

# 2018 ENTRY FORM

(Note: word count 2,500)

<b>Entry ID:</b>	<b>02176</b>
<b>Entry Title:</b>	The Best 'Freekend' Christmas Ever!
<b>Client:</b>	Skinny Mobile
<b>Product:</b>	Telcoms
<b>First Media Appearance Date:</b>	24 <sup>th</sup> October, 2017
<b>Category:</b>	O – Best Strategic Thinking
<b>Category Description:</b>	Campaigns that display particularly strong strategic thinking. This is the thinking before the creative brief, as opposed to the creative idea or execution. Judges are looking for examples of where an agency has taken a client's brief, and through fresh insight or inspired problem solving, developed a ground breaking strategic direction. Judges will need to see a clear delineation between the strategic and creative thinking, and understand how the strategic and creative platforms have or will deliver long-term success for the brand.

<b>Title</b>	The Best 'Freeend' Christmas Ever!
<b>Client</b>	Skinny Mobile
<b>Product</b>	Telcoms

**1. Case Summary (0%)**  
 Please write a brief summary of the case study and results not exceeding 90 words.

Christmas 2017 looked like it would be a disaster for Skinny.

With no physical stores, Skinny is completely reliant on their network, and at the most important time of the year, they were set to lose their largest retailer, The Warehouse.

We convinced our client to do the unthinkable and not lead with a handset offer, and instead hero their secondary offer: 'Free Data Weekends'.

Despite having less budget YOY, our bold strategic approach and smart execution helped Skinny achieve their **most successful Christmas ever.**

**2. What was the challenge and what were the objectives? (10%)**  
 What was the market context, what was the strategic challenge the client faced, what was the creative challenge the agency was set, and what were the short and long term objectives that were set for the campaign?

Skinny Mobile is a no-frills telco that promises to deliver 'the best priced plans and handsets in market'. Unlike their competitors, they have no physical stores and instead sell via their website, dairies, supermarkets and retail partners.

Skinny's focus is primarily the high churn pre-pay category, where switching is often triggered by mobile phone purchase; a time when people also shop around for networks. Unsurprisingly the most important time for telcos is Christmas, when most phones are sold.<sup>1</sup>

Skinny gets a huge portion of their new customers over the Christmas period, setting up for a strong 2<sup>nd</sup> half of their financial year. The pressure is immense. Missing out on new customers at Christmas means missing out on the revenue they spend with competitors for the rest of the year. **Quite simply, if Skinny doesn't perform at Christmas, it's a major short and long-term business issue!**

But, in the lead up to Christmas 2017, before we'd even got the tinsel out, we hit a major curveball; **Skinny was losing its biggest sales channel.**

The Warehouse Group, who delivered a substantial portion of Skinny sales had begun evicting Skinny to make way for their own pre-pay brand – Warehouse Mobile. By campaign launch, stock of Skinny

<sup>1</sup> Source: Spark/Skinny handset sales data

handsets was heavily depleted, and total stores were down significantly on the previous Christmas.  
**This was a disaster at a critical time!**

Despite losing their key sales channel, the objectives for the Christmas brief was to:

- Increase base customers by <confidential> by 31 Dec (base pre-campaign was the same YOY)
- Equating to an extra <confidential> new customers (based on average churn rates)

Christmas for telcos is all about enticing NZers with the best handset deals, which is mostly encouraging them to buy the new flagship phones through interest-free pricing or cool accessories as a gift with purchase.

Skinny can't compete in this space. They don't have interest free payment options, iPhones or Beats headphones to giveaway, so instead they've traditionally focused exclusively on having the lowest priced handsets.

Skinny's lead Christmas offer was a \$49 Tahi smart phone. With the aforementioned issues, and no additional media spend, we had our work cut-out. Our nightmare Christmas was made even worse by two other challenges:

#### **We lacked the best deal**

For a brand that competes exclusively on price, not having the cheapest phone in market is a huge risk. Vodafone posed a real threat, with their huge buying power giving them a significant advantage when it comes to scale and price of handsets. They beat our cheapest price last Christmas, we were in danger of this happening again... and it did! (Vodafone's \$39 vs. Skinny's \$49).

#### **Low SOV and even lower salience**

In a category where people consider 2.9 brands<sup>2</sup> (largely driven by scale and credibility), Skinny barely stood a chance at #4<sup>3</sup> – significantly behind nearest competitor 2 Degrees. With a SOV of just 10%, Skinny just wasn't on people's radars.

**With our distribution nightmare, weak offer, limited brand equity and less budget YOY – we needed a Christmas miracle!**

### **3. What was the strategic thinking that inspired your big idea? (25%)**

You need to convince the judges why this entry deserves to win based on your strategy. You need to show how your market analysis, insights and interpretation were developed into a clever strategic direction that unlocked the solution and was instrumental in the success of the campaign.

We needed a fresh approach to Christmas. Doing the same as last year, and the same as our competitors clearly wasn't going to result in us achieving our objectives.

<sup>2</sup> Source: Spark Consumer Path to Purchase Research 2017

<sup>3</sup> Source: TRA 2017 brand tracking

The insight that inspired our idea came from looking at mobile usage over the summer months. We found that mobile data peaks during summer, and especially in the weekends.<sup>4</sup>

This was because in summer, people spend more time outdoors (where there's no WiFi) posting pics and videos of themselves at the beach, at restaurants, concerts, and events on their social channels.

**Insight: The squeeze of mobile data caps is never tighter than it is in the summer, and quite simply, for our core Skinny audience of under 40-year olds, if you run out of data and you can't share what you're doing on your social channels, you may as well not even be there.**

This insight was key to the success of our campaign – rather than shout handset offers or getting customers to hunt for data, we would set about making weekends awesome.

We believed this approach would work for three key reasons:

1. We would give people what they wanted (data), when people needed it most (at the weekend)
2. We would shift the focus from selling handsets (and thus placing less reliance on our biggest handset retailer The Warehouse Group) to selling SIMs, which are far more widely and easily accessible
3. We would completely open up our potential audience to **anyone that is 'data conscious'** (873k people) vs. just those looking to buy a cheap handset (167k people)<sup>5</sup>

#### 4. What was your big idea? (5%)

State in one sentence. What was your core idea that drove your effort? Consider 'idea' in the broadest sense, ie., ranging from communication-based to the creation of a new service or resource. The idea should not be your execution or tagline.

Our big idea involved convincing our client to do the unthinkable...NOT hero a phone!

Instead, we got them to lead with their secondary offer 'Free Data Weekends'.

This bold approach was much more than simply a twist in how they'd communicate at Christmas; it would require a huge cross departmental effort to truly make this a success. This meant the agency and the marketing team engaging key stakeholders from finance, sales, networks, devices, operations, retail, PR/internal engagement, platforms and product development, coming together to ensure every function was analysed for it to be brought to life.

#### 5. What was the creative execution and how did it bring the big idea to life? (10%)

Describe the creative work that delivered the big idea. Give the judges a sense of why this was a particularly innovative, original, progressive approach.

<sup>4</sup> Source: Data usage stats for Skinny customers

<sup>5</sup> Source: Nielsen CMI – 'Those looking to buy basic handset next 12 months' vs. 'Out of contract mobile users who tap into free WiFi'

The strategy meant the creative execution could be relatively simple. It was specifically designed to be:

- Single-minded - exclusively focusing on free data weekend
- Highly distinctive from the rest of the category - abandoning reliance on typical phone deals
- Unmistakably Skinny - bright orange and filled with personality

**Skinny Freekends was born.**

The creative concept centred on Free Data Weekends becoming the portmanteau ‘Freekends’. Imagine the stuff you can do on the freekend! Free to do what you want, free to hang out with whomever you want, and free data to stay connected.

Skinny Freekends proved to be incredibly versatile, which was critical as there were distinct layers within the campaign all designed to deliver to specific roles to achieve our objectives. Skinny Freekends was consistent across all media touchpoints and adapted as required to ensure it felt fresh and relevant across the entire campaign duration.

**6. What was the communications strategy? (10%)**

Outline the media and communications thinking and strategy that brought the creative solution to life in the most powerful and relevant way for the target audience.

The communications strategy brought the campaign to life across three key layers:

**1. GETTING NOTICED → Ensure people see and hear about Skinny**

Focussing on weekends:

We couldn’t out-shout competitors head on, but shifting considerable spend Fri-Sun would put us on par in the weekends – when it matters most.

- We shifted 70% of our media spend to Fri-Sun compared to 14% the previous Christmas, allowing us to be in market every week, with an increased SOV on weekends
- We brought Skinny back onto TV for the first time since 2013 but only ran Fri-Sun, in premium break positions of top rating shows. Despite having a TV SOV of just 14% over the campaign, **our SOV on weekends was now more competitive at 26%** (vs. Vodafone 30%, Spark 27%, 2Degrees 16%)<sup>6</sup>
- To reach data hungry music streamers we took over the iHeartRadio app for nine weekends using premium ad units, home page takeovers (desktop), in-stream audio ads and push notifications to 162K users

Turning up in unexpected places:

To demand attention, we’d need to step outside the usual category behaviours by turning up in surprising ways – and not just for a telco, but any brand.

<sup>6</sup> Source: Arianna, All 25-54, SOV of mobile category for campaign period (24 Oct-31 Dec)

- We took over The Edge radio station for a whole weekend but not just on-air. Whilst our promo ran across all time-zones with hourly adlibs and giveaways, at the same time and in a NZ first, we swapped out ‘artist and song’ messaging on digital car radio screens with **the first ever commercial message - ‘Skinny Freekends’**
- We hijacked five weekend/summer events such as Christmas in the Park, Grey Lynn Festival, Rhythm and Vines and the Rugby League World Cup, taking over the skies with plane banners, and geo-targeting mobile screens. We later re-targeted event goers once they were back home
- With no stores of our own, we ‘wrapped’ 44 dairies in bright orange to look like Skinny stores. All ‘stores’ (i.e. dairies) were in key arterials, acting as a giant billboard to thousands of drivers, and prompting potential new customers as the point of purchase

## 2. FORCING RE-EVALUATION → Get people to see Skinny in a new light

### Building cred by association:

We needed to elevate Skinny in the minds of people by borrowing credibility and endorsement from other big brands.

One of Friday night’s biggest shows, 7 Days, was the perfect partner. The show’s cheeky tone and humour aligned perfectly with Skinny, and as one of the top rating shows of the week, it provided a large audience to kick off our ‘Skinny Freekends’.

We worked closely with Mediaworks and show talent beyond ‘badging’ to create a fully integrated partnership:

- Consulted with talent (Jeremy Corbett) on TVC scripts to closely align the personalities of the two brands. Even using him as voice talent
- Leveraged popular in-show segment ‘Caption That’ tailoring for viewers at home to compete for a ‘Freekend Escape’ travel voucher. Included in-show offer adlibs from Jeremy and prominent on-screen graphics. The competition was supported across both 7 Days and Skinny social channels with winners announced live on-air each show

## 3. DIVERTING & CONVERTING SALES → Get people signing up

### Make it easy to join Skinny

Without any real stores, we needed to increase presence everywhere Skinny SIMs were sold, underpinned by sophisticated digital tactics to capture interested people to drive online sales

- As well as the 44 dairies we wrapped to look like Skinny stores, we also we painted the town orange using path to purchase Adshels and Billboards. We also boosted our presence in supermarkets with counter wraps and check-out bars.
- We deployed clever digital targeting tactics to reach data conscious / interested audiences:
  - Look-a-like targeting of existing customers
  - ‘Local holiday travellers’ who would be away from home WiFi and in need of more data
  - Retargeted Skinny website visitors and people clicking on our search ads
  - Targeted people on WiFi on their mobiles to tap into data conscious people

List all consumer communications touch points used in this campaign.

TV  
 Cinema  
 OOH (Billboards, Adshels, dairies, plane banners)  
 Radio + digital radio screens  
 Print (Press and Magazines)  
 Digital (Display, social, video)  
 Mailer  
 SEM

**7. What was the spend? (0%)**

Outline the media and production spend on the campaign. Use actual spend rather than rate card. In the case of donated media please list the rate card value separately from the bought media spend.

Media Spend:	<confidential>
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Outline the media spend in relation to competition and versus last year:

Based on ratecard spends, Skinny’s total share of the category over the Christmas period was just 9% behind Vodafone (48%), Spark (29%) and 2 Degrees (13%).

Skinny’s 2017 Christmas budget was down YOY

Creative Production Spend:	
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**8. What other marketing efforts were used in conjunction with this campaign? (0%)**

List all other marketing or communications programmes not considered part of this campaign, that also affected the results e.g. coupons, sales promotion, planned PR, sampling, direct response, point-of-purchase, etc. Indicate the extent to which any revised pricing, distribution or promotion programmes also affected the results. Any marketing communications that contributed significantly to delivering an integrated campaign strategy and results should be described elsewhere in the entry form and any relevant contributing partners acknowledged in credits separate to the entry form.

All trade activity/promotions were on par with the previous Christmas’ and included:

- Check-out wraps and dump bins in Progressive supermarkets
- Dump bins in retail partners (JB Hi Fi, Harvey Norman)
- Countdown mailer banner inclusion

Skinny did have low level support for handsets within the campaign, but this only represented around xx of spend. This included a gift with purchase offer (\$49 wireless speaker) but was limited to just 500 units.

**9. What were the results? (40%)**

Outline the results achieved by the campaign against the short and long-term objectives set, provide conclusive proof that it was the campaign that drove the results and outline the return on investment.

In this section, the judges will be looking to see a clear cause and effect between the communication activity and business performance over-time. Show the compelling evidence that will convince even the most cynical finance director. They will be awarding points on the following basis:

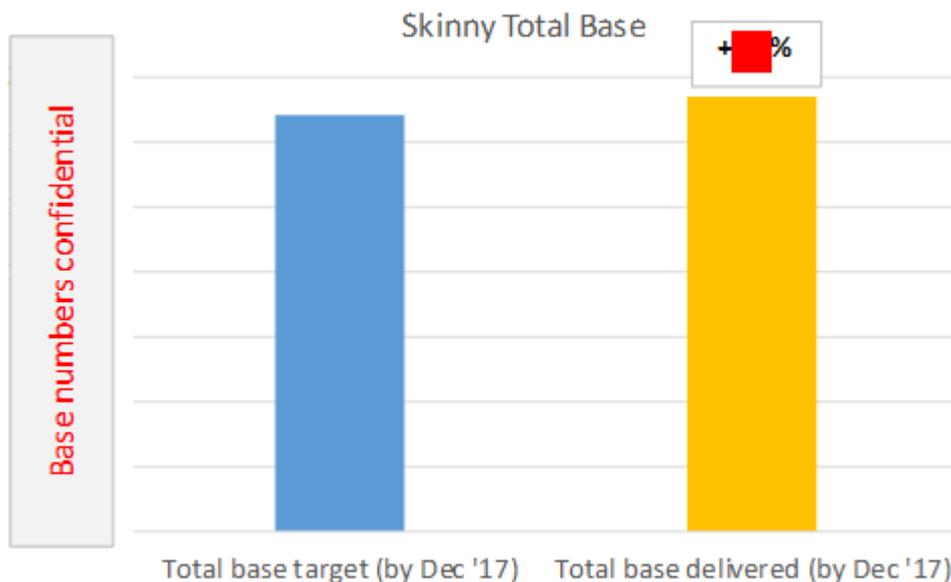
- Overall achievement against objectives (10%)
- Clear demonstration of long term results beyond 6 months (5%)
- Convincing proof that the results were a direct consequence of your campaign, the inarguable evidence. (15%)
- Return on investment. This could be expressed as an ROI (Return on Investment) figure, or some other numerical way of demonstrating commercial payback that justifies the investment in the campaign in the first place (10%)

Our 'Skinny Freekend' campaign is the most successful Skinny mobile campaign to date. Acquisitions over the campaign have resulted in **the largest ever customer base for Skinny.**

Our strategy of shifting focus from handsets to SIMs saw sales diverted into more effective channels with website, grocery and convenience sales up significantly YOY. SIM sales were up YOY and increased to **xxx** of total acquisitions (up from **xxx**

Objective 1: Increase total base customers by **xxx** by 31 Dec

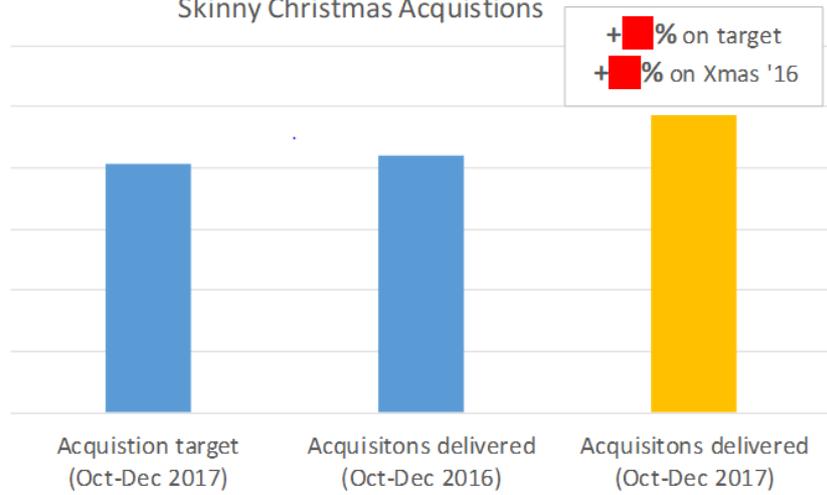
Result: **Delivered xxx growth**



Objective 2: Deliver an extra **<confidential>** new customers (Oct-Dec)

Result: **Delivered <confidential> new customers, <confidential> on objective / <confidential> on Xmas 2016**

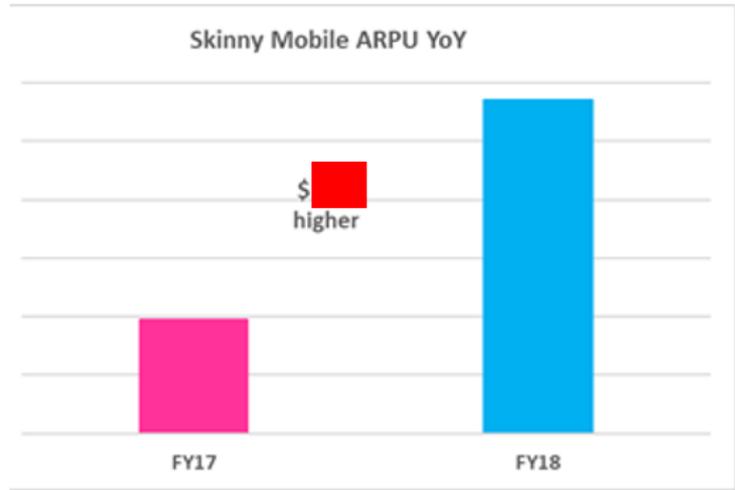
Skinny Christmas Acquisitions



Skinny Christmas Results



Furthermore, by focusing on acquiring new customers with a great promotional offer rather than cheap handsets we also improved the quality of Skinny’s customer base. The average revenue per user (ARPU) of customers we acquired over Christmas 2017 worth an extra <confidential> per month, thus delivering significant long-term revenue for Skinny.



Retention of these new customers improved dramatically and our costs to acquire these customers dropped significantly due to a combination of reduced phone costs and by using cheaper channels to acquire those customers (e.g. online & grocery).

**ROI:**

<confidential>

**How do we know the campaign drove this success?**

- The Christmas 2016 campaign media spend was down <confidential>% vs. 2016 and yet our 2017 approach delivered <confidential> % additional customers YOY
- Skinny did have low level support for handsets within the campaign, but this only represented a small % of spend. This included a gift with purchase offer but was limited to just 500 units
- Whilst the offer was for new customers only, the campaign appears to have had a halo effect on existing customers with churn reducing <confidential> YOY, also aiding base growth

**TOTAL WORD COUNT (count only words you insert in answer boxes 1 - 9):**

1289