, New York **Agency Team:** CCO BBDO Worldwide — David Lubars, CCO BBDO New York — Greg Hahn, Executive Creative Directors — Chris Beresford-Hill, Dan Lucey, Art Director — Danny Adrain, Copywriter — Roberto Danino, Senior Designer — Bhanu Arbuaratna, Agency Producers — Clemens Brandt, Carissa Ranelycke, Account Team — Troy Tarwater, Janelle Van Wonderen, Nick Robbins, Samuel Henderson.



# EVERYONE NEEDS A LUCKY BREAK

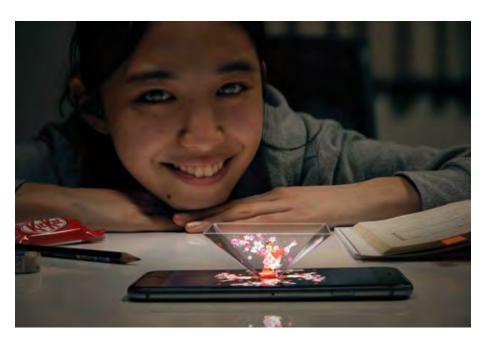
Kit Kat gives students a good luck charm by turning their product into a person-toperson direct mailing that engaged and nurtured the brand relationship.

With a name that sounds like Kitto Katsu (a "sure win" in Japanese), Kit Kats are often given as good-luck gifts to students studying for university exams.

Both a chocolate bar and a lucky charm, it should be noted that since 2000, Nestlé has launched over 300 flavours in Japan, including Purple Sweet Potato and Shizuoka Wasabi. It's an infatuation that's led to 5 million Kit Kats being consumed there every day!

To support students dealing with the stress of exams, Nestlé sold special-edition Kit Kats nationwide, and left space on the wrapper for friends, family and teachers to write words of encouragement, add a stamp and mail the chocolate bar. When it arrived, students discovered a plastic pyramid that, when placed on their smartphone, turned a YouTube video of Japanese pop-rock band DISH// into a singing, dancing hologram – amplifying the heartfelt messages of encouragement and support. And all that before they'd even cracked open the chocolate!

This campaign embraced an existing cultural ritual to amplify behaviour, engage and nurture relationships with an audience that has lots of confectionary choices. It encouraged person-to-person direct mailing in the form of the product integrating discovery and technology to further delight students. In turn, thousands of students went onto social media to share their experience, boosting the campaign with 33,304 tweets to increase sales by 150 per cent. No surprise that Nestlé sold out of the special-edition Kit Kats at an alarming speed. Now that's sweet!





Client: Nestle Japan **Product**: Kit Kat **Country**: Japan **Agency**: J. Walter Thompson, Japan **Agency Team**: Creative — Kohei Kawasaki, Yuhei Takeyama, Toshihiro Sekiguchi, Yukino Miyatsu, Production — Yoshihiro Miyazaki, Naoya Kaneko, Fumi Nishida, Yasuhiko Shimizu, Jun Matarai, Yuya Okazaki, Masaya Fukui, Hiroyuki Mitomo, Shinya Nakagawa, Kohei Omiya, Other — Yasuhiko Yuasa, Riki Kawanami, Hironaga Yai.

# **Kontor | Creative Production Services**

# A NEW SPIN ON MUSIC PROMOTION

The world's biggest dance-music label used a clever combination of analog and digital to captivate their audience, just like a DJ.

ontor wanted to promote the new release by house music producer Boris Dlugosch. The problem was, they were targeting one of the world's most cynical audiences: creative directors. These are the people who either pass promo CDs onto their staff or, more often, just throw them out. Kontor had to find a way to get their attention.

As every good DJ knows, the best music comes on vinyl. But few creative directors even own a turntable. So Kontor decided to put a new spin on things – literally. They combined a physical mailing with digital technology to create an unforgettable experience by appealing to their aesthetic sensibilities, appreciation of style and use of modern technology. The envelope, which doubled as a turntable, was mailed along with a bright orange vinyl disc of the music and a QR code. The recipient just had to flip the envelope, put the disc on the ingenious turntable and play the record by activating the QR code with their phone. As a bonus, they could also play other tracks and connect with Kontor by clicking on an icon.

The results were music to Kontor's ears. 900 turntable QR codes were sent out and 640 of them were activated. That's a 71 per cent response rate, which is 64 per cent higher than average. Forty-two per cent followed the link to the Kontor online store. What's more, Kontor also received a lot of positive feedback from some of the industry's most important people, creating valuable connections and significant brand equity.











Client: Kontor Product: Boris Dlugosch release Country: Germany Agency: OgilvyAction Dusseldorf/OgilvyOne Frankfurt Agency Team: Chief Creative Offcer — Stephan Vogel, Executive Creative Directors — Martin Seele, Uwe Jakob, Art Directors — Tobias von Aesch, Klaus-Martin Michaelis, Copywriters — Martin Seel, Mike Bayfeld, Creative Assistants — Daniel Siegel, Esra Bueyuekdoganay, Technical Director — Jens Steffen, Account Manager — Annika Hake, Head of Project Management — Hanna von Schultz.

# HOME SWEET HEM

IKEA encourages its most valuable FAMILY members to re-engage by sending a cross-stitched "email" with a personal URL.

KEA wanted to drive some of its most valued FAMILY members to a website where they could download a £5 coupon if they opted in to email communications. Data analysis suggested that this high-value IKEA FAMILY segment became even more valuable as customers when they were opted in to both mail and email.

In response to the challenge to send "an email with no email address," they created a hand-made digital concept using a physical trigger that felt right at home with the IKEA FAMILY segment. The aspiration of the piece was that recipients would see it as a keepsake, and a permanent reminder of the role IKEA plays in their home-making.

The first of its kind, a cross-stitched physical email was mailed out. In true IKEA style, the piece brought the brand's unique character and homey values together to show how much this segment was appreciated.

The Home Sweet Hem sampler featured a personal URL prompting recipients to go online, update their details and receive the coupon to use in-store. Letters are meant to be written on paper. But here's one written in thread on cotton fabric. Using tactile design that enhanced intimacy and connection, this brand communication leveraged data targeting and direct mail to compel recipients to take action online.





Client: IKEA Product: IKEA FAMILY Country: United Kingdom Agency: LIDA Agency Team: Executive Creative Director — Nicky Bullard, Creative Director — Vaughan Townsend, Copywriter — Dan Wright, Art Director — Andy Preston, Designer — Mirjami Qin, Dan French, IKEA FAMILY Lead — Marketing & Communications — Danielle McManus, Planner/CSU Director — Mily Williamson.

# WHAT HAPPENS WHEN YOU PUT KIDS IN THE DRIVER'S SEAT?

Renault discovered a whole family of infuencers when it ask ed kids to help create its car catalogues.

Nowadays, when parents make decisions the whole family gets involved – particularly when choosing holiday destinations and cars. When promoting the new Renault Scénic, the agency realized it needed to expand the target audience and add kids to the conversation. After all, they contribute to the purchasing decision, even if they're not paying for the ride.

Adult car buyers are torn between wanting something sporty or elegant, and needing something practical. Renault needed to make a practical vehicle choice more emotional.

So, they created two kinds of catalogue. One was aimed at grown-ups. The other was the first-ever car catalogue made by kids for kids – with a really interesting and convincing description of the car, because children use very different language and imagery to communicate.

Ten children attended workshops where they experienced the new car and explained its features and benefits in their own words and style, creating all the copy and images. In their version, fluorescent inks lit up the roads at night, there were pop-up landscapes to drive through, and plenty of stickers. They included hidden toys to discover, a recipe for cookies and a page where readers could draw their own Renault Scénics.

The first wave of success saw 120,000 brochures mailed, driving 37,836 users online, creating 42,846 sessions on site and a total of 61,493 interactions. Good things happen when you let kids do the driving because when a kid gets excited about something, parents do too.











Client: Renault Product: Renault Scénic Country: Spain Agency: Proximity, Madrid Agency Team: Executive Creative Director — Susana Pérez, Creative Director — Pilar de Giles, Creative Supervisors — Francisco Cuadrado, Raul Somaza, Art Directors — Cristina Luna, Jose Luis Diez, Carlos Ruano, Copy — Fernando Esteban, Production Manager — Gemma Selga.

# Rogers Rocket Hub | Telecommunications

# NETTING NEW CUSTOMERS

Rogers brings two seemingly unrelated issues together to net new customers.

So here are the facts. Per capita, Winnipeg has the most cottage owners in Canada. They also love their internet. But they can't enjoy both at the same time, since cottage country is too remote for traditional connectivity. Another interesting fact about the region is that it is known as the mosquito capital of Canada, (Winnipeggers often refer to mosquitos as their provincial bird). Mosquitos keep cottagers indoors, and without internet that can make them feel trapped.

The Rogers Rocket Hub offered a great solution for wireless hi-speed internet, but there was very little awareness of either the brand or the product among cottagers. To tackle both problems, Rogers targeted Winnipeggers with direct mail just before the first long weekend of cottage season to emphasize what a long season it could be if kept indoors without reliable internet. Coincidentally, on the day of the mail drop, local media also reported a record explosion of mosquitos in the province.

When cottagers received a self-mailer wrapped in real mosquito netting, they took notice. The message resonated, "Going to the cottage? Don't forget to pack the net." Compared with Rogers' previous communication, call volume shot up by 200 per cent, and the mailing surpassed the simultaneous control piece in market by 50 per cent – netting a lot of new customers.

This mailing was a textbook case of relevance in action – going beyond a person's name on a brochure, envelope or leaflet, and recognizing what resonates, what motivates, how powerful context can be. Instead of another ordinary mailing that talked about technology, it memorably played into a local phenomenon.





Client: Rogers Rocket Hub **Product**: Wireless Hi-Speed Internet **Country**: Canada **Agency**: Proximity Canada **Agency Team**: SVP, Creative Director — Scott Pinkney, Creative Director — Trent Thompson, Associate Creative Director — Dan Gaede, Art Director — Jamie Lirette, Copywriter — Graham Mutch, Senior Print Production Manager — Ellie Lee, VP, Group Account Director — Diana Brink-Gourlay, Account Supervisor — Megan Epstein.





## Mitsubishi Canada | Automotive

# DRIVING LIFETIME CUSTOMER VALUE

Lancer Evolution demonstrated their dedication to customer care by enhancing brand experience post purchase.

Itsubishi's Lancer Evolution is an iconic road-going rally car with handling that puts exotic supercars to shame. With only 700 available in Canada, the task was to remind owners that their new Mitsubishi would get more attention from car fans than the average Porsche or Ferrari.

To ready owners for the attention their new Evo would receive, they were mailed a special welcome kit to help protect their car from unwanted fingerprints. The message on the box read, "On the road, nothing touches your Mitsubishi Lancer Evolution." Inside was a special Mitsubishi chamois and a pot of high-tech TurtleWax® car polish. The pack also contained a USB stick loaded with their customer-care information, as well as race-cam footage of Canadian rally star Andrew Comrie-Picard putting his own Lancer Evolution through its paces on the track.

Mitsubishi seized the opportunity to start building brand loyalty right out of the gate by mailing this unexpected pack only a couple of days after owners had driven home in their new car. The pack enhanced customer experience with items that, over their years of ownership, would provide a constant reminder of the Mitsubishi brand and its dedication to customer care.

Client: Mitsubishi Canada **Product:** Mitsubishi Evo **Country:** Canada **Agency:** Proximity Canada **Agency Team:** Creative Director — Matt Shirtcliffe, Copywriter — Ben Chandler, Art Directors — Ron Kosan, Curtis Wolowich, Production Manager — Ellie Lee, Account Supervisor — Rebecca Flaman, Account Executive — Jake Allen.

# Raffles Music College | Education

# STRIKING THE RIGHT CHORD

Raffes Music College used rubber bands and a CD case to make a musical instrument in a mailing that sent enrolment inquiries off the scale.

S ingapore Raffles Music College, a partner of the London College of Music, offers outstanding music education for people of all ages and abilities. Their challenge was to dispel the image of the college as elitist, and attract beginners to join their entry-level music programs.

To appeal to new students, music schools send out CDs of their current performers, but recipients don't always listen to them. Like many others, Raffles sent out a CD case of its own. On the face of it, this didn't differentiate them from any other music school.

However, their direct marketing campaign played on a key insight that turned intimidation into participation. By transforming the traditional CD case into a musical instrument, the college invited prospective students to discover their own talents as they twanged out a tune on a series of stretched rubber bands. It was a CD you could play, just not in the traditional sense.

This interactive mailing clearly demonstrated that learning music is at anyone's fingertips. Within five days, the beginner music course was oversubscribed. As a result, the mailing had a 43 per cent response rate, and raised enrolment inquiries by a factor of six.







Client: Raffes Music College **Product:** Academy of Music **Country:** Singapore **Agency:** DDB, Singapore **Agency Team:** Chief Creative Offcer — Neil Johnson, Group Executive Creative Director — Joji Jacob, Creative Director — Thomas Yang, Copywriter — Adrian Yeap, Art Director — Khoo Meng Hau, Sound Design — Fuse Adventures, Audio Producer — Samantha See, Producer — Kimie Ong.

# TIS THE SEASON TO BE JULKORT

Swedish Post leveraged print as a social platform by incorporating personalized digital messages to create unforgettable Christmas cards (julkort) for young people to mail to friends.

Young people seem to share their lives exclusively on social media, leaving mail to their parents and grandparents. Swedish Post wanted to prove that wrong by demonstrating mail could act like a social media platform too, and that sending Christmas cards can be a very magical way of connecting digital content in a physical format.

First, they created 100 Christmas cards, and sent them to influencers online. Intrigued by what they saw, these digital natives wrote blog posts and created banner ads that drove traffic to the campaign website. That's where people could select Facebook messages shared over the previous year with a particular friend and turn them into a personal Christmas card. Plus, they could add a personal greeting before Swedish Post delivered the card right to their friend's door.

This festive campaign lasted for 18 days and, in that short period, influencers drove 65,000 Swedes to the site to create over 5,000 cards.

Marketing innovation that connects can come from the humblest of places. The campaign truly brought the strengths of physical and digital connection together. Younger generations are viewing the analog world with fresh eyes. It's not about physical vs. digital. This idea blurred the lines by empowering young people to amplify their social interactions in a truly intimate and unmissable form – the Christmas card. In a post-digital world, marketing needs to bring digital and physical together for more engaging and effective campaigns that put the consumer at the centre. Varma lyckönskningar!











Client: Swedish Post **Product**: Postal Service **Country**: Sweden **Agency**: Crispin Porter + Bogusky, Stockholm **Agency Team**: Creative Director - Björn Höglund, Art Director - Mattias Berg, Copywriter - Tobias Grönberg, Account Directors - Johan Kruse + Johan Brink, Content Manager - Jenny Folkesson, User Experience - Pontus Wärnestäl, Motion Designer - Erik Sterner, Technical Director - Per Rundgren.



Client: Woosh **Product**: Phone and Broadband Package **Country**: New Zealand **Agency**: Tequila, Auckland **Agency Team**: Creative Director – Wayne Pick, Head of Copy – Kim Pick, Copywriter – Michael Goldthorpe, Art Director – Mari Petterson.

## Woosh | Telecommunications

# SOME COMPANIES HALVE WHAT IT TAKES

Independent player uses ambient tactics with simple direct mail to take on big telco.

The high prices set by Telecom, New Zealand's national telecommunications service, were constant front-page news. Independent wireless network Woosh saw the opportunity to target disgruntled householders in its key network zones, letting them know they could be paying half as much for their phone with a package from Woosh. This David vs. Goliath objective needed to make an impact. But, on a tight budget, Woosh could only afford a letter in an envelope.

So they printed a letter in a violent green for drama and urgency. Then they tore each letter in half by hand before dropping it in 50,000 mailboxes around Auckland. Piggybacking on the negative sentiment around telecom prices, this piece hit a nerve by communicating boldly how much people would save with Woosh.

And it was amazingly persuasive. The results during the first campaign period reached new highs for Woosh, with a record number of accounts opened each day. And, when the campaign was rolled out again, there was an increase of up to 62 per cent of new Woosh customers in network zones where the mailer dropped – compared with an average increase of 9.3 per cent nationwide.

This is direct mail behaving like ambient media, and shows how important it is to combine sentiment and data to get your message to those who want and need to hear it.









Bulk Cat Litter Warehouse | Pet Supplies

# WHY IS THE CAT READING YOUR MAIL?

When cats smelled a good deal on kitty litter so did their owners, and the campaign went viral.

With a tight budget and what could be described as a low-involvement product, Bulk Cat Litter Warehouse wanted to be the pick of the litter by creating a stand-out, small-scale direct marketing campaign to target homes within driving distance of their store.

Instead of appealing to cat owners, the company's agency, Rethink, suggested going straight to the cats themselves. After all, any cat owner knows who the real decision makers are in the house.

So how do you get a cat to pay attention to a piece of mail featuring a great deal on kitty litter? You spray the paper with catnip. Once the cats picked up the scent, so did their owners.

The original mailing went to 500 people, and then the story went viral. Rethink made a video to show how the mailers were created and how the cats reacted. To date, the YouTube video has been viewed over 460,000 times, putting the Bulk Cat Litter Warehouse name in front of a much wider audience and extending brand exposure. By using the physical nature of direct mail to engage the senses, now everyone is purring.

Client: Bulk Cat Litter Warehouse **Product**: Cat Litter **Country**: Canada **Agency**: Rethink **Agency Team**: Creative Directors — Chris Staples, Ian Grais, Art Director — Leia Rogers, Designer — Lisa Nakamura, Copywriter — Bob Simpson, Content Strategist — Leah Gregg, Editor — Chris Neilson, Account Manager — Maie Lunny.

### Gothenburg Homeless Aid | Not-for-profit

# A REAL EYE-OPENER

To generate donations, this not-forproft used a simple letter to dr amatize the effect of life on the streets.

W inter is the most important time of year for the Gothenburg Homeless Aid organization. It's when people tend to give more to those less fortunate than themselves, especially during the holiday season. It's also when the organization hopes to raise most of its funds for the year ahead.

The competition for attention is particularly fierce at Christmas, especially for donations. To make their letter stand out amongst the avalanche of cards and commercial mailings, the agency took a counter-intuitive approach. They knew that direct mail would be a perfect medium to talk to people about homelessness because it's delivered right to your home, setting up an immediate tension.

To really bring homelessness to life viscerally, they took a humble letter, beautifully written, and let it spend the night on the streets. They exposed it to the same cold and wet conditions as the homeless of Gothenburg. Then it was mailed. Once opened, the cleverly understated letter allowed readers to imagine what it must be like to spend a night out in the elements.

In total, 22 per cent of all recipients donated an average of just over 29 euros (15 per cent increase in recipient donations over the previous year).

This eye-opener was a humble yet powerful use of the simplest type of direct marketing – the letter – designed to generate a feeling and generate donations.





Client: Gothenburg Homeless Aid Product: Charity Country: Sweden Agency: GOSS, Gothenburg Agency Team: Copywriters — Elisabeth Berlander, Ulrika Good, Michael Schultz, Art Directors — Gunnar Skarland, Albin Larsson, Mattias Frendberg, Jane Neroth, Mimmi Andersson, Graphic Designer — Louise Christiansson, Production Designers — Elin Andreasson, Lena Björklund Henriksson, Other Account Managers — Anna Troglin, Monica N Persson, Lena Kling, Account Supervisors — Johan Good, Stig Lundstedt, Fredrik Toreskog.

# THE MINISTRY OF MARGINALLY SUPERIOR MARKETING

Hendrick's gin uses a quirky mix of data, social listening and mail to reinforce its unique brand.

endrick's was the world's first unusual gin. It became so successful that everyone started copying it and the marketplace became crowded with novel craft gins. To keep their product on everyone's lips, Hendrick's needed to reinforce their brand by being as interesting and as odd as their product.

Social data told Hendrick's that, while fans loved travel, they hated their daily commute, resulting in 7,000+ frustrated tweets daily. There was an opportunity to infuse peculiar delight into people's everyday journeys by being entertainingly helpful. Enter Hendrick's "Ministry of Marginally Superior Transport."

@HendricksginUK Twitter account was dedicated to making the dire transit situation slightly better. Hendrick's proactively tweeted, replied and sent personalized videos to those in need, creating more than 750 pieces of content over a two-week period. And, when people had heard enough of train delays, poor etiquette and atrocious manners, a cucumber-shaped, cocktail-laden replacement bus service took to the streets. What really got people focusing on Hendrick's were the things





that arrived by mail. Travelling cocktail kits, Frantic Air Nudgers (FANs), stylish Oyster Card holders and copies of Hendrick's hilarious newspaper, *The Unusual Times*.

The campaign was the most successful William Grant & Sons had ever seen. Hendrick's was mentioned five times more than their big-budget rivals. There was a



staggering 10,800 per cent increase in content views compared with previous campaigns.

This integrated campaign treated everything as content – whether fleeting or keepsake, social media or direct mail – to design a unique experience that entertained and took the edge off the ordinary.

Client: William Grant & Sons Product: Hendrick's Gin Country: United Kingdom Agency: Gravity Thinking Agency Team: Creative Director — Martyn Gooding, Senior Creative — Kylie Lewis, Art Director — Ben Carroll, Designer — Joana Couto, Creative Technologist — Tom Goldthorpe, Production — Pebble Studios, Head of Planning — Jane Hovey, Business Director — Michaela MacIntyre, Account Director — Sophie Rivet, Content Planner — Jess Gough, Community Manager — Tom Kelly, Senior Brand Manager — WG&S Sam Bovill, Media & Experiential — The Village Communications, PR — Splendid Communications.

# PAYING IT FORWARD WITH STYLE

How this Swedish menswear company transformed a shopping bag into a giving bag that encouraged a fashionable value exchange and new sustainable standards for the industry.

Swedish menswear brand Uniforms for the Dedicated is the epitome of Scandinavian sensibilities. Their garments consist primarily of carefully selected organic, recycled and bio-based materials. The brand operates with sustainability and social responsibility, and wanted to put a stake in the ground that would inspire the fashion industry.

Uniforms for the Dedicated teamed up with DDB Stockholm to empower other fashion brands, as well as consumers, to change the economics of the fashion industry and reinforce responsible consumption. It started by looking at the way people shop, their relationship with fashion consumption and the realization that marketing could be used to create a new economic exchange.

For every new piece of clothing bought, there's likely an item that will never be worn again. So what if every time a consumer bought a new garment, something old could be donated?

Enter the shopping bag that gave every clothing purchaser the opportunity to do good. When shoppers removed their new purchase from the Uniforms for the Dedicated biodegradable Rag Bag and flipped it inside out, the eco-friendly shopping bag turned into a pre-paid envelope to mail a used garment to charity. By donating to UNICEF or Save the Children, consumers were adding another cycle to the garment's lifetime, and the brand paid the postage.





It was an effortlessly simple solution to a massively complex problem using a one-to-one economic construct. The stock of bags ran out quickly and other companies were so impressed they ordered 600,000 bags. The campaign won Gold at the Swedish Guldägget Awards, Silver at EPICA, Wood and Graphite pencils at D&AD, and was shortlisted at Cannes.

This pay-it-forward bag transformed shopping into advocacy, blurring the lines between shopping, direct marketing and fulfillment to create new value propositions that extend brand value and create leadership.

Client: Uniforms for the Dedicated **Product**: Fashion **Country**: Sweden **Agency**: DDB, Stockholm **Agency Team**: Executive Creative Director – Jerker Fagerström, Copywriters – Nick Christiansen, Magnus Jacobsson, Art Directors – Joel Ekstrand, Fredrik Simonsson, Designer – Linus Östberg, Design Director – Linnea Lofjord, Graphic Design – Peter Danielsson, Print Production Manager – Anna Hellenberg, Producers – Joakim Kromnér, Michael Nyberg, Account Manager – Katarina Bäcklund, Head of Digital – Jojo Brännström, Planner – Gustav Hamdahl, Public Relations Manager – Simon Strand.



Something I've spent nearly a decade of my life passionately advocating and exploring is my deeply held belief that physical retail stores are transitioning from being primarily a distribution channel for products to becoming a powerful media channel for branded experiences and stories. It's a transition that will, in my estimation, change everything — including how retailers generate revenue. Naturally, many have asked precisely what I mean by this notion that "the store is media." So, here's an excerpt from my latest book, *Reengineering Retail: The Future of Selling in a Post-Digital World*, where I discuss exactly that.

# THE SHOPPING SPACE OF THE FUTURE

ithin a decade, sensor-driven replenishment, predictive analytic technology, immersive digital shopping experiences, subscription programs and a myriad of other connected shopping options – many of which we can't yet even conceive of will very effectively cater to our day-to-day product needs. We will never again wonder if we have milk in the fridge or detergent in the laundry room. We will order furniture and fashion online with implicit confidence because haptic technologies will give us the ability to touch and feel what we buy before we buy. Apparel-fitting algorithms infused with big data analytics will ensure the items we purchase are almost always ideally suited to both our bodies and our tastes. Using virtual or augmented reality technology in our home or office to shop and connect with product experts will be as common in ten years as shopping in a physical store is today. And ultra-rapid and free delivery via a range of transport modes will put any product on our doorstep in minutes. >>

Save for a very few particular kinds of products, we will have absolutely no need to visit physical stores simply to look at products, as we do today. It's that simple. Instead, the physical shopping space will become a medium to distribute the most powerful, joyful and emotionally galvanizing experiences possible. These physical media experiences will be aimed at accomplishing three things:

- conveying clear and engaging brand stories through physical engagement and multiple sensory inputs
- offering opportunities for immersive and kinetic product experiences
- acting as the interactive gateway to the entire brand ecosystem of products, services and purchase alternatives

Notice I didn't mention anything about selling products. This, of course, is not to suggest that the retail space of the future won't sell products – but that the sale of those products from within the four walls of the store will cease to be a priority. Instead, the goal of the store will be to create experiences so powerful that they catalyze sales across all available purchase points and channels.

Renowned retail shopping centre developer Allan Zeman once said that it was time to reverse the design standard in malls, which have traditionally been 70 per cent retail and 30 per cent entertainment. The shopping centre, he said, must be a place for entertainment first and retail second. Without a heavy emphasis on entertainment, Zeman maintained, people will have little reason to go to the mall at all. Similarly, I'm suggesting to you that in order to be viable in the future, retailers must apply this same approach to how they plan, design, build and operate their physical spaces: experiences first and foremost and products second.

I realize that this vision of the future is hard to square up with retail as we know it today. In the current era, retailers spend a disproportionate amount of their time busying themselves with products. They buy them, inventory them, move them from place to place, merchandise and itemize them. They mark them up, mark them down, sell them, accept them back as returns and then physically count every damn one of them at least once a year. It's to the point that in most retail companies, so many resources go to the movement and maintenance of product that customer experience becomes an afterthought, a mere garnish.

"Physical retail stores are transitioning... to becoming a powerful media channel for branded experiences and stories."

But in the retail space of the future, the most important product will be the experiences it offers shoppers. And the most successful retailers of tomorrow will obsess over the design, execution and measurement of experiences. In a world of unabated product proliferation, where just about any product can be reverse-engineered within days or weeks, experiences represent the last remaining fortress of differentiation and consumer value a retailer will have. Anyone can knock off your product – that's easy. But recreating the unique alchemy of people, place, purpose and production that forms a wicked brand experience is infinitely more difficult, if not impossible, to copy. Consider how long other retailers have unsuccessfully been trying to replicate the Apple experience; and product has little to do with it. The truth is, Apple could sell shoes, groceries or pet food and its stores would likely be just as cool. Moving the emphasis away from product distribution and toward the delivery of a physical media experience will change the very nature of how stores are conceived, located, designed, staffed, managed and measured.

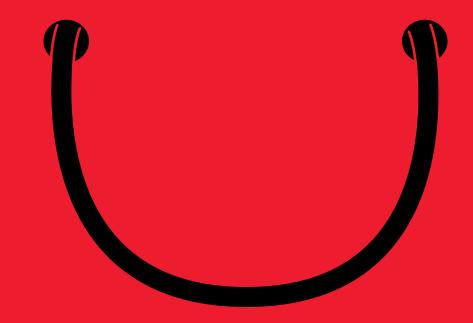
I'm very often asked which retailers today are executing against this "store as media" future, and while there is no single retailer that I believe embodies the vision completely, there are a number that, to varying degrees, are evolving toward the concept. In other words, this shopping space of the future actually exists today, just not all in one place. But look closely enough and you'll see fragments of the future of retail scattered ever so finely throughout the market already. A small number of visionary entrepreneurs, brands and executives are out there right now poking at the retail universe to see what lies beyond and thumbing their noses at the rules the rest of the industry haplessly abides by.

**Doug Stephens** is one of the world's foremost retail industry futurists. His intellectual work and thinking have influenced many of the best-known international retailers, agencies and brands including Walmart, Google, L'Oreal, Disney, BMW, Citibank and LVMH. Doug is also listed as one of retail's top global influencers by Vend.com.

Doug is the author of two groundbreaking books – The Retail Revival: Re-Imagining Business for the New Age of Consumerism (2013) and Reengineering Retail: The Future of Selling in a Post-Digital World (2017).

His unique perspectives on retailing, business and consumer behaviour have been featured in many of the world's leading publications and media outlets including *The New York Times, The BBC, Bloomberg Business News, TechCrunch, The Financial Times, The Wall Street Journal* and *Fast Company.* 

This article originally appeared as a blog post, The Store is Media, on March 26, 2018, and is reproduced with the kind permission of Retail Prophet, Doug Stephens.



# FULFILLING THE CONNECTED SHOPPER

Doug Stephens' article, The Store is Media, provides a number of useful concepts that can help marketers focus on how people shop, not where they buy.

Connectivity has fundamentally changed how people manage life, consume media, interact with brands and shop. Today's connected shoppers are in control. Their shopping behaviour isn't linear but fluid, with channels no longer dedicated to a single step in the purchase process. Access to a surplus of goods and media content is only a click away, and people can, and will, readily bypass, block and filter out things of little value or interest.

This new omni-channel reality of connected shopping isn't about all channels all the time. Instead, it describes how someone can choose the single, most appropriate channel (online or offline) that fits their lifestyle, expectations and shopping category exactly when they want it.

It's important for marketers to take a closer look at how they actively, and tangibly, connect marketing mix to sales, and brand to channel experience, in a way that captures consumer interest and delivers value. This requires rethinking the role every channel can, and must, play in the mix of interactions.

Fulfilling the connected shopper means aligning the customer experience to the way people shop, not the channels they use to buy. This means we need to treat marketing as shopping. It needs to be part of the shopping experience, not something that leads to a shopping experience that only happens in a physical or digital store. Instead, shopping should be viewed as a fluid connector of customer experience across marketing, media and distribution channels.

## **SHOPPING IS EXPERIENCE**

As touchpoints fragment and competition proliferates, the brands creating the most impact know that every interaction with consumers must add as much value as the product or service itself. This means that what people are really shopping is the brand experience itself. When done right, it is the hardest thing for others to replicate. Focusing on designing a differentiated brand experience that promotes shopping across the customer journey requires your acquisition, fulfillment and retention efforts to talk to each other.

# **MEDIA IS STORE**

If store is media, then media is store. It used to be that you needed distribution to create awareness. Now media channels can create distribution through awareness. That means media must become shoppable – creating attraction by bringing brand experience, story and design together with shopping functionality.



#### **BRAND IS MEDIA PRODUCT**

Brand has never been closer to media than it is today – with content creating a much more attractive and naturally consumable interface for engagement. If brands can become part of our media diet, they become more shoppable and relevant. Like a magazine on a newsstand, brands must think like a publisher, act like an influencer and generate human interest like a cover. This makes it possible to create content that is always interesting, valuable or useful. It's as relevant today to ask if your packaging is Instagram-worthy as it is to ask if it stands out at shelf. In a contentrich world, people shop marketing.

"Physical retail stores are transitioning from being primarily a distribution channel for products to becoming a powerful media channel for branded experiences and stories."

Doug Stephens, The Store is Media

The physical shopping space doesn't have to be confined to store. As consumer shopping becomes decentralized, the tangible purchasing environment needs to expand beyond the traditional retail footprint.

Physical marketing has an important role to play in the marketing mix. Think of it as a place for shopping, somewhere to create desire and communicate authentic brand experience. Physical media can't do everything that a fully curated tactile store environment is designed for. But, it has the opportunity to make shoppers feel the same way about a brand as the store or product experience — with the added benefit of being a more intimate, personal or customized interaction. >>

"The physical shopping space will become a medium to distribute the most powerful, joyful and emotionally galvanizing experiences possible."

Doug Stephens, The Store is Media

 Acting as a portal to the brand ecosystem and creating connected shopping
 Amplifying digital content by extending

it into the physical world





Are your efforts focused on moving products or people?

We know that free shipping, speed, quality of shipping experience and convenient returns all have a big impact on purchase conversion an nave a my impaction. When we shift our and customer retention. and contined recentions, virten we still out focus from order fulfillment to emotional fulfillment, what's in the box becomes an integral part of delivering a customer experience that promotes retention.

Are you integrating fulfillment into Your customer retention strategy? The customer experience doesn't stop when The customer experience upestic stup writer a package is delivered. Instead, fulfillment a parkage is delivered. Instead, idinimient of retention becomes an essential element of retention

marketing and customer learning.

Are you using direct mail in your Direct mail brings fulfillment and marretention marketing mix? where man while to deliver tangible shop-keting together to reing triggers to re-engage consumers in ping triggers to re-engage consumers in the ping triggers to re-engage consumers to re-engage ping ingres to re-engage consumers in a brand experience that exists both inside

and outside of the box. Is your retention marketing organized around a shoppable

In today's always-on marketing ecosystem, customer experience? everything a brand does is about retention everyuming a manu ques is appur recention, interest, credibility, sustaining attention, interest, credibility, trust, desire and purchase over time via continuous feedback. To thrive in this new marketing economy, brands need to treat each purchase and every subsequent intereach purchase and every subsequent interescent purchase and every subsequent pur eaun punchase and every subsequent inter-action as shoppable customer experiences.

"So many resources go to the movement and maintenance of product that customer experience becomes an afterthought, a mere garnish."

Doug Stephens, The Store is Media



MARKETING RESOLUTIONS

The failure rate for resolutions is high. Really high. Like, why-do-we-bother high. Yet every year we make them, and by February most of us have broken or abandoned them. The excitement of a clean slate energizes us to create a carpe-dieminspired list of all the things we resolve to do more of, be better at, do differently. The motivation and intention is totally on point.

A goal without a plan is a wish.

The problem is, too often we treat our resolutions like wish lists predicated on hope. We fill them with too many goals and unrealistic expectations and no trace of an action plan. This makes it easy to fall back on following the path of least resistance year after year.

And we do the same with our marketing planning. How many times have you enthusiastically intended to hit meaningful goals, but ended up executing pretty much the same tactics as the year before? Do you see the same business challenges popping up like clockwork every year? Why do we expect miraculous results when we continue to apply the same solutions?

Marketers are dealing with a new environment where demand-side economics have taken over, direct-to-consumer models proliferate and mass personalization requires more technological acumen along with data/channel integration. Plus, there's always the looming threat of marketing-budget squeeze and the omni-present pressure for better return on investment. And, let's face it, there's only so much time in the day – we're all entitled to a life!

So, let's give ourselves a break – and some focus. There's really only one question we should be asking ourselves when it comes to achieving our marketing goals, "How can I get more action out of my marketing efforts?"

## **INCITING MARKETING ACTION**

## Break the status-quo bias

Status-quo bias creates inertia. Take a step back and ask yourself if what you have always done is misaligned with what you intend to achieve. Clinging to the current state of affairs may be holding you back from opportunity.

#### Find your focus

Know what you need to do and then define it in tangible terms. Give everyone a clear mental image of where you need to get to and examples of how you'll get there. Focus on the activities that will be the most meaningful, impactful and influential in real terms.

#### **Unmarket**

There's a difference between marketing acumen and jargon. Let's avoid jargon in favour of unmarketing. Let's understand who we want to attract, how they exist and interact and what our marketing objectives mean to them as consumers.

#### Extract useful data

Define the data that is truly useful to your business. A one-size-fits-all proposition is no good to anybody – except possibly in the fashion industry. Question why you collect your data, what it means and how to apply it to drive action. Data quality is often more valuable than data quantity.

# Break the online/offline paradigm

We are marketing in a post-digital world. It's counterproductive to choose between online and offline channels, especially as digital and physical continue to converge and connect through technology in new ways.

Let's focus on meaningful action to get more out of what we do, instead of simply doing more. Now that sounds like a plan.

### **EMBRACING DIRECT**

Over the past decade, marketing embraced – and sometimes obsessed over – digital media. Now the pendulum is swinging back as digital and physical reunite. Direct-to-consumer marketing has had one of the biggest influences on how people experience, shop and buy brands. At the same time it has increased their expectations for brands to be more personal, authentic, relevant and timely. Digital or physical, the opportunity to directly market to consumers has never been more accessible or important to conversion.

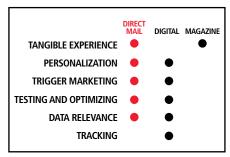
In this new context, direct mail is uniquely positioned to bring brand, customer experience and digital connectivity together to increase conversion. To borrow an idea from *New York Times* bestselling author and social media expert Gary Vaynerchuk and his book *Jab, Jab, Jab, Right Hook: How to Tell Your Story in a Noisy Social World,* 

a simple idea for coordinating digital and physical marketing efforts is to think about which channel, in which moment, based on what goal, is better suited to being a jab or a right-hook. A right hook's content aims to sell and self-promote and a jab's content aims to engage and trigger an emotional response.

Brands need to coordinate their story and a channel's native capabilities to get the sale within the right context. "There is no sale without the story; no knockout without the setup." – Gary Vaynerchuk.

"Direct mail has more in common with digital than it does with traditional print media when it comes to inciting action."





# 7 easy ways to add direct mail to your marketing mix.

# 1

# CONNECTING, ORCHESTRATING AND OPTIMIZING DIGITAL AND DIRECT MAIL ACTIVITIES

If you're already doing direct mail – coordinate it with your digital activities for greater conversion.

2

#### **MVP TESTING**

Testing is a great way to understand the role direct mail can play in your business. Create a minimal viable product to start testing hypotheses and use affordable direct mail formats like postcards.

3

#### AMPLIFYING CONTENT

We often forget that content isn't just digital. Take your best performing content and turn it into something physical. After all, direct mail is content too. Think about it like your physical Instagram feed or your favourite Pinterest board. Digital is constantly impacting analog design trends and vice versa. Take advantage of this for compelling content adaptation.

4

#### RECAPTURING DIGITAL INTENT AND INTEREST

You're only a pixel away from recapturing digital interest in your website or e-commerce store. Using pixel tracking you can leverage customer data to retarget people at home with direct mail.

5

### **SAMPLING**

There's a whole industry built around sampling subscription boxes. People love trying new things. An easy way to start using direct mail is to get a sample of your product or service into the consumer's hands.

6

#### **NURTURING HIGH VALUE CUSTOMERS**

With so many brands competing for attention and share, the idea of loyalty is out of date. Retention is now the name of the game. Everything we do is about attracting and maintaining consumer interest and desire. Use direct mail to nurture your high value customers.

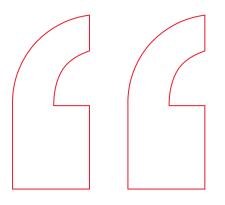
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## **ENHANCING FULFILLMENT**

Don't have the resources to jump into paid direct mail quite yet? Piggyback on order fulfillment with physical content that will add to the unboxing experience and emotional connection. In the same way you focus on shelf-back, think box-out too.

IDEAS FOR INCITING ACTION



# WHAT ADVICE WOULD YOU GIVE MARKETERS IN 2019?

# SONIA CARRENO PRESIDENT, IAB CANADA

"While data continues to be touted as "the new oil," it's important to stay focused on meaningful value exchanges between brands and their customers. Data has been available for many years and a lot of Fortune 500 organizations got early starts on today's more ubiquitous and advanced data access with simple diagnostic models like Net Promoter Score. But the game has changed, the barriers to entry have all but disappeared across most of the once insulated categories like CPG, automotive, finance and tourism. There's a new breed of brand in town and it's as direct as it gets.

Direct to consumer brands are not digitally "data-struck" in the way more established brands have been as they focus more on taking action on data as opposed to obsessing about gathering it. These new brands are coming in with a clear read on what's missing, what's annoying, what has potential and what is going to sell and where – before they spend a dime.

Furthermore, in a climate where consumer privacy matters more than ever, there's a baked-in transparency offered by many direct brands that gives customers that warm and fuzzy feeling of interacting with the cool kids. There's so much value to be gained from being direct, honest and transparent with customers in a language that speaks to them and a UX that mimics the bars set by our most beloved online utilities.

I can't think of anything more exciting than being more direct!"

# GEORGE CHRISTIDIS VICE PRESIDENT KEY ACCOUNTS, ST. JOSEPH COMMUNICATIONS

"I would encourage my clients to explore new media and communication strategies. Roll the dice on something different, captivate an audience that may have never considered you before with compelling and relevant content and deliver it to them when they most need it. If I can bring something new and innovative to just two or three of my main clients and help them succeed, I would consider that a win!"

# BRAD BREININGER CO-FOUNDER AND LEAD STRATEGIST,

"Working with clients to build more brand consistency across all channels in positioning, image and voice. Mapping value, driving engagement and conversion to continue to connect brand to the bottom line."

# SCOTT ARMSTRONG PARTNER, BRAINRIDER

"Set measurable B2B pipeline objectives for marketing-sourced revenue and marketinginfluenced revenue."

# JEREMY CHRYSTMAN CIO, Q.i. VALUE SYSTEMS

"Less data, more insight. Enriching the data I already have access to, profiling hidden emotional drivers and consumer behaviours. Going beyond Net Promoter Score to reveal the 'why' of brand affinity – segmenting the values of why people buy."

# HOLLY FABIANO ASSOCIATE DIRECTOR OF COALITION MARKETING AND NEW CAPABILITIES, LOYALTYONE

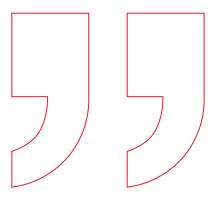
"I would encourage marketers to measure the entire customer journey. It often takes multiple touchpoints for someone to convert. Focusing solely on the most recent click can lead to false positives. A holistic mix of channel marketing is more likely to provide the valuable assists that lead to more conversions."

# CHRISTINE MCARTHUR MANAGING DIRECTOR, MASS MINORITY

"To create stronger trust and transparency around data to foster better partnerships and greater data utility in agencies. Ultimately this will in turn foster clients' trust in agency data."

# LYNDSEY BISHOP ENTERPRISE MARKETING MANAGER, CANADA POST

"My advice to marketers? Drive decisions with data. Used respectfully, actionable intelligence enables relevant messages that can influence at every customer touchpoint. Combine with a test-and-learn strategy and continue to optimize for better results."



# IN THE NEXT ISSUE:

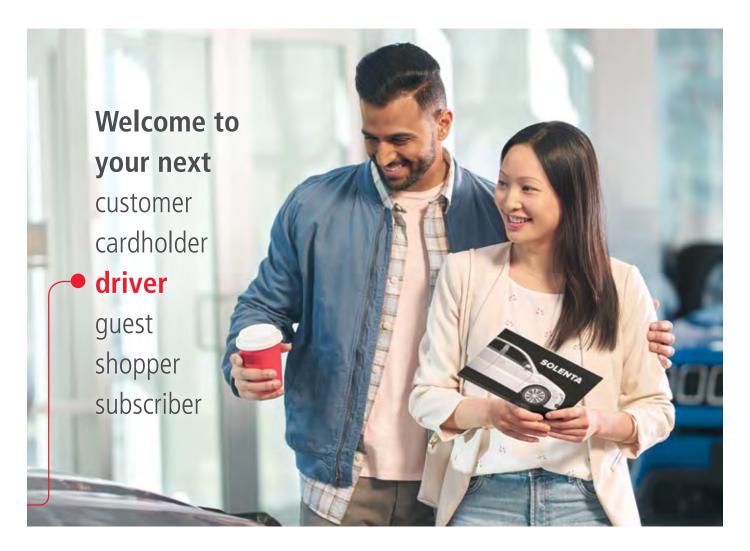
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- Personalization
- The changing face of loyalty
- What the demand economy means to marketing
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