

Boots No7

intelligent media planning

How adding mail media helped Boots launch a new cosmetic.

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**Centre for
Integrated
Marketing**

The Centre for Integrated Marketing has been funded by industry to research best practice and develop intellectual and other tools on behalf of leading marketers and their agencies.

Background



Boots had developed a totally revolutionary new foundation product for inclusion in the No7 range, Intelligent Colour Foundation. Boots No. 7 is the second largest brand in the colour cosmetics sector of the market, and as such is a major contributor not just to Boots business', but also to their image and perceived positioning. So launching the new product effectively really mattered.

The key proposition for the product launch was: One colour for all skin types! The new foundation adjusts to the colour of an individual's skin so that all the woman has to do is choose between the 3 shades of light, medium and dark and the foundation would then blend with the skin tones to give a soft and natural effect.

Boots felt that the revolutionary and highly desirable nature of the product made it an ideal catalyst for enhancing Boots No.7's contemporary, fashionable image at the same time as being a major success in its own right.

In order to optimise the launch, Boots decided to evaluate the potential benefits that could accrue to the business if they were able to adopt a genuinely media neutral approach to their brand planning. The results not only surprised Boots, but provide powerful evidence for Open Planning, the new thinking and practice recommended by the Media Neutral Planning Best Practice Group. The case particularly focuses on the benefit of adding mail versus further TV investment.

Open Planning

Open Planning method makes a number of important recommendations, including use of a mixed skill group for planning, an open and unbiased approach to media and discipline selection and mix, a clear, open process that involves all parties, and an open results approach that assesses across all channels using a common currency. Open Planning endorses the argument that a well-planned mix of media and marcoms disciplines is more likely to optimise effectiveness and efficiency of communications spend. Further information is available at the MNP Best Practice Group website (www.OpenPlanning.org).

Planning the Launch

Boots formed a cross-disciplinary team to enhance the interaction between departments and optimise planning. The MNP team consisted of representatives of the brand, consumer insight, direct and relationship marketing (through the Advantage Card), PR, and communication channel planning, with Chris Ladd, media manager, providing leadership in media selection. The team was formed and put in place in time for the planning of the launch.



It was recognised early on that PR would have an important role to play in the launch of this exciting new product. However, Boots planning, like many FMCG/package goods brands, would conventionally have relied on the combination of TV and women's magazines for its advertising communications. Following the application of the media neutral planning approach these media channels were augmented with the important addition of direct mail to the advertising mix, using the Boots Advantage Card database.

The hypothesis was that it would be more cost effective to add mail to the mix than to invest further in other media, particularly TV.

Open Results

The media neutral team sought to ensure that the impact of the PR, as well as the combined and individual effects of the other three media, were properly understood and measured in order to aid future media neutral planning activity. The major impact of media neutrality on this campaign was the inclusion of mail within the launch mix. Therefore, a key requirement was to assess the impact that this change had on the launch of the brand.

The MNP team recognised that it was vital to have the right measurement tools in place, not only to help them understand how the campaign worked but also to enable better future planning. There was a genuine desire to avoid the self-fulfilling prophecy that TV advertising alone is capable of shifting awareness. There was a legitimate concern that conventional awareness tracking methodologies would not be sensitive enough to measure the impact of non-TV media (because of the bias in consumer memories). It was also seen as important to adopt metrics that would provide genuine evaluation of business results.

To achieve this, extra effort would need to be applied to pre and post-campaign evaluation to isolate the specific effects of the channels used. Too often planners are over reliant on relatively crude measures of sales and awareness that are unable to isolate the effects of individual media and tend to overstate the impact of the most 'obvious' medium, TV. In order to guard against this potentially misleading effect, Boots put into place two key measurement tools:

1. A store-based model that could identify sales effect on a store-by-store basis thereby enabling the identification of stores by campaign area, e.g. with/without TV, with/without mail, with/without in-store promotions etc.
2. A tracking study that would not rely on respondents' sometimes inaccurate recall of where they saw advertising, but would instead identify actual exposure to different media by means of a combination of viewing/reading questions together with the establishment of 2 matched samples to enable real comparisons of mailed versus non-mailed respondents. The tracking study measured awareness, product understanding, interest and image.



The test does have some skew factors that need to be recognised:

1. The mailing was targeted within the database of Boots Advantage Card customers just as the TV and print schedules were targeted within media; obviously more precise targeting is available in a database.
2. Furthermore, the Advantage Card customers can reasonably be assumed to be more loyal and receptive to Boots communication, a proven advertising effect, and this could have skewed results for their receptivity compared with TV's less selective audience. On the other hand, it was important to Boots to reach this important audience: brand loyal customers are critical to the maintenance of brand market share. Therefore it is valid to compare the cost of reaching these by 'mass media advertising' versus one to one advertising (efficiency), as well as the effectiveness of the different media.
3. The budget for TV media was considerably larger and provided wear out is not achieved by excessive media use (which was not the case here), then there may have been some gain for TV from critical mass effects.
4. Neither the cost of creative development nor the cost of the database is included in the assessment below. The trial (by itself) is not intended as a business case for building a database (although it could contribute to one), but rather for better use of resources. It therefore seems reasonable to exclude the capital cost of developing the database. The exclusion of the creative costs is perhaps more problematic. After all, the creative for the TV cost considerably more than for the mailing and this weighting is not taken into account. This is a common phenomenon: comparisons of the 'creative potential' of different media and methods are routinely skewed by differential budget allocation, arguably generating self-fulfilling prophecies.

Results

Clearly, detailed findings are confidential, and the relative contribution of the different media and methods, including PR and TV is not available for publication. Nevertheless, Boots have released important information for marketers from this project, with analytics by ATG MindShare.

The use of matched samples enabled Boots to achieve a real measure of this impact and this was considerable. Indeed, the results from the tracking study provide powerful evidence of the value of integrated communications (IMC), media neutrality and Open Planning.

The brand image measures used by Boots show the following effects:

| Statement | % Agree | |
|---|------------|--------|
| | Non-mailed | Mailed |
| Boots has a wide range of products | 41 | 57 |
| Boots is always up to date | 37 | 45 |
| Boots really knows the latest trends | 36 | 41 |
| Boots is always introducing new and exciting products | 33 | 40 |
| Boots helps me look the best I can | 31 | 40 |
| Boots gives you new ideas | 29 | 39 |

On virtually every dimension the mailed sample performed significantly better than did their non-mailed equivalents:

- Routinely it is expected that there will be a TV bias amongst respondents: it will either be more memorable or preferred choice as the initial source of 'awareness'. However, although the mailing took place over a month after the TV and magazine advertising started, almost half of those mailed claimed that they first heard about the brand from a 'leaflet through the post', with this increasing to two-thirds when looking at all sources of awareness. Both these figures were far higher than those achieved by any other media, with the next highest being around a quarter of those in the mailed and a third of those in the non-mailed samples mentioning TV as their initial source of awareness.
- Recipients of the mailing also had significantly higher levels of awareness of the new product - nearly three-quarters were aware of No. 7 Intelligent Colour Foundation compared to less than half in the non-mailed sample. In fact, the additional exposure to DM amongst the sample also seeing Press and TV resulted in an uplift in brand awareness for No7 ICF of + 27% spontaneous and + 25% prompted.
- Furthermore, indexed on the cost of TV reaching all the Advantage Card No7 users (a critical objective as noted above) the mail media activity generated the additional spontaneous awareness at 64% of the cost of more TV.
- To be aware of a product is less valuable than to know what its advantage or brand promise is. Almost twice as many of those mailed had a better understanding of the brand's main proposition: One colour for all skin types.
- This translated into a greater number of consumers expressing a desire to try the new foundation - over half of those receiving the mailing compared to only a third of those who did not.
- In addition to increased awareness of the new product amongst recipients of the mailing, No.7 overall benefited from its inclusion in the mix with both spontaneous and prompted awareness of the No.7 brand as a whole being higher among the mailed sample, although as suggested above this would be expected of this sample anyway, and this needs further comparison with a random (control) cardholder of the period to draw firm conclusions.
- Recipients of the mailing also expressed more positive perceptions of the No.7 brand across all key dimensions, potentially meaning that the mailing was a more effective brand development tool. Again, comparison with a random (control) cardholder would be helpful.

Significance

The addition of targeted advertising by mail into the mix produced a significant uplift in awareness at a lower incremental communication cost per awareness point. Adding mail added value. The Boots test therefore supports the argument for integrated communications and a media neutral approach.

As a result Boots are now actively reviewing their internal processes and procedures to ensure that these promote the implementation of media neutrality on future planning activity. According to Chris Ladd, "The learning from this project have confirmed that changes we are making to our brand planning process are the correct way forward. We now pull expertise from across Boots and our agencies to deliver a truly media neutral approach to our communications plans."

Another important conclusion derives from the ability of mail to create awareness. Awareness, and especially ad awareness, is of limited value as a measure. Indeed the Centre for Integrated Marketing and the MNP Best Practice Group amongst others argue that it is an overused and generally flabby objective and measure. Nevertheless, ad and brand awareness are still the most commonly used measures of communication effectiveness in the FMCG categories. Generally speaking TV, radio and print, as the mass media, are preferred as awareness generating tools, while mail is widely discounted by both academics (in their classifications) and practitioners (in optimisation tools and selection processes) as an awareness-generating medium.

Here, however, mail proves to be an extremely effective awareness tool, thus justifying the Open Planning proposition: any medium can be used to achieve any objective.

Integrated Marketing

Open Planning is not only the basis for integrated communication planning within 'commercial media', but is also a tool to support Integrated Marketing.

In addition to the further tests suggested above, a full-scale test of Open Planning would take Boots towards an Integrated Marketing approach. For example, the present evaluation assessed the various commercial media, and did not include internal channels and in-store contact points. What would have been the relative benefit of further investment in staff training and communication, or in samples, in-store promotion or promotion staffing versus say TV?

Notes

The Centre for Integrated Marketing appreciates the help of ATG MindShare in compiling the data and Boots for sharing these important results.

For further information, case studies, papers and tools, visit the Centre website on www.integratedmarketing.org.uk

For further information on Open Planning visit the MNP Best Practice Group's Open Planning website at www.OpenPlanning.org

Integrated Marketing is a holistic discipline that involves the whole organisation in developing congruent, sustainable and high-value brand experience for all stakeholders.

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