

INCITE

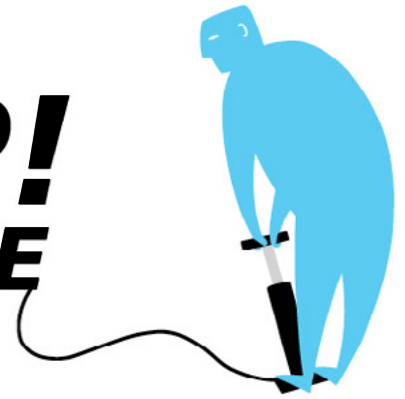
INCITE

ABOUT THE COVER

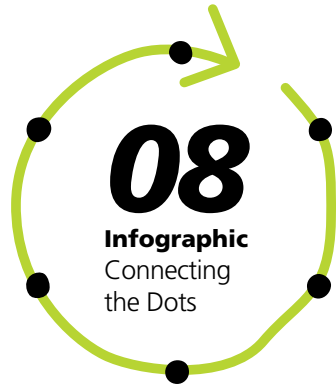
Telecom giant TELUS created the *rewards that rock* campaign, integrating direct mail with social media and email to engage recipients. The direct mail piece mimicked the mesh of an audio speaker, enticing customers inside. Once there, they found instructions to build a functional, recyclable cardboard speaker using the mailer itself. Turn to page 15 to read how, in a fiercely competitive category known for customer churn, TELUS marched to its own beat with a message that rose above seasonal noise. Then have some fun turning your Amp It Up! issue of *INCITE* into a speaker to amplify your favourite beats.

The cover was printed in four colour process with an additional Pantone ink on a six-colour Komori 40" printing press at 255 line screen, on Lynx 100lb cover stock. The texture was accomplished by embossing the grooves of the speaker image and with the application of a clear foil. The cover was then die cut to create the custom speaker shape.

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IDEAS FOR INCITING ACTION THAT AMP IT UP!



We have been confronted by a change of pace – a need to be more responsive, competitive and agile as we deal with a country reopening and a new set of recessionary circumstances.

As we try to predict what lies ahead, take a moment and look behind you. What were the standout marketing moments? Who connected best with emotionally distracted consumers? Which brands left a lasting impression, made a difference, earned precious word of mouth? Pausing for thought is the stress test to determine the most valuable marketing principles that will guide us forward.

During confinement, we rejected out-of-touch celebrity platitudes. We got tired of brands saying, “We’re in this together.” We failed to connect with the campaigns where “every COVID-19 ad is exactly the same” because they felt like awkward AI attempts at humanity. The brands that showed up successfully during the crisis, and the early stages of reopening, closed the gap between saying and doing – earning our attention, shares and likes and making genuine connections.

When everything is novel and nothing is normal, you have to reframe opportunity and reshape the rules. Now is the time to renew a commitment to marketing for impact, not volume, scale or impressions. When every dollar spent is under greater scrutiny, marketers need to find their creative bravery, strengthen their brand voice and connect to the context of their audience.

The singular principle for amplifying marketing will be to focus on the economic, social, emotional and personal recovery of your customers.

Esmé Rottschäfer

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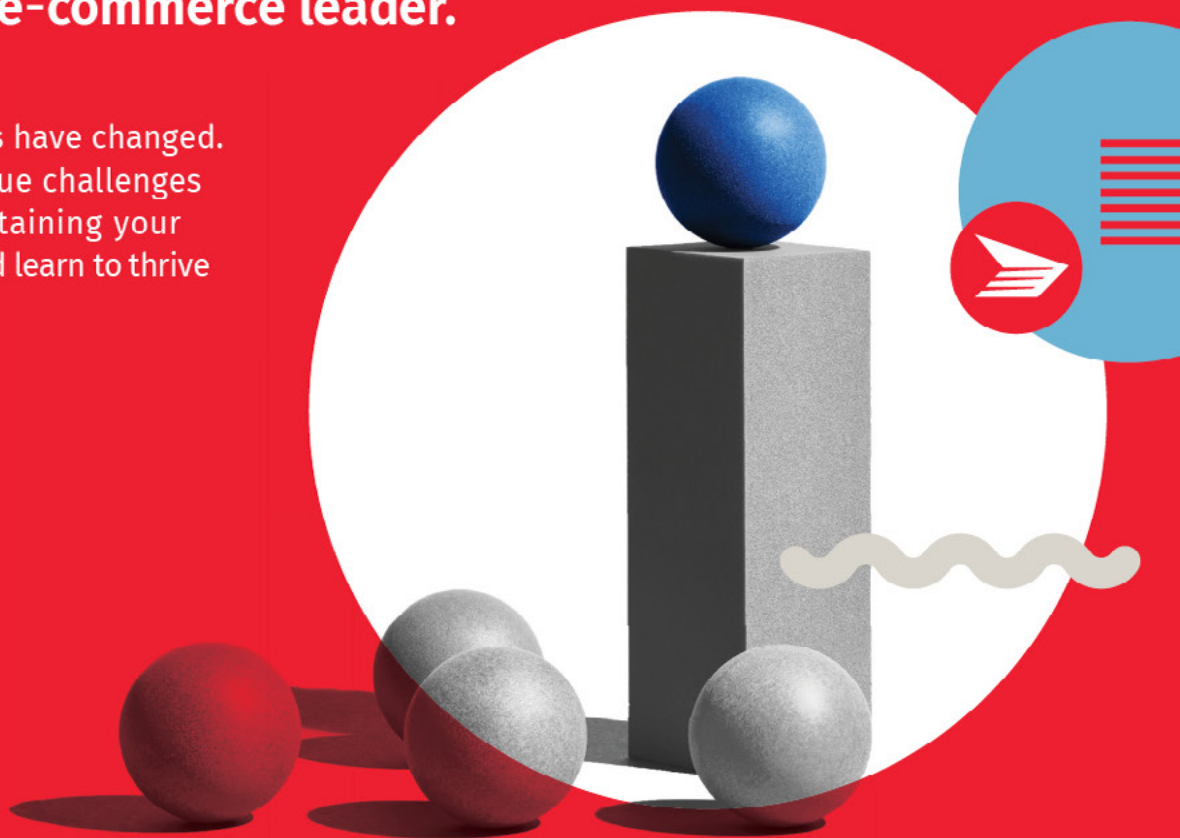
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AMP IT UP!



What's the shape of your recessionary curve? In crisis, we focused on flattening the curve. Emerging from lockdown in stages, businesses have new curves to conquer. It's hard to predict the course of recovery, especially as consumers and categories will be affected differently. Sir Martin Sorrell, founder of the world's largest ad agency, WPP, suggests a reverse square root – a sharp downturn, a bit of a bounce, then a plateau.

In reality, we'll plot our own recovery curves based on category demand and company supply. Brands will need to focus on the short-to-mid term when adapting to the new set of evolving business circumstances and consumer consumption patterns. Critical will be adaptive strategies that avoid price and quality cutting – which sacrifice margin and reputation – as well as understanding the implications of the recession to potential and current users of your products and services.

We are all operating in the in-between – in a world where the short term has become more acute and the long term less known. This necessitates that every decision be not only strategic but also connected. It will require aligning internal outcomes with consumer outcomes. To create the most impact for their effort, marketers will need to connect all the strategic levers that contribute to marketing effectiveness to promote growth, support pricing and create demand.

NOW IS THE TIME TO AMP UP YOUR MARKETING.

In WARC's *Anatomy of Effectiveness* report, five key areas were identified that must work together to amplify marketing impact. They are as critical in a recessionary context as they were before.

- › Invest in growth
- › Balance your spending
- › Plan for reach
- › Plan for recognition
- › Be creative; be emotional; be distinctive

We've taken a brief look at these key topics through a recessionary lens, framing them contextually.

IS YOUR MARKETING LOOKING IN THE BLIND SPOTS FOR GROWTH?

Brands are staying closer to consumer behavioural data, changes in spending and channel. But looking at this data alone won't connect your marketing efforts to the context of your audience and users. People are re-evaluating everything – it's all up for grabs. Decision making will be more complex, less predictable and at times more immediate. People will ultimately be trading off between what is essential, what is worth it and what impacts their daily lives. While people are rethinking you, you need to be rethinking them as well.

One thing we've learned in 2020 is empathy. Brands can't take customers for granted during this time or let them fall through the cracks. Right now, brands need to dig deeper into the blind spots to understand what is not known about their audiences. Now is your opportunity to examine blind spots. Where is the growth potential? Can you serve your current customers, as well as fresh or overlooked audiences, in newly relevant ways? Let's move mindsets from volume to impact – focusing on customer potential rather than size of opportunity.

A wonderful example of this is from IKEA. The brand found opportunity in a small yet underserved customer base of people with disabilities, which is in line with its inclusive purpose. The *ThisAbles* project has proven the value of focusing on impact as a growth strategy instead of scale. The project was conceived to allow people with special needs to enjoy the quality of life provided by IKEA products. It created product adapters that maximized access to furniture and other home goods. This case also demonstrates the value of collaborating with consumers – instead of only designing for them, IKEA designed with them.

IS YOUR MARKETING EARNING ITS SHARE?

At the heart of great marketing are ideas that don't have to work too hard to attract an audience. In today's marketing economy, word of mouth isn't a tactic but a principle of effective marketing. How much organic value can your brand generate with its marketing? And how can paid media ignite or amplify it? These are the important considerations, especially now, when marketing budgets are stressed. It's also the difference between influence and persuasion.

More Cannes Lions winners are putting earned media ideas at the core of marketing and using paid to amplify them. The best ideas are being amplified from the physical world into the digital world.

Edelman's *Earned Brand* is an annual global study of how brands earn, strengthen and protect their relationships with customers. They find that trust is down and needs to be earned. More people want brands to earn their trust and loyalty, judging companies on

what they say and do. Increasingly, closing the gap between what a company says and what it does is more influential. Edelman points out that this means brands and marketing need to move beyond business interests and focus on customer interests. Marketing not only needs to position their brands in the minds of customers, but they also need to position themselves in the lives of their customers. As much as recovery is about business, how you'll create value is by focusing on customer recovery.

IS YOUR MARKETING CONVERTING ATTENTION TO MEMORY?

Short-term activation is focused on converting interest into sales. This is typically done digitally with a high frequency of impressions. This is a costly approach if creative is forgettable, requiring more media weight to convert. It's the cost of being average. On top of the general challenges associated with attention – a fragmented and saturated marketplace, ad skipping and opting out – people are emotionally distracted.

Especially now, marketing needs to convert attention to memory. If creative isn't connecting brand to consumer, then you

are missing a key principle of marketing: memorable delivery. When you focus on converting attention to memory, you naturally become more relevant and don't have to work as hard to get attention or convert it.

A brilliant example of a company that understands the value of converting attention into memory is Heinz. The company is integrating brand, marketing and customer experience to support growth with the recent revamping of its portfolio and new master-brand approach covering more than twenty products including ketchup, mayonnaise and beans. The new

look leverages the equity in its strongest products and distributes that equity across the portfolio coherently. The refresh will act to get the attention of potential buyers and renew the relationship with current customers. The design cleverly modernizes the brand while dialing up emotional appeal – stirring up feelings of desire and comfort. The use of forks and spoons, beans dripping out of the logo frame and fries with ketchup on them bring product experience to life. The rebrand couldn't be better timed as a way to reach new buyers and remind current customers about how the products fit into their lives.

IS YOUR MARKETING "BLANDING" IN?

"Blanding" is the opposite of standing out, it's blending in – indistinct, undifferentiated and the aesthetic equivalent of being referred to as "nice." When you optimize channel for vanity metrics like clicks and likes and optimize creative superficially to aesthetic trends but forget about brand distinction, you blend in. By trying to align with consumer trends in social media with the hopes of aesthetically catching the

eye of a scroller, these brands are actually doing the opposite. Ultimately, it creates a sea of sameness and requires budgets to work harder.

As more brands move online and into the direct-to-consumer space, this will become increasingly a problem as look-alike brands with single product or service offerings compete to catch your eye and your clicks.

Incidentally, if you do click, then you'll end up getting at least five more brands that do the same thing in your feed the very next day.

To avoid "blanding" in, live and express your brand distinctively. Have a point of view and a unique look, show your personality and create ads and content that are worth the users' attention.



THE VALUE IN AMPING UP MARKETING

Marketing has an important role to play in managing brands through recession and recovery. Sometimes it's nice to step back and remind ourselves why marketing is valuable to a company.

MARKETING OFFERS PROTECTION

In a downturn, marketing budgets are often the first casualty when success is measured in sales. With consumer lines drawn between essential and discretionary purchases, companies face tough spending decisions. Marketing plays a critical role in protecting both existing investments and future growth. By maintaining your spending, you preserve your presence and defend your position. With this continuity, your advertising investment becomes market share. Make every marketing dollar count by optimizing budgets to a channel mix that will create more mental and physical availability with your audience.

MARKETING CREATES CONNECTION

As more companies go online, brand relationships are changing. Marketing needs to connect at every touchpoint, on every channel. During confinement, we rejected

out-of-touch celebrity platitudes. We got tired of brands saying, "We're in this together," – especially when they didn't extend the sentiment to their own employees. We failed to connect with the campaigns that looked too similar because they felt like awkward AI attempts at humanity. The brands that showed up successfully during the crisis closed the gap between saying and doing – earning our attention, shares and likes and making genuine connections with their audiences.

MARKETING CREATES RENEWABLE VALUE

To create renewable value, focus on how marketing can engage people as users, not just buyers. Market holistically, placing content, events, experiences, products and services in the lives of your customers [*The Most Successful Brands Focus on Users – Not Buyers* is an excellent read by HBR.org]. Focus on brand attraction by engaging emotions, mindsets and belief systems through paid and earned media. Amplify earned efforts into owned channels and paid media for acquisition and retention. Turn targeted paid efforts

into earned media by making your marketing worth spreading. Be more relevant through personalization to engage customer preferences and interests.

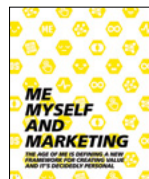
MARKETING CAN ADDRESS CUSTOMER EXPECTATIONS

Behavioural data suggests that our needs haven't changed much. What has changed is how we expect to meet those needs. It's these expectations – defined by the sum of all brand experiences – that marketers should actively address. As the lines blur between marketing and CX, brands need to think about how marketing contributes to CX across channels. This reinforces relevance and value to close expectation gaps. If CX is the sum of all interactions with a brand, at every touchpoint consider how marketing can help close off functional and emotional expectation gaps. Pick channels that allow you to deliver memorable experiences, increase personalization or authentically improve time spent with brands.

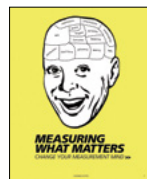


Read More >>

Download these articles at canadapost.ca/incite from our issue archive for more about how to amp up your marketing:



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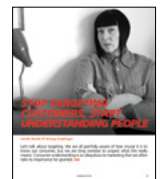
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INCITE 2020 02
My Name Is Not Data




INCITE 2020 02
Stop Targeting Customers, Start Understanding People

CONNECTING THE DOTS

In 1999, technologist Kevin Ashton came up with the term Internet of things [IoT] to define a network that connects people and the objects around them. Today, there are an estimated 50 billion connected devices worldwide. Connectivity has fundamentally changed how people manage life, consume content, shop and interact with each other and brands.

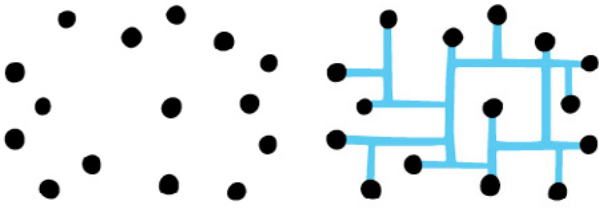
Digital and physical worlds continue to converge around the customer. Marketing has never had more interdependencies as the lines blur between marketing, sales, technology and customer experience. This connected economy requires a new level of interconnectedness, and marketers require the ability to connect the dots effectively and in new ways.

DISCONNECTION **INTERCONNECTEDNESS**



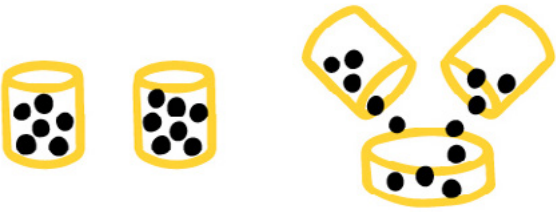
Shift mindset to see brand and customers within an interconnected system.

INFORMATION **KNOWLEDGE**



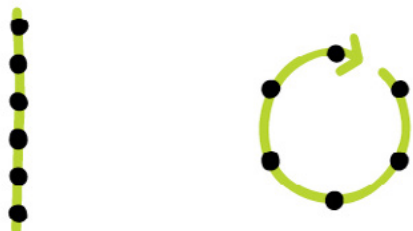
Synthesize disconnected information to create knowledge.

FUNCTIONS **OUTCOMES**



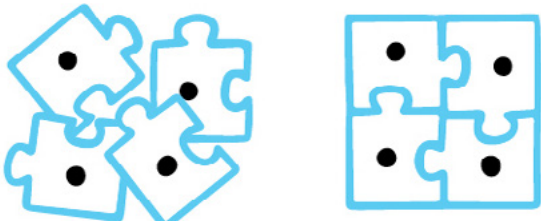
Integrate functional silos so that activities are aligned to achieve common outcomes.

FUNNEL **JOURNEY**



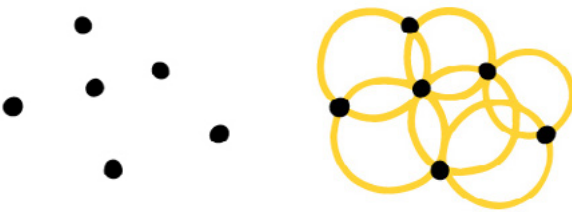
Focus on the journey to capture the non-linear nature of consumer interaction.

CHANNEL **ECOSYSTEM**



Optimize and orchestrate channels separately and as part of a connected ecosystem.

AUDIENCE **NETWORKS**



Understand your audience as active users who participate in relational networks.



MAKE CREATIVITY YOUR ADVANTAGE

Karen Howe, President, The Township Group

We Canadians are a cautious people. We are the most insured nation per capita on earth. We like to play it safe. We don't make ripples. We are a culture of pleasers. >>

Unfortunately, that same tentative approach extends to our creativity.

For the most part, we do solid work. It's always nice and largely pleasant, but often invisible.

As brands, if we want to make our mark in a world that is largely indifferent to us, we need to embrace courage and throw some calculated caution to the wind. We must accept that creative bravery means charting unknown waters to arrive someplace wonderfully unexpected and exciting.

Especially now. We are entering an exceedingly tough market. Every dollar spent is under greater scrutiny than ever before. Budgets are receding despite increasing competition. Timelines are tightening. And as a culture, we've become brand nomads. Our tendency to flirt with whatever's new is on the rise. So, loyalty is under fire. We are living in an odd era of mistrust. Surveys show that our faith in institutions, companies and government has eroded badly over the last four years. In the world of marketing, six out of 10 do not trust a brand to keep its promises.

It's a pretty grim landscape. But all is not lost. What should a marketer do? Approach every problem as if it were an opportunity in disguise. If you want to amp up your marketing, you must hyper-leverage creativity in all that you do. This is the time to think smarter, go further and create unabashedly. Ours is the business of ideas, and creativity has the power to fix things – to solve problems. It's like duct-taping a layer of tangibility to blind hope.

I analyzed some of the most awarded creative from around the world, and the difference between ordinary and extraordinary ideas is stark. Brands that stand out use creativity in wildly diverse ways to make their mark. Here are a few tips from some notable examples.

MAKE YOURSELF USEFUL

Instead of just nattering about themselves, smart brands are earning their keep by making themselves useful. In France, Purina dogs, but they tend to neglect their yearly vet checkups. Purina created *Street Vet* – a clever dog-friendly street activation. The digital billboard provided an instant health checkup by releasing pheromones to encourage dogs to relieve themselves. The urine was analyzed, displaying clinical results within seconds and flagging potential health issues. It suggested food to address dietary issues [a Purina brand, of course] and allowed the owner to download results to share with their vet. Beyond being remarkably helpful, Purina created a tangible, unforgettable brand interaction.

“Ours is the business of ideas, and creativity has the power to fix things – to solve problems. It’s like duct-taping a layer of tangibility to blind hope.”

PURPOSE IS POWERFUL

Studies show that over 70 per cent of us align ourselves with brands that share our social values. In fact, 90 per cent of millennials will actually switch to a brand that supports what matters to them. The causes that matter are several: climate change, hunger, sustainability, racial equality, child poverty and many others. Purpose is a powerful way to define your brand. In fact, Alan Jope, CEO of Unilever, believes that brands without purpose have no future.

It is worth noting that brands with purpose have been shown to grow twice as fast as those without.

But purpose cannot be mere window dressing. We've all seen it done wrong, from green-washing to pride-washing. If you purpose-wash, you will be eaten alive on social media. Purpose must be embedded in your brand's DNA. It has to be external, internal and long term – the lens through which you assess everything you do.

There are some extraordinary brands doing it right. TOMS shoes gives away one third of their profits to charity. Warby Parker eyewear donates a pair of glasses for every pair sold. Patagonia is a sustainability-driven brand that repairs their clothes for free to encourage thoughtful, long-term purchase over non-sustainable throwaway fashion. On Black Friday, the infamous day of consumer gluttony, Patagonia ran a full-page ad that said, “Don't buy this jacket.” They gave all their profits from that day to an eco-based charity, and continue to do so every Black Friday.

Leroy Merlin, an Italian home improvement store, moved their free do-it-yourself classes from in store to buildings that also housed charities in need. Learning was tied into giving: customers became volunteers. It was brilliant. It gave back to the community and forged an unforgettable relationship with customers.

These have all become fiercely loved brands, and they've done so by looking beyond their bottom line.

CELEBRATE WHO YOU'RE NOT

Diversity matters. Inclusivity is about making all feel welcome, regardless of race, gender, age, sexual orientation or ability. Brands that champion diversity are stronger by any measure, from loyalty to profit.

One of the most celebrated brands in the world, Benetton, set the course with their trail-blazing *United Colours of Benetton* ads years ago. They acknowledged the AIDS crisis and championed racial, religious and sexual freedom. They refused to be defined as merely the “colourful sweater” company.

IKEA embodies the democratization of design. Their recent *ThisAbles* project is the epitome of inclusion. An IKEA copywriter with muscular dystrophy flagged the fact that many of their products were unsuitable for those with physical limitations. The company retooled using 3D printers, making chairs, couches and wardrobe handles that are accessible to all. They also made the open-source designs available for anyone to use for free.

L'Oréal is tackling ageism by including age positivity ambassadors. Their new brand ambassador is 73-year-old actor Helen Mirren. Inclusion is what brands with an eye on the future are backing.

HACK INTO CULTURE

Since 2017, DNA testing has seen a meteoric rise – over 30 million people have had it done. The reasons are many: some are curious about their ancestry or health; others want a better understanding of character traits. Aeroméxico was looking to encourage tourism from the U.S., but Americans were disinterested. So, they hacked into this cultural trend and created a remarkable retail promo. They developed a sliding scale of discounted travel based on percentage of Mexican ancestry. It was a hit that put Aeroméxico – and Mexico itself as a tourist destination – on the map.

CROSS-POLLINATE

With streaming on the rise and cable TV viewing on the decline, brands are looking beyond conventional advertising. Some have created fascinating hybrids with cinema, art and music. Skittles is a perfect example. They had a \$5-million problem: they wanted to make a splash during the Super Bowl but didn't have the deep pockets. Instead, they cross-pollinated with Broadway and created an anti-advertising musical. They also developed branded swag, a Spotify playlist, a Skittles playbill and a fantastically clever breadth of content. It was a huge hit, with tremendous PR pickup, at a palatable price.

DIRECT, IN AN INDIRECT WAY

Welcome to “stealth” direct mail. Glade had a problem. Much shopping has shifted online, especially in the wake of the COVID-19 pandemic. Glade was looking to market a new air freshener, but scent is a physical experience. They aligned themselves with Walmart online. Glade filled the little air pillows Walmart used to pack delivery boxes with their newest scent, thus providing a free “sample.” It was clever repurposing and created unexpected brand real estate.

“As a brand, no one is waiting to listen to your message. That’s why the riskiest thing you can do is spineless work. You need creative backbone.”

DON'T ACT YOUR AGE

Connecting with a younger demographic of people who are glued to their smartphones is tough, especially when you want to convince them to read great works of classic literature. The New York Public Library turned to Instagram – one of the fastest-growing social platforms. They translated the books into wonderful Instagram stories, beautifully illustrated, to be read on mobile. Brilliant.

ROE IS THE NEW ROI

Studies show that 90 per cent of our decisions are made with our hearts, not our heads. That is why return on emotion [ROE] is the new ROI. Brands that connect emotionally are remembered. Gillette's launch campaign for

TREO, the first razor created for caregivers, shows the truly touching story of a son looking after his aging father. It's not about the number of blades, nor the smoothness of the shave. It is entirely about a man honouring his dad by handling him with care. Unforgettable.

WIT OVER WALLET

No budget? No problem. Archer is a tiny company that creates home-care products marketed toward men, such as whiskey-scented dish soap. They got around their non-budget by offering a C-league baseball player the world's largest sports endorsement ever: \$3.4 billion. The catch? It is to be paid out over 10 million years. It was a remarkably bold idea that garnered global PR and blew up on social media. Creativity compensated for cash.

BACKBONE IS EVERYTHING

We are a distracted generation. Our attention spans are fragmented by tech and the over 5,000 messages we see each day. As a brand, no one is waiting to listen to yours. That's why the riskiest thing you can do is spineless work. You need creative backbone.

This is the year to be brave. Amp it up. Make creativity your advantage.

Karen Howe leads The Township Group. She is a globally recognized Creative Director, consultant and keynote speaker who also serves on the Cannes Advisory Board. As a frequent industry commentator, Karen appears on CTV, CBC, TVO as well as in the *Globe and Mail* and *Strategy* magazine. She is an authority on global trends in tech, culture and creativity and shows how trends will shape business in the year ahead by showcasing some of the most awarded creative in the world.



IN BRANDS WE TRUST

Doug Stephens, Founder, Retail Prophet

Brands have a powerful opportunity to fill the void in belonging and meaning left by the decline of religion and eroded faith in government. >>

Moscow's Red Square is virtually impossible to photograph in a way that fully captures the magnitude of the place. To the south sits the immediately recognizable 16th century St. Basil's Cathedral with its colourful, bulbous, ice-cream-like spires. To the west, shrouded behind tall brick buttresses, lies the monolithic Kremlin. And to the east sits the Moscow GUM, a beautiful 19th century shopping complex that up until the 1920s was known as the Upper Trading Rows. Today, the GUM is an uber-luxury shopping centre, housing what is arguably one of the most prestigious assemblies of brands to be found anywhere.

As I stood in the middle of the square, it struck me that I was surrounded by a perfect symbolic representation of the key pillars of today's society, not just in Russia but around the world – a physical trinity of church, state and commerce – which got me thinking about how the relative power of each pillar is shifting.

WHY COMPANIES ARE THE NEW COMMUNITIES

Declining trust in institutions like the state and the church doesn't quell our fundamentally human desire for affiliation, purpose and meaning. The need to belong to a community that aligns to our values and beliefs lies so deep in our DNA that no amount of social or political disaffection can drum it out of us. We must believe in something.

So, what about the third pillar? Commerce. The decline of religion and eroded faith in the state has created a societal vacuum for courageous brands to fill. In fact, a 2018 global study by Edelman of 8,000 consumers across eight markets suggests that almost two thirds of us make buying decisions based on a brand's position on social or political issues. More importantly, 53 per cent of us believe that brands can do more to solve social problems than governments.

Let that sink in a moment. A majority of us now place more faith in brands to change the world than traditional social institutions.

On reflection, it's a shift that makes perfect sense. After all, a powerful brand is, in many ways, no less potent than a religion. At the core of every great brand sits an ideology. If you're Nike, that ideology is rooted in the universalism of sport and a resulting mission: *"To bring inspiration and innovation to every athlete in the world."* It's worth noting that "athletes," according to Nike, are not defined as Republican or Democrat, male or female or any other gender identity. Athletes are not Labour or Conservative, young or old, rich or poor, Christian or Muslim. No, according to the mantra made famous by Nike co-founder Bill Bowerman, *"If you have a body, you're an athlete."* It's a level playing field where everyone is welcomed and everyone is equal.

"A majority of us now place more faith in brands to change the world than traditional social institutions."

Next come associated symbols and rituals like the Nike swoosh, for example. An immediate and distinctive emblem signifying to others that you are a believer. And finally, there's the acceptance into a community of like-minded devotees, like the Nike Run Club, for example. A community that understands, appreciates and supports you. In other words, brands like Nike have moved beyond simple communities of customers

and become global ideologies based on our shared interests and aspirations and the deep human need for connection and belonging.

As for the issue of effecting social change, while our political leaders seem to equivocate on almost every issue, Nike has boldly opened a discussion around racism, patriotism and police brutality with its Colin Kaepernick campaign. A position that appears to have been richly rewarded by Nike consumers – many of whom are young and non-white – with a 31 per cent rise in revenues consequent to the campaign. One could similarly point to Patagonia's stance on climate change, Walmart's action on gun sales or Chobani's advocacy for immigrants and refugees. Brands are effecting change and social discourse where governments and religious institutions have failed.

And so, brands find themselves facing a unique and historic opportunity. The opportunity to move beyond running clubs and yoga classes and become global "brand-nations," filling the void in values, in meaning, in belonging that has been left by government and religion, and recruiting millions of followers in the process. Followers who, powered by their faith and sense of community, can raise their voices in unison to become the most powerful media channel a brand can harness.

Of course, such opportunities are not without risk. Values are called values because there's a price paid by those courageous enough to possess them. But in a crowded and competitive marketplace, I would argue that the price of standing for nothing is far dearer.

MARKETING TO THE HUMAN CONDITION

Marketing is the art of persuasion. It's the science of delivering just the right message to a specific consumer at the perfect moment in order to awaken a need or desire that causes a predictable action or response – most often a purchase. At the best of times, getting all this right is like hang-gliding through a

hurricane. And these are clearly *not* the best of times. In fact, it's no overstatement to say that the pandemic of 2019-20 may indeed be the most traumatic, sustained and life-altering event that any of us will experience in our personal and professional lives. It adds up to significant psychological distraction for most of the audience we as marketers hope to reach and connect with.

So, what is the consumer mindset during times of crisis? How does fear influence behaviour? And what messages are consumers receptive to and repelled by?

Events like COVID-19 shatter our world view and drag the idea of our human fragility back to the forefront of our minds. It is in these times that we desperately work to reassemble our world view and sense of security and control within it. This need to reassert control over chaos results in an immediate impulse to spend on those things we believe will help us to do just that. This explains the levels of panic buying we saw early in the pandemic and, shortly afterward, the curious explosion in comfort food and home cooking and baking necessities. It would come as little surprise then that, in such times, marketing messages that offer consumers a regained level of control, safety and security will be most immediately received, understood and acted upon.

During this time, marketers attempting to aggressively move consumers beyond the control state are likely to find minimal traction for their messaging. Rather, during this time, messages of community support, good corporate deeds and social responsibility may go further to remaining top of mind and endearing your brand with consumers than messages aimed at aggressive selling.

However, once we perceive that the immediate threat has passed or has at least been greatly diminished, we as consumers will indeed begin aggressively reconstructing our reality and working to re-establish our

sense of self-esteem and value within it. How we do this varies greatly by individual. One person might satisfy the need for self-esteem by renovating their home. For someone else it may be as simple as getting a manicure or a haircut. Ultimately, consumers will seek to acquire products, services and experiences that uniquely support their individual sense of self-worth and value. It's during this phase that messages around small, responsible levels of indulgence and pampering will be well received.

“Winning in this environment will mean piercing the noise with messages that coincide perfectly with where consumers are in their recovery processes.”

Finally, brushes with our own mortality lead us to consider what lasting imprint our lives will leave on the world: how we will be remembered, what we will leave behind and what we have achieved. These more aspirational needs may include fame, wealth, power and prestige. In this state, consumers may be more receptive to messages about self-improvement, personal transformation, bucket-list experiences and even more major purchases like homes, cars and other larger investments.

The point is that we as consumers are not binary in our behaviour. We don't simply exist in states of saving and splurging. Today's demand for a particular product or experience does not necessarily remain pent up indefinitely until some future date that suits retailers and marketers. This is especially true in times of crisis, as we all move through a complex but essential psychological process where we may be highly receptive to some marketing messages while others are all but invisible, or worse yet, appear to be tone-deaf and out of sync with the consumer's need state.

As businesses clamour for consumer attention, it's likely to instigate a level of marketing spending that is truly unprecedented. Winning in this environment will mean piercing the noise with messages that coincide perfectly with where consumers are in their recovery processes. Navigating this landscape will challenge every marketer to rise to a new level of understanding, sensitivity and above all, empathy.

In Brands We Trust: Why Companies Are the New Communities was first published in Business of Fashion on December 3, 2019 and Retail Prophet on December 12. This is an abridged version of the article with the addition of Mr. Stephens' latest thoughts about how the impact of the COVID-19 pandemic requires marketers to pay close attention to the human condition.

Doug Stephens is the founder of Retail Prophet, a global consultancy specializing in the future of retail, and is widely recognized as one of the world's leading retail futurists. His forthcoming book, *Resurrecting Retail: The Future of Business in a Post-Pandemic World*, will be published in early spring 2021.

CASE STUDY

TELUS cranked it to 11 with its *rewards that rock* integrated campaign that used direct mail to create a gratifying customer experience. >>

REWARDS THAT ROCK

In a fiercely competitive category known for customer churn, TELUS marches to its own beat. The telecommunications giant encouraged customers to do the same in a recent marketing campaign.

The campaign struck an emotional chord by delivering personalized customer experience, of which the TELUS Rewards program is a critical part.

TELUS Rewards is a free loyalty program available to new and existing customers with two or more eligible services. The program awards points for every dollar spent on qualified TELUS home services, plus bonus points for things like anniversaries, survey completion and more.

Those enrolled in the program can choose the rewards they want from an online catalogue that includes things like gift cards, TELUS bill credits, charitable donations, on-demand movie credits, the latest in tech.

CHALLENGE

TELUS needed to stand out in a competitive landscape and make their current mobility customers aware of the opportunity to join TELUS Rewards and get recognized for their loyalty. An additional challenge for the *rewards that rock* campaign was its December timing – when the market is most noisy and cluttered.

RELEVANCE

You know how important music is to the company's story if you've ever seen a TELUS TV commercial or attended a local TELUS event.

They wanted a campaign that would amplify the benefits of its rewards program and the merits of bundling a TELUS mobility plan with home services.

INCITING ACTION

The *rewards that rock* campaign cranked it to 11 by integrating direct mail with social media and email to engage recipients.



What at first glance looked like a simple postcard proved to be much more. The direct mail piece mimicked the mesh of an audio speaker, luring customers inside. Once there, they found instructions to build a functional cardboard speaker that was fully recyclable using the mail piece itself as material.

On completion, customers could insert their smartphone into the speaker and play their favourite songs.

Other elements of the campaign included a partnership with the TELUS Friendly

Future Foundation – a partnership with the Sarah McLachlan School of Music, which supports organizations that use music to help youth overcome adversity – and promotions that paired iconic song tracks with charming critters.

TELUS used Canada Post Personalized Mail™ to target existing mobility-only customers. Related messaging was then pushed out on email and digital channels, stimulating customer interaction and triggering a response. TELUS shared that, from a channel perspective, they always consider the timing and sequencing of different communications –



an email followed by direct mail or vice versa – to ensure they maximize customer response.

RESULTS

The direct mail campaign achieved a 13 per cent increase in customers who opted to bundle home services with their mobility plan.

Followed by a reminder email, the foldable speaker functioned as an ideal “opening” act.

Those who received direct mail and a follow-up email were more likely to accept the bundle offer than those who received an email alone. Results show the one-two combination produced a 30 per cent lift compared to a control group that received an email only.

TELUS shared that it’s a combination of brand and customer-centricity that’s behind their success. They always ensure that brand and

activation are closely tied together. Crafted to align with the brand, the look, feel and future-friendly message of each campaign increases relevance. At the same time, their customer experience approach to marketing brings emotional appeal and activation together with segmentation. TELUS also integrates social impact and sustainability initiatives into their core marketing activities – a truly holistic approach.

Case Study Debrief

BRAND TELUS Rewards

INDUSTRY Telecommunications

Inciting Action

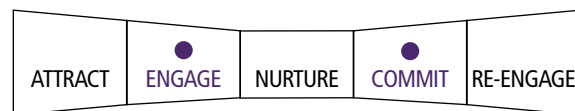
The direct mail piece targeted existing mobility-only customers using Canada Post Personalized Mail™. The direct mail piece looked like a postcard but in fact was a three-dimensional speaker to amplify music played on a smartphone.

Results

Direct mail achieved a 13 per cent lift in customers bundling home services with their mobility plan. Direct mail contributed to a lift in conversion versus an email-only control.

Conversion Funnel

Dots indicate where direct mail was used to incite action.



Data Sources

First party

Media Formats

Personalized Mail

Activation Pillars

- Physicality
- Data
- Connectivity

Key Take-Aways

- › Leading with direct mail can amplify the effectiveness of other channels.
- › Treating direct mail as an experience increases influence.
- › Using customer interaction data and personalized mail improves performance.
- › Direct mail helps bring a brand’s personality to life in a way email cannot.

“Direct mail was used as one part of an integrated marketing strategy... It allowed us to reach our customer, capture their attention and leave them with something memorable they could continue to enjoy while keeping TELUS top of mind.” – *Andy Balsler, Vice-President, Home Solutions Marketing, TELUS*

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 amp up their marketing mix.

Get inspired!
Scan here for *INCITE*
direct mail cases from
our digital archive.



THE BEAT GOES ON

Bacardi used direct mail to create a unique experiential event that amplified its integrated campaign.

Originally known as a producer of white rum, Bacardi now boasts a portfolio of more than 200 brands and labels. The company proudly cultivates a culture of fun, freedom and entertainment. The cool Bacardi vibe is on full display in a recent campaign that integrates digital and physical media to create a truly unique experience.

Bacardi started with an abbreviated version of a song and built a campaign around it. The 60-second video clip features images of dancers filmed only from the waist down, as they gyrate to the upbeat music of Major Lazer, a Jamaican-American electronic dance music trio. The band's song "Jump" provided the addictive backbeat that piqued significant interest, especially since the full song had yet to be released publicly.

After teasing viewers with an abbreviated version of a song and built a campaign around it. The 60-second video clip features images of dancers filmed only from the waist down, as they gyrate to the upbeat music of Major Lazer, a Jamaican-American electronic dance music trio. The band's song "Jump" provided the addictive backbeat that piqued significant interest, especially since the full song had yet to be released publicly.

The video garnered 1.2 million views and the campaign hashtag #DoWhatMovesYou was mentioned in 26,000 posts. The use of direct mail gave fans something to "Jump" about with a unique analog experience that was amplified back into social media and further video views.



CLIENT: Bacardi | PRODUCT: Rum | COUNTRY: USA | AGENCY: BBDO New York | AGENCY TEAM: Chief Creative Officers: David Lubars, Greg Hahn | Executive Creative Directors: Marcos Kotthar, Danilo Boer | Creative Directors: Taylor Marsh, João Unzer | Senior Designer: Michele Angelo | Senior Project Manager: Noreen Masih | Head of Integrated Production: David Rolfe | Executive Producer: Sofia Handler | Music Producer: Julia Millison | Senior Account Director: Steven Panariello | Account Director: Josh Goodman | Account Manager: Meghan Wood | Account Executive: Nora Stanton | Group Planning Director: Jessica Strode | Communications Planning Director: Jen Leung | OTHER: Vinyl Covers: Integrated Printing & Graphics | SONG: Major Lazer – Jump [feat. Busy Signal] [Sound of Rum Remix]

HITTING THE RIGHT CHORD

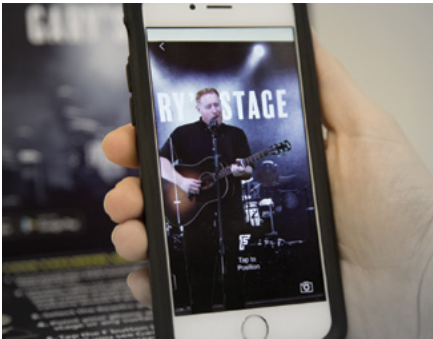
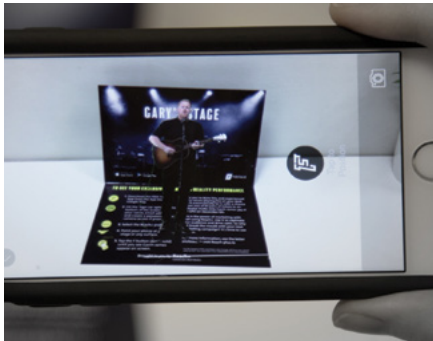
Physical mail, a digital app and sound prove to be music to the ears of customers.

The evolution of digital media has irrevocably altered how retailers manage their marketing budgets. In Ireland, retailers had cooled to direct marketing mail, viewing physical mail as out of date. Direct mail solutions from An Post were being largely ignored by an increasing number of customers due to cheaper, faster options.

Ireland's postal service answered this challenge by introducing a product branded as "Reach+," which addressed logistical issues and cost. Still, customers were unconvinced direct marketing could be innovative and impactful. Since An Post were having limited success telling customers of the medium's power, they decided to show them instead.

The postal service recorded an acoustic performance by Gavin James, one of Ireland's leading singer-songwriters, and delivered it to would-be customers via a physical letter. When the letter was opened, it unfolded to reveal a pop-up stage while the song "Nervous" played. An Post mailed the letter to 10,000 businesses. It also offered a chance to win tickets to an exclusive live performance by James at Dublin's General Post Office.

Six hundred and fifty targeted customers downloaded the app needed to enter the contest. The applicants' view time averaged 12 minutes. Four months after the product's launch, Reach+ had grown the An Post's direct mail business fivefold. With a desktop performance that stole the show, An Post proved that direct mail could strike the right chord with customers.



CLIENT: An Post | PRODUCT: Postal services | COUNTRY: Ireland | AGENCY: JWT Fold | AGENCY TEAM: Creative Director: Karl Waters | Copywriter: Ciaran O'Suilleabhain
OTHER: Chairman: Gary Brown | Broadcast Director: Michael Cullen

TURNING SHOPPERS INTO GLEBE TROTTERS

This gleeful promotion gave people a passport to shop their stockings off.

The Glebe district in Ottawa is an eclectic mix of residences, unique retailers and restaurants. It's one of the national capital's major shopping destinations.

Research by the Glebe Business Improvement Area [GBIA] – a group supporting the area's merchants – showed that the Glebe was losing share to other shopping destinations, putting the district at risk during the approaching holiday shopping season.

The *Glebe Spree* was created. Glebe shoppers were mailed a "passport" that they would complete by collecting a sticker for every \$15 purchase up to a total of \$150. Completed passports became ballots. Prizes included a \$10,000 Glebe shopping spree and five weekly draws for \$1,000 each. Smaller incentives also encouraged shoppers. Canada Post put the *Glebe Spree* passports into shoppers' hands using data to target neighbourhoods with similar demographic characteristics to the GBIA's best prospects.

Amplifying direct mail efforts was an integrated campaign, including digital ads that geofenced and targeted mobile users in the Glebe, print and online advertising, paid social media and POP materials in store.

During the *Glebe Spree*, there were 38,597 ballots collected [a 16 per cent increase over a 2018 promotion]. This engaging promotion put the "glee" in holiday shopping in the Glebe, reinforcing the district as a unique shopping experience.



CLIENT: Glebe Business Improvement Area | PRODUCT: Glebe Spree | COUNTRY: Canada | AGENCY: Mediaplus
AGENCY TEAM: President & Creative Director: Don Masters | Senior Art Director: Mark Skinner | Graphic Artist: Sabrina Ng
Interactive Editor: Tuan Nguyen | Account Director: Gemma van Breemen | Media Director: Connie Ladas

I SCREAM, YOU SCREAM, WE ALL SCREAM FOR TAX SEASON?

Halo Top turns tax season into the best time of year with free ice cream.

Halo Top makes low-calorie ice cream for adults. When better, then, to launch the brand in the Netherlands than at the most adult time of year, tax season? This is when the Dutch tax authority famously mails out blue warning letters to taxpayers letting them know they need to pay their dues.

Halo Top hacked the tax season by mailing out the first blue envelope Dutch adults might actually want to receive.

Using an envelope that imitated the design and copy structure of the tax authority's original, the company sent a letter to a number of influencers. The letter not only introduced the brand, it offered a sweet reward for surviving tax season: a free tub of Halo Top.

With no media budget, the letter got a 40 per cent response, which translated into free media on dozens of influencers' Instagram accounts, thousands of views across the country and lots of free ice cream.

The campaign showed you don't have to mail a million people for mail to reach a million people. You just need to target the right influencers and ensure the mailing is interesting enough for them to want to share it. People share what they think their followers will like, and who doesn't like free ice cream?



CLIENT: Halo Top | PRODUCT: Frozen desserts | COUNTRY: Netherlands | AGENCY: Iris | Executive Creative Director: Colin Lamberton | Creative Director: Rachna Dhall | Art Director: Gustavo Figueiredo | Copywriter: Gabriel Abrucio | Designer: Michael Dooling | Account Director: Alexandra Van Nunen | Account Manager: Michael Kirijian

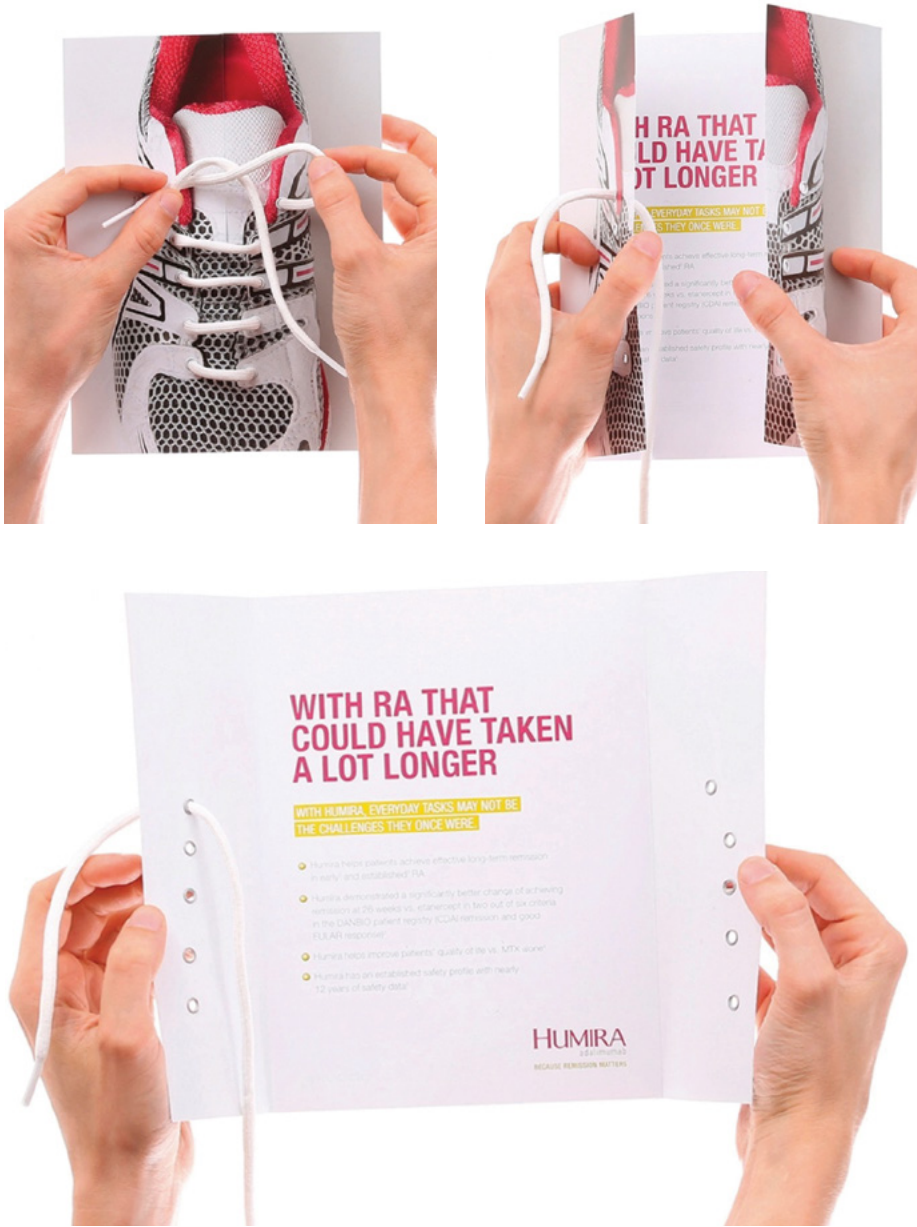
A SHOE-IN FOR THE JOB

Interactive direct mail amplified the need for drug efficacy to health care professionals.

Rheumatoid arthritis [RA] is a chronic debilitating disease that causes painful swelling and stiffness in the joints and other parts of the body. It can make simple movements – like untying a shoelace – difficult. In the United Kingdom, there’s little to differentiate RA treatments in a competitive market. Recognizing this, biopharmaceutical company AbbVie leveraged direct mail to promote their prescription medication Humira to health care professionals.

The company sent a “shoelace mailer” to more than 1,300 rheumatologists and rheumatology nurses to showcase how difficult the simplest tasks can be for people with RA and what remission means. The mailer had a cover image of a sneaker with a real shoelace. It opened to the message, “With RA that could have taken a lot longer.” It promoted Humira’s effectiveness in helping patients achieve remission and improve their quality of life. To read the message, health professionals had to untie the shoelace. Easy for them, hard for their patients. The mailer was part of a campaign featuring patients in sporting poses after being treated with Humira.

AbbVie’s direct mail amplified the debilitating effects of RA and the importance of drug efficacy. Of the 334 health care professionals who reported receiving the mailer, 76 per cent said they would maintain or increase their use of Humira in the next three months. Furthermore, 40 per cent of them remembered the efficacy of Humira in helping with RA. A simple yet effective case made with a shoelace.



CLIENT: AbbVie | PRODUCT: Humira | COUNTRY: U.K. | AGENCY: Langland | CREATIVE: Senior Art Director: Andy Barnard | Copywriter: Michael Pogson | Designer: Gillian Field | Art Buyer: Claire Martin | OTHER: Account Director: Fiona Fraser | Account Manager: Grace Baldwin | Account Executive: Maisie Norbury

FASHIONABLE TO A TEA

A company steeped in tradition used fashionable direct mail to attract tea drinkers.

Tea doesn't go out of fashion. It has been enjoyed the world over for centuries and remains one of the most loved beverages on the planet. But its popularity means tea companies face steep competition to attract both new and established tea drinkers.

Global tea company Hälssen & Lyon, founded in 1879 and headquartered in Germany, added a twist to a custom that remains fashionable today. The company created the *Teabag Collection* – the first teabags that look and feel like designer handbags. Hälssen & Lyon collaborated with renowned fashion designer Ayzit Bostan to create five limited edition teabags in the style of iconic handbags. The selection was handcrafted with cordless silk and permeable cotton and designed to fit the personality of each brew. Packaged in a handmade box, the collection was first sent exclusively to long-standing customers via direct mail. The collection made its public premiere at Berlin Fashion Week, Germany's most important fashion event. The unveiling generated buzz among fashion lovers and bloggers. Visitors shared the *Teabag Collection* online with a wider audience, attracting significant brand attention.

The *Teabag Collection* helped Hälssen & Lyon acquire new customers and engage longtime clients by combining experiential marketing with direct mail that generated earned media. Sales increased significantly within a month of its release. Moreover, 35 per cent of existing customers made new orders and several new clients reached out to the company. Now, pass the biscuits, please!



CLIENT: Hälssen & Lyon | PRODUCT: Teabags | COUNTRY: Germany | AGENCY: Kolle Reb | AGENCY TEAM: Creative Directors: Sascha Hanke, Tim Esser, Christian Doering | Copywriter: Alexander Michaelson

HOW TO SHOW YOU LOVE YOUR HOG

Gift of an accessory captures the rebel spirit of owners, promotes after-market winter storage services.

Harley-Davidson is one of the most iconic brands in the world. With deep American roots that date back to the early 20th century, the brand today embodies the rebel spirit in all of us. Those lucky enough to own one are a special breed who exhibit a tremendous pride of ownership.

House of Flames, a German Harley-Davidson dealer, appealed to this pride in a direct mail campaign that highlighted their after-market services: detailing, winterization and storage service. They gifted customers a metal hot-water bottle bearing the iconic Harley logo. Targeted households also received a voucher for a gel heat-pad, which could be collected at the House of Flames.

The advertising initiative was known as the "hot potato." The heat pad provided the "hot" while "potato" recalls the unmistakable V twin-engine sound of a typical Harley. Say "potato-potato-potato" repeatedly and you'll recognize it too. In essence, customers were told: You can keep your "hot potato" [i.e., your Harley] hot by properly storing and caring for it – the very service House of Flames offers.

Harley successfully showed their customers that there's only one way to store your hog – the Harley way. Fifteen per cent of those who received a mailing stored their hog at the House of Flames for the winter. Storage capacity filled well in advance. In true Harley tradition, riders were able to show their hog some love, even in the off-season.



CLIENT: Harley-Davidson | PRODUCT: Motor vehicles | COUNTRY: Germany | AGENCY: Benner & Partner
AGENCY TEAM: Creative Director: Jürgen Schütz

DELIVERING SOME JUSTICE

Barcelona magazine turned addressable direct mail into a political statement about corruption.

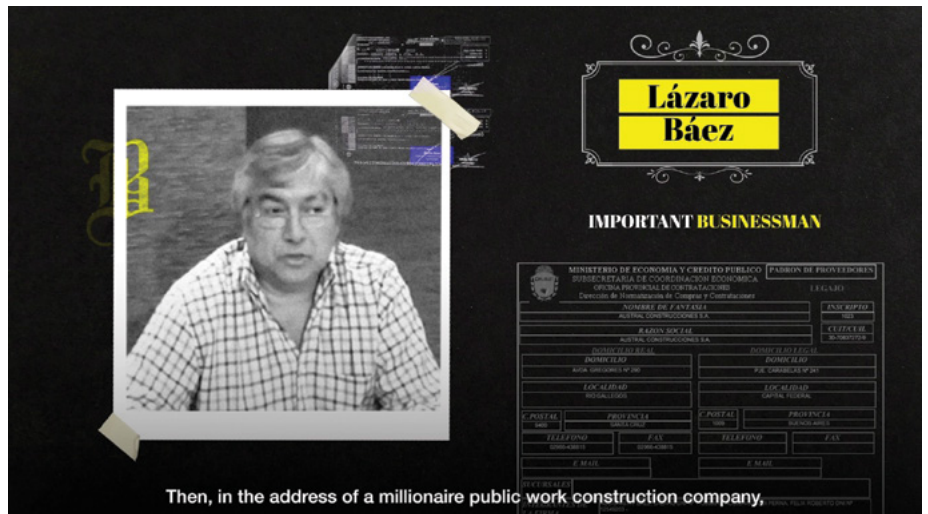
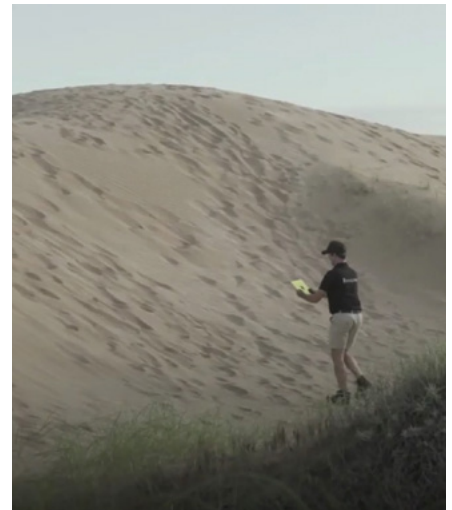
Corruption is a big problem in Argentina. One aspect of this corruption is how some of the country's rich and powerful use fake addresses on tax returns, invoices, affidavits and other legal documents.

This means they can avoid paying taxes on, for instance, their lavish homes because they have instead claimed another address as their residence.

While mainstream media is generally respectful of people in power, Barcelona is an independent journal that takes a more satirical view.

In a campaign to shine a light on the rampant corruption, the journal sought out the most ridiculous fake addresses and mailed their magazine to those places. Then they filmed the deliveries. A video showed that one millionaire's construction company didn't exist. A former vice-president of the country had declared a beach to be his residence. Even the president was implicated. The registration documents for a company in the Bahamas in which he had an interest gave an address that was somewhere in Panama.

By mocking those who were guilty of these abuses, Barcelona got millions of people talking about the issue on their social networks. Mainstream media had no choice but to discuss these issues too. In total, there were 72,000 engagements with the deliveries video, leading to 13,000 comments on social media, adding up to 10 million media impressions in three days. By attempting mail delivery of their magazine to fake addresses, Barcelona created some real news.



Then, in the address of a millionaire public work construction company,



CLIENT: Barcelona Magazine | PRODUCT: Media publishing | COUNTRY: Argentina | AGENCY: Ogilvy | AGENCY TEAM: VP Creative: Maximiliano Maddalena | Executive Creative Director: Alejandro Blanc | Creative Directors: Virginia Bello Smith, Marcos Demarchi | Art Director: Javier Biondo | Copywriter: Andrés Wasserman | Producer Co-ordinator: Gaston Sueiro | Producers: Viviana Simone, Selva Dinelli | Production Company: Huinca Cine | Post-production Company: Control Z | Brand CEO: Leandro Berrone | Brand Team: Fernando Sanchez, Ingrid Beck

INCITE

TELUS Rewards | Telecommunications

REWARDS THAT ROCK

In a fiercely competitive category known for customer churn, TELUS marches to its own beat. The telecommunications giant encouraged customers to do the same in a recent marketing campaign.

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Controlled in the program can choose rewards they want from an online catalog that includes things like gift cards, movie credits, charitable donations, and more movie credits, the latest in tech.

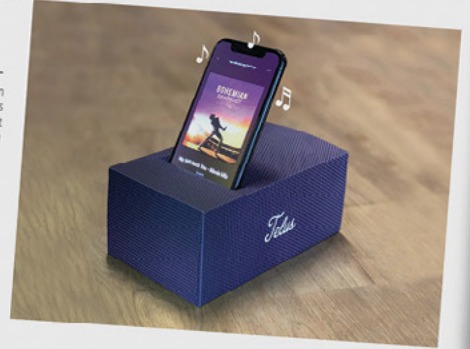
THE CHALLENGE

TELUS had to stand out in a competitive market and make their current mobility rewards program more share of the opportunity to earn rewards and get recognized. An additional challenge was that the rock campaign was launching – when the market is saturated.

Important music is to the point you've ever seen a postcard or attended a local event.

The campaign that would amplify the rewards program and the TELUS mobility plan.

The campaign cranked it up with social media recipients.



What at first glance looked like a simple postcard proved to be much more. The direct mail piece mimicked the mesh of an audio speaker, luring customers inside. Once there, they found instructions to build a functional cardboard speaker that was fully recyclable using the mail piece itself as material.

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AGENCY: The Greenhouse | AGENCY TEAM: Creative Director: Kyle Darbyson | Art Director: Mila Mukhortova | Copywriter: Tyler Jones

AMP IT UP!

YOUR **SUCCESS STORY** BELONGS HERE

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

WHEN THE BRAND-CUSTOMER RELATIONSHIP GOES DIRECT



Our industry snapshot monitors the heartbeat of a sector and explores what that means to marketers. This time, we look at the expanding and increasingly influential direct-to-consumer [DTC] retail segment that's shifting the brand-consumer relationship like never before.

OVERVIEW

Despite positive trends in the e-commerce sector, at first Canadian businesses were relatively slow to shift toward e-commerce and invest in online presences. This created a gap that major U.S. companies were able to take advantage of, benefitting from Canadians who wanted to shop online for convenience, cost savings and a greater variety of brands.

In 2018, despite being less price competitive in Canada than in other markets, Amazon was the most popular online platform in Canada, with an estimated e-commerce revenue of US\$3.5 billion. The e-commerce giant took the top spot in various product categories that year, including food, personal care, electronics and media. The "Amazon effect" put pressure on more Canadian retailers to move online and improve fulfillment and customer experience.

Canada has become a profitable market in recent years. Statista, a global business data platform, estimated that retail e-commerce in 2019 was worth \$65 billion, growing 21 per cent from 2018 and reaching 10 per cent of total retail sales. In late 2019, e-commerce retail trade sales amounted to almost \$1.85 billion, with over 28 million Canadians having made purchases online.

Though the line between physical and digital commerce continues to blur, the difference in growth trajectories between physical retail and e-commerce is still stark – albeit not as stark as it once was.

Platforms like Shopify are providing Canadian companies of all sizes easier access to e-commerce and have been pivotal for independent brands and startups, allowing them to gain market entry and compete

on a global scale. In the midst of the global COVID-19 pandemic, Shopify Inc. passed Royal Bank of Canada to become the most valuable public company in Canada. Shopify said that although in-store transactions at physical retailers dropped 71 per cent – which makes sense given that most stores closed in the name of physical distancing – its merchants also saw a surge in online orders, one that made up 94 per cent of the lost in-store sales.

Shopify has played a critical role for e-commerce growth in Canada, especially during the COVID-19 pandemic. The platform has been an important lifeline for DTC brands, which now represent the fastest-growing merchant segment online.

DIRECT-TO-CONSUMER

DTC brands first emerged in response to growing consumer expectations and desires for a different shopping and buying experience. These brands transact directly with their customers, cutting out the middleman via e-commerce-enabled websites, social platforms, apps and, increasingly, text message and voice. Many DTC companies manufacture, market, sell and ship their own products. In the early days of e-commerce, they were able to disrupt because they aligned directly with their customers' unmet needs, providing greater convenience, price advantage and customer experience than their competitors.

These digital-first brands came onto the scene with new business models, greater agility and the ability to directly understand and market to their audiences. Not relying on physical stores for distribution and intermediaries to represent them, these new brands caused an explosion in vertical retailing that shifted the brand-consumer relationship.

DTC brands altered the landscape of retailing, from where people buy to how they shop – essentially democratizing retail. No longer beholden to third-party retailers, DTC brands could create new models and new economic advantage and tap into audiences that wanted new types of brands and products. With the middlemen cut out of the equation, this left brands to create more hands-on, personal relationships with the people interested in their products.

Blurring the line between marketing and distribution, they had to work harder to create connection and amplify customer experience through their brand, content, customer service, products, packaging and fulfillment. Many of these brands are built on a stronger sense of identity than true differentiation and behave more like influencers. They also tend to blend editorial publishing practices with shopping to a greater degree, to embed narrative into the shopping experience.

What defined DTC a decade ago as "digital only" is not what defines the space today. Brands like Frank And Oak, Glossier and Warby Parker, which all started as digitally native, vertical brands, are now maturing into fully omni-channel retail brands as the need for scale and competitive pressure move them into the physical world in non-traditional ways.

This maturing segment provides insight into strategic channel execution, customer experience, personalization and brand asset amplification. Many of these brands are influential because they garner greater trust while using their products, services and brand assets to earn their place in their customers' brand repertoires.

KEY INFLUENCE FACTORS

DTC brands have unique traits that are not only shaping the current and future landscape of retailing but are also building trust and loyalty. A focus on customer experience and the freedom to play by a different set of rules provides a more dynamic premise for value creation. DTC brands...

- › provide their audience with a much more intimate experience.
- › focus on cross-channel content and brand experience.
- › give customers more control and collaborate with them.
- › employ data more effectively for personalization.
- › leverage every aspect of their brand to be “Instagrammable.”
- › behave more like influencers with a strong focus on identity and customer service.
- › use new selling models like subscriptions.
- › use intermediaries and physical retail more strategically.

RISK DRIVERS

With segment maturity moving toward omni-channel models and competition increasing, DTC brands are under pressure. This has been exacerbated by the forced digital transformation during the COVID-19 pandemic, putting more brands in the DTC space. The factors that are driving risk for DTC brands include:

- › scaling growth and protecting profit margin
- › increasing competitive saturation
- › costs related to shipping and returns
- › improving marketing visibility
- › evolving product offerings

LOOKING AHEAD

DTC brands are likely to continue to redefine the rules of shopping with a focus on evolving with consumer expectations, including:

- › flexible payment options
- › mobile commerce and voice shopping
- › progressive web applications [PWAs]
- › evolving the experiential use of physical stores
- › sustainable manufacturing and reduced-waste packaging

THE AT-HOME CONSUMER

With all of the focus on which device we browse and buy with, we tend to forget that across most categories, regardless of device, the majority of purchase decisions are still influenced and made at home. Just think about where you are when you are browsing and shopping at home – likely the sofa or your bed.

The pandemic lockdown has had us all stuck in the one place we most often shop and browse. The at-home consumer has always been a captivated audience and has only become more so. *The 2020 Canadian e-commerce report* from Canada Post says 32 per cent of pre-pandemic Canadian online shoppers said they planned to buy more online in the coming year. The *Rethink eCommerce* report by Reprise Digital, a digital marketing agency, found that 42 per cent of Canadian households hold an Amazon Prime membership.

New research by Google and Deloitte on the e-commerce landscape shows that Canadians are very engaged with online shopping: 77 per cent of Canadians discover the things they want to buy while browsing online, compared to 72 per cent of Americans. And 82 per cent of Canadians research and purchase online, which is on par with the U.S. Plus, Canadian consumers want to buy Canadian products.

INCITING ACTION

MARKETING IMPLICATIONS

DTC brands are changing the brand-customer relationship. In an omni-channel context, how a brand connects is more important than where.

- › Approach marketing with a mindset of earning, then amplifying, then advertising.
- › Integrate word of mouth into everything you do to create social currency.
- › Amplify content through greater contextual relevance.
- › Collaborate with your customers.
- › Amplify content across channels.
- › Use partnerships to increase visibility with like-minded audiences.
- › Use all customer touchpoints and brand assets to reinforce brand.

MEDIA CHALLENGES

Due to growing competition, DTC brands may struggle with:

- › cost of new customer acquisition
- › diversifying media channels
- › increasing brand visibility

DIRECT MAIL OPPORTUNITIES

Direct mail can bridge digital for consumers by influencing:

- › reach, using look-alike and postal code data
- › retargeting conversion
- › trust in new customer acquisition
- › customer experience through tangible engagement
- › shopping context with content and sampling





RIDING THE WAVE OF INFLUENCE

INDUSTRY EXPERTS SHARE THEIR THOUGHTS ABOUT THE VALUE OF INFLUENCE IN CREATING A NATURAL WAVE OF ATTRACTION, DISCUSSING KEY TOPICS RELATED TO IMPROVING IT. >>

[KE] Kat Elizabeth, Founder, The Personal Branding Project

[JM] Julie Myers, Chief Media Architect, Mass Minority & The Myers Media Collective Inc.

[HOD] Hannah O'Donovan, Founder, Lovedey

[AZ] Anthony Zanfini, President, Ambit Inc.

SHOULD MARKETERS FOCUS ON INFLUENCE INSTEAD OF PERSUASION?

AZ Influence is the deeper relationship that every marketer wants to forge with their consumers. It's the result of connecting shared beliefs, actions and experiences to build trust. By focusing on that, you can create lifetime value. Then, persuasion comes easily – if there's even a need for it at all. Consumers will engage, buy and sing your praises, feeling that it's just a natural extension of their relationship with your brand.

HOD Persuasive marketing can quickly take on an undercurrent of manipulation and shame, which may work in the short term but doesn't build trust or community. Influence

involves tapping into shared values, with the goal of connecting deeply with consumers. When people feel inspired, which is at the root of influence, they are much more likely to become loyal to your mission long term.

JM They are complementary marketing concepts. Persuasion is a broad-reaching communication technique and diverting focus away from it could weaken the marketing plan foundation. However, I would encourage marketers to invest more time in discovering how they can capitalize on the inherent force of influence. This process would reveal what provokes someone to

rethink their beliefs and ultimately causes them to listen, trust and follow a person, company or brand.

KE Rather than seeing it as a replacement [persuasion copywriting isn't going anywhere], we need to include influence as a non-negotiable part of any marketing strategy. By focusing on influence in the early stages of customer awareness, we speed up their journey and the persuasion piece becomes effortless and genuine. It's simply that final piece of confirmation your audience needs to know that you're the right solution for them.

WHY DO YOU THINK EARNED MEDIA IS BECOMING A MORE IMPORTANT MARKETING CONCEPT?

KE Our audience is so much more sophisticated these days. They can spot advertising from a mile away and aren't just sick of it, they're filtering it out by default. Earned means you can reach them while they're paying attention, meaning you have the chance to communicate so much more than the features of what you're selling. They get to see it in action, experience your brand values and visualize themselves using your product.

HOD People want transparency. They're desperate for it. Earned media helps cut through the noise that consumers are

growing tired of. As they become savvier, their distrust grows. Earned media comes with its own perceived seal of approval. People would rather hear about a product from another customer than read about it in a magazine ad. The endorsement feels more authentic.

AZ The biggest reason earned is becoming more important is because all types of media are essentially some form of paid media – and there's so much of it out there, everywhere, on every screen. Brands can [and do] creatively mask paid

to look organic, making it even harder for consumers to navigate and filter relevancy. On the brand side, truly earned media represents significant savings over paid.

JM Marketers are seeking ways to improve their ROI to stretch their shrinking and/or more scrutinized marketing budgets. Earned media drives product discovery and influences buying decisions. This is thought to be a more deeply rooted human path and as such is often construed as having a higher ROI versus traditional marketing approaches such as advertising.

WHAT IS GETTING LOST IN TRANSLATION WITH INFLUENCER MARKETING?

JM Influencer marketing is not finding someone with a following and getting them to say exactly what you want about the brand and in a certain way. Magic happens when the influencer stays true to their own beliefs, opinions and style of communication.

Authenticity garners trust. That said, giving influencers the majority of the control should not be at the peril of the brand's own voice.

HOD When executed correctly, influencer marketing fills the gap left by eroding trust in

conventional media channels. Its value comes from the intentional content influencers create to build trust with their audiences. When brands force influencers to adhere to rigid content parameters, it jeopardizes audience relationships. The key to their

marketing potential is lost. Collaborative, flexible partnerships create mindful transparency, which is what popularized influencer marketing in the first place.

KE You cannot simply buy influence in the form of ad space in an influencer's feed. Just like trust, influence can't be bought, which bothers most marketers because it

means it's harder to track. In fact, anyone who labels themselves as an influencer is unlikely to be the kind of person you want representing your brand as they often – though not always – make a living from selling other people's products.

AZ It comes down to a need for better understanding and better ways for

marketers to evaluate the effort. The currency of influence isn't dollars or eyeballs, it's time. That's the one thing consumers will always have available to spend on your brand. Changing the focus of value helps to eliminate the noise and confusion about whether reach is even real with influencer marketing and how conversion should be attributed.

WHAT IS THE MOST INFLUENTIAL THING BRANDS CAN DO COMING OUT OF THE PANDEMIC?

JM Increase, reinforce or re-qualify their brand credibility. This could mean adjusting the brand message through content co-authored with appropriate influencers. Or it could mean a change to the brand's media strategy to include more media vehicles and/or media brands that are inherently credible.

KE Prove that they're genuinely here to serve their audience and that they aren't just looking for an excuse to cash in on

an opportunity to sell something. In other words, take the high road and play the long game. Customers will remember.

AZ Be authentic when it matters. We're all just people going through the same thing, looking for help. Open up your brand, even give away your "secrets" as a means of creating deeper connections over sales. That doesn't weaken your position. It makes your brand empathetic to audiences that need it.

HOD Don't shy away from social and environmental responsibility. With everything else to consider, it can feel overwhelming, but the pandemic opened people's eyes to what they value most. Think seriously about how you want to be remembered. Dig deep into your brand's values and use them to measure every decision you make.

WHAT TOPIC DO WE NEED TO FOCUS ON MORE TO CREATE INFLUENCE?

JM Trust

Why it matters: People are seeking confidence and comfort in how they invest their time and money.

What's happening? Fake news, cultural divisiveness, economic concerns and health worries are exhausting consumer minds and bodies. This state of unrest has the potential to drastically change their purchasing behaviours and brand choices to reflect what is most important to them and their families, now and in the future.

The big picture: People are losing sight of who they can trust. Forge an influential and genuine brand-consumer connection. Create a strategic road map for how influence can be central to your brand's marketing plan.

HOD Shared values

Why it matters: We need to build communities with purpose.

What's happening? Brands are uniquely positioned to have lasting social and/or environmental impact, filling gaps left by conventional institutions. By building an experience that extends beyond selling products, they can help connect people and provide a greater sense of purpose to their community, giving people a direct line to the values they are craving.

The big picture: Canadian intimates brand Knix has perfectly demonstrated that a lingerie brand shouldn't aim to simply sell underwear. Instead, they're building a message of body positivity into every corner of their marketing strategy, creating purpose-driven experiences that engage and empower their customers.

KE Listening

Why it matters: I truly believe that marketers and companies making assumptions about their audience is where so much goes wrong: tone-deaf campaigns, wasted ad spend... the list goes on.

What's happening? Understanding our customers as people will allow for more effective strategies, higher-impact content and the ability to influence rather than persuade – or worse, manipulate. And that is the key to brand longevity.

The big picture: Rather than seeing customers as pieces of data, we need to lean in and listen to what's going on for them, where they're at and, most importantly, what they want.

AZ Social proof

Why it matters: Brands shouldn't try to tell consumers what to do. But they can influence behaviour by showing consumers what others did in their situation.

What's happening? Social proof is becoming one of the highest and most versatile forms of authenticity to persuade and communicate a message, using FOMO, reciprocity, community, trust, etc.

The big picture: Consumers who follow brands digitally are more loyal – 90 per cent of them also buy from those brands. So, if you're not connecting effectively and nurturing real relationships, then the opportunities you are missing go way beyond marketing metrics – they're affecting your bottom line.

LOSING THE PLOT

Your story makes you different and distinctive. It's what gets you noticed. Brand storytelling is critical to marketing effectiveness because in noisy and saturated categories the best story wins. Your story can help customers to trust you, to become invested in you – both in the short term and for the long haul. Connecting with customers through story tells them you understand, and that you've built meaning into your brand.

But what happens when a brand loses the plot?

Here are four ways this can happen:

NO BACKSTORY

Stories grow. Every story worth telling has its own strong history – shaped over time and told in context. A brand's backstory – its capabilities, its collective knowledge and its experiences – shape its present meaning and credibility. Starbucks and Coca Cola are examples of brands with strong mythologies.

NO COHERENCE

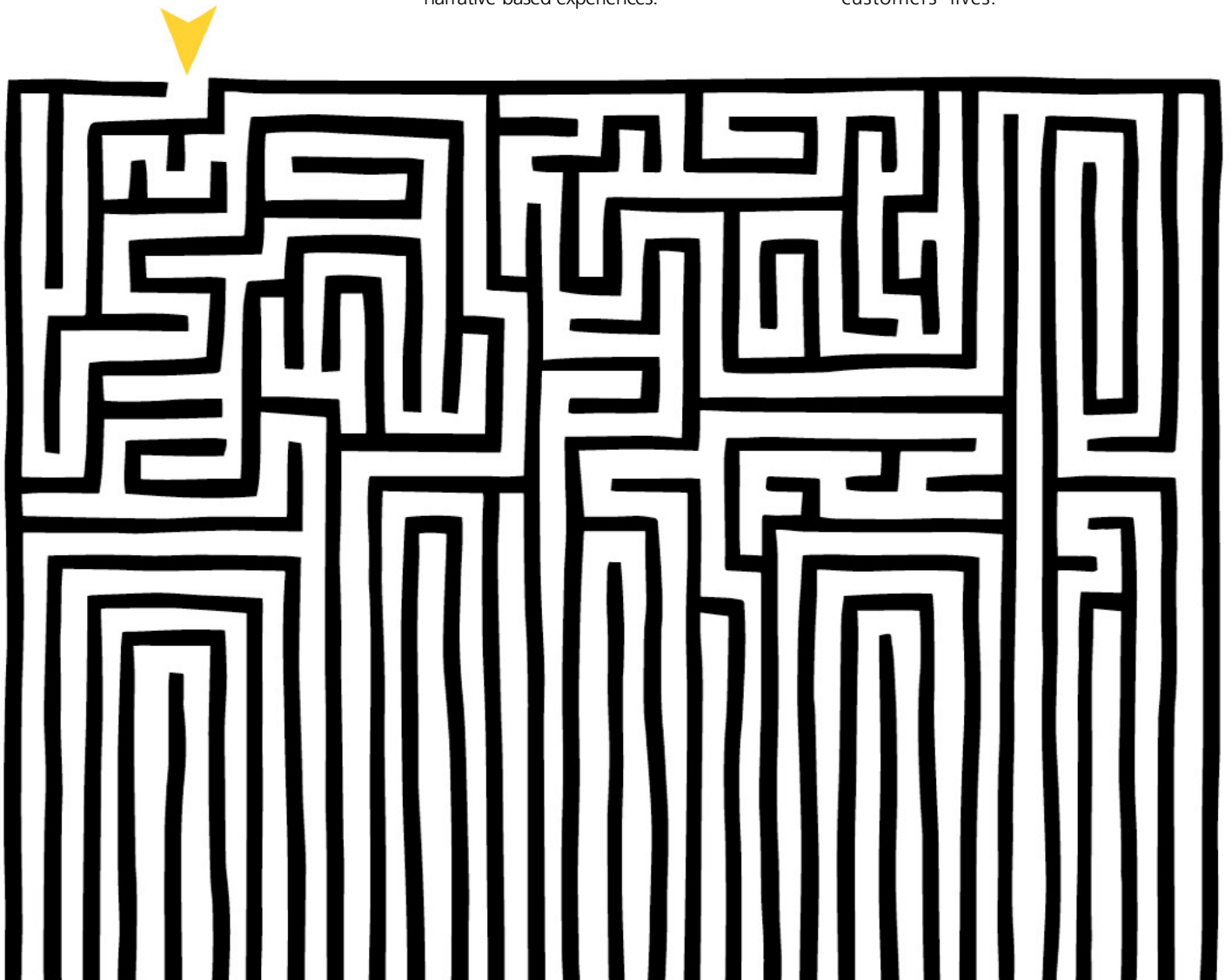
Stories amplify experience. When brands don't build story into everything they do and every experience they create, they risk a purely transactional relationship with customers. That lack of coherence won't build equity or support price. Muji and Glossier are examples of brands that have effectively created narrative-based experiences.

NO CONTEXT

Stories amplify context. To be meaningful, storytelling requires perspective. To create and refresh value, brands need to tell their stories within the socio-cultural context of their audiences. Nike and Levis are examples of brands that know how to evolve culturally without losing their story.

NO CONNECTION

Stories create connection. We remember stories and talk about them. Customer stories are important too. People want to hear them in the brands they buy. Listen to those stories. Lego and Walmart are examples of brands that clearly know what role they play in their customers' lives.



A stylized graphic of headphones is centered on a bright yellow background. The headphones are composed of several overlapping shapes: a light grey outer band, a black inner band, and two earcups. Each earcup is made of three overlapping rectangular sections in light grey, black, and light blue. The overall design is clean and modern.

SOUND ON: MARKETING WITH AUDIO

Darian Kovacs, Founding Partner,
Jelly Digital Marketing & PR

In a communication landscape that has become increasingly visual, it's easy to discount audio branding and media formats in the marketing mix. But with the expansion of audio formats like podcasts and audiobooks and the growth in music streaming and voice technology, audio is getting a boost.

Audio can give brands a distinctive sound and voice in the marketplace to reflect brand character and point of view. Audio has also been known to be highly memorable – from the unmistakable iPhone ringtone to catchy jingles, there are countless ways that audio triggers brand recall. Recent research by Neuro-Insight concludes that *“brands that overlook sound as a creative tool are missing out on a crucial dimension of branding.”*

Audio has always been present in the marketing mix in the form of radio, but brands can now get more creative with audio formats as streaming services and audio platforms have grown over the last number of years. The influx of audio formats has opened the doors to new audiences and more ownable and versatile opportunities to create dialogue and connection and to enhance brand experience. As a result, brands are spending larger portions of their marketing budgets on streaming services and audio platforms like Spotify, Apple and YouTube.

In 2019, there were an estimated 600,000 podcasts available, with 120,000 new ones added that same year. The rapid expansion of creators entering the world of podcasting opens the doors for marketers to find niche channels and voices to promote their services. But marketers need to ensure they are using and creating podcast content in an authentic way. Terry O'Reilly, host of *Under the Influence*, notes that *“the barrier to entry is low – all you need is a microphone and a computer. But that alone won't get you into the top 20 or even the top 500,000. You need a unique point of view, strong show structure, and you need to be sonically interesting.”*

When it comes to selecting audio vehicles for advertising or sponsorship, the host is as important as the genre. Podcasts,

audiobooks and radio shows owe a large part of their success to their hosts' voices and opinions, which build a relationship with the audience. Recently, Spotify made headlines after signing a multi-million-dollar exclusivity agreement with Joe Rogan, making him one of the highest-paid broadcasters in the world. Podcast celebrities like Rogan have become a source of news and entertainment for millions of listeners. The relationship and trust that Rogan has built with his audience makes for a desirable place for marketers to have their products heard.

“The influx of audio formats has opened the doors to new audiences and more ownable and versatile opportunities.”

Unlike aligning with the image of a celebrity, podcasts and audiobooks give brands the opportunity to partner with ideas and communities in a more authentic way. Brands are spending big money to have their products mentioned by the influential voices behind audio platforms. Some are even creating custom content for specific voices. Journalist and author Malcolm Gladwell, for example, was recently hired by Lexus to host a brand-curated podcast, *Go and See*, which was custom-made for Gladwell to voice.

Companies of all sizes are understanding the influence a trusted voice can have when it

comes to increasing brand exposure. The value in brand awareness and reach provided by audio services is accessible and growing. Companies like Ahrefs are using this knowledge to find new ways to reach their target audiences and create conversations with industry thought leaders. Tim Soulo, CMO and product advisor for Ahrefs, has concluded that *“podcast advertising is not meant for traffic or lead acquisition, but it's a good way to spread the word about your brand and get backed by influential people in your industry.”*

Audio marketing is far from a new concept for industry professionals. However, the introduction of new formats and expanding audiences has propelled audio to the forefront of the marketing mix as a way to increase brand discovery and amplify relevance. Audio-streaming services offer companies the ability to reach millions of new listeners and potential customers. Marketing professionals can expect to see this trend continue as companies like Spotify invest heavily in exclusive content, much like their video-streaming counterparts. Companies are allocating larger portions of their marketing budget to reach audiences through streaming services, whether it be through podcast sponsorship, curated content or ad placement.



Darian Kovacs

is the founding partner of the award-winning Jelly Digital Marketing & PR. Darian is the

host and co-founder of Canadian marketing podcast *Marketing Jam*.

Follow him on Twitter at @dariankovacs or on LinkedIn.

THE NEW FACE OF EXPERIENTIAL MARKETING

Christine Ross, EVP, Proof Experiences



During a time of social distancing, clients challenged us to find ways to continue to create branded experiences for their audiences. The good news? It can be done.

The lack of face-to-face opportunities at large events like conferences and festivals doesn't render experiential useless – it just renders the physical execution temporarily off limits. This year, we've had to imagine how to connect with people in new, safe and meaningful ways.

Brands have continued to create successful branded experiences directly at home with their target audiences.

"Pre, during or post COVID-19, there remains an opportunity for brands to focus on elevating experiences, the combination of live and virtual being our best practice," says Don Mayo, global managing partner of IMI, which has been tracking the impact of the pandemic on consumer behaviour. "As marketers, we've had decades to craft and hone the out-of-home experience and now we're looking inward. Creating equally high-quality experiences for people while they're at home is something that we believe will benefit the industry in the long run."

Virtual conferences and events were something brands jumped on quickly after their consumers began staying at home, bringing the live event experience into attendees' homes through their screens. iHeartRadio's living room concert sponsored by Jackson Triggs in March and the Global Citizen *One World* event saw performances from some of the biggest stars on the planet create memorable, meaningful and intimate custom concert experiences right in consumers' homes – all in the name of raising money for frontline workers fighting the COVID-19 pandemic.

But there are ways to reach consumers at home that don't involve them spending even more time in front of a screen. Doorstep experiences can be a highly targeted way to have your brand interact with consumers, especially when leveraging other insight and data products to develop a comprehensive profile of groups and target them according to multiple data points.

Direct-to-home sampling companies have traditionally offered request-based

campaigns. But during the pandemic, brands have partnered with existing home delivery services or even created their own solo programs, sending out custom sample packs with a more fulsome brand experience, including products, recipes, premiums and other elements of the brand to be enjoyed at home. Some marketers have overlaid a CSR component and made donations for each box ordered, or delivered thank-you kits and sample packs to frontline health care workers. Including hashtags and encouraging social sharing ensures further amplification of these types of campaigns.

"Direct connection through branded experiences is still possible without events. As we slowly adapt to a post-pandemic world, expect the blending of virtual and live experiences to continue and grow more sophisticated."

But outside of sampling and CSR, you can add comfort to your customers' lives, especially during these stressful times, by providing the tools for them to recreate their favourite brand experiences at home.

Back in 2014, Heineken combined digital and live elements by rewarding consumers in New York who tweeted using the hashtag –

#SparkMyParty – with party-enhancement kits delivered right to their doorstep. In the U.K., *Cyber Fest*, the world's first online beer festival, combined live tastings with a virtual, live-streamed festival experience in April. With limited tickets available, the event sold out quickly, and a second event was held in June.

Some brands are releasing recipes for beloved products, like DoubleTree by Hilton's chocolate chip cookies, McDonald's sausage and egg McMuffin and the churros from Disney's theme parks.

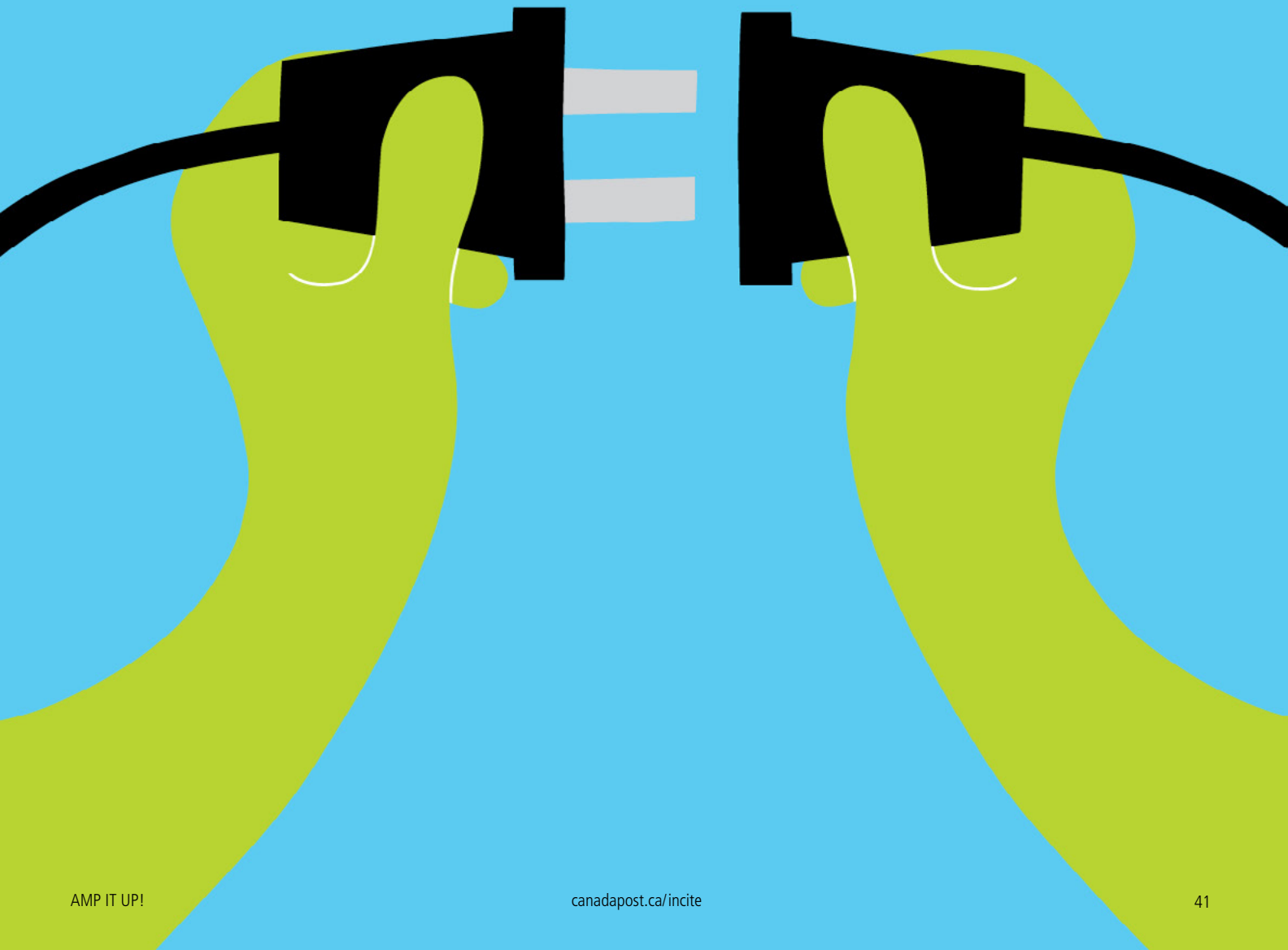
The direct-to-home approach is not "mass," but hyper-targeted and therefore highly impactful. In addition, a branded experience at home is enjoyed on the individual's own terms – when and how they want. That might not offer the mass reach of a large-scale event, but it is inherently more personal and memorable. With so many strong segmentation tools available, it's more effective than ever to target the direct-to-home branded experience on demographics, psychographics, market and social values.

Direct connection through branded experiences is still possible without events. As we slowly adapt to a post-pandemic world, expect the blending of virtual and live experiences to continue and grow more sophisticated. What started as a slow trickle has been forced wide open and brands will only continue searching for innovative ways to create blended experiences across their ecosystems. Already, we're seeing exciting new technology platforms crop up that promote a fully integrated, interactive and measurable virtual experience. Combined with elements of a live in-person experience, these hybrid solutions will become the new face of experiential marketing.



Christine Ross
is EVP at Proof Experiences, a brand experience and experiential marketing company.

MEDIA CONNECTS, JUST PLUG IT IN



There's no question that how people consume media and interact with brands is evolving. With so much fragmentation, noise and distraction, no one is waiting to watch an ad – often the ad is the cost of plugging in to our favourite media and entertainment.

With so many channels, and the pressure to justify selection and performance, it can feel daunting to choose media, let alone think about how to orchestrate it and sequence it to connect. Marketers are beginning to look to quality over quantity and intimacy over mass. This necessitates a greater focus on how channels work together to connect their brand with their audience.

Today, it's about how channels work together as an ecosystem. Technology has now made it possible to connect media in new ways to increase the impact of all channels – we just need to plug them in.

With growing focus, context has become a critical part of a plugged-in media ecosystem.

CONTEXT IN ACTION

Context has never been more important to integrating media and message around the consumer than it is now. It is important because it impacts the relevance of a message and an audience's receptivity. According to an article in *Harvard Business Review* titled "Marketers Need to Stop Focusing on Loyalty and Start Thinking About Relevance," people are increasingly buying because of a brand's relevance to their needs in the moment, not because of their loyalty to that brand. Customer attraction, personalization and a focus on customer experience are the new principles of growth for a brand. Context impacts how we process meaning and value as well as brand perception, recall and activation.

Contextual marketing has been the domain of digital for a number of years. As digital gets absorbed into the back end of all media and

data integrates channels through technology, we have more opportunity to address context in both the digital and the physical realms. In the physical world, our digital world goes with us whether we are out of home or in home. This provides many opportunities to connect the two to deliver better customer experience, increase personalization and improve contextual relevance.

The context of the home is becoming an increasingly stable and important place to reach and influence people. The COVID-19 pandemic has only made this more pronounced. Direct mail has always been data driven, but now it can be plugged in to digital in a variety of ways. It has come online to provide an even greater range of utility within the customer journey that brings our online, out-of-home and in-home contexts closer together.

CONNECTING THE PHYSICAL AND DIGITAL CUSTOMER JOURNEYS

A company that is turning context into action is Kinetic Worldwide. By linking physical and digital within the customer journey, they are connecting direct mail to the media mix in new ways.

Kinetic Worldwide is the largest digital innovator in OOH advertising, pioneering new ways to make OOH interactive and amplifiable to improve media effectiveness and increase campaign efficiencies.

Kevin McDonald, CEO of Kinetic Canada, says that they understand the customer's physical journey better than anyone due to the data integration of their platform. Over the last year, Kinetic has seen success stories with their clients by leveraging mobile data and customer journey insights to ensure a highly targeted OOH plan that also uses this data to drive media strategy offline through other channels and media partnerships.

Kinetic connects programmatic out-of-home and direct mail media for enhanced targeting among other media like social and location-based experiential. Using geolocation data, the software cross-references out-of-home billboard locations with addresses to ensure companies are actually reaching their audiences in a co-ordinated way across channels.

When it comes to connecting OOH with in-home and physical with digital, there is a lot that can be accomplished. Kinetic can geofence

entire forward sortation areas [FSAs] as well as their clients' brick-and-mortar locations, which allows them to observe mobile device IDs within these parameters. Prior to running a digital and offline campaign, they will observe the macro movement of these customers by FSA to determine the percentage of customers who naturally travel into a retail location on their own [pre-media], which then becomes their baseline. These geofences remain on once the campaign starts so they are able to monitor the incremental lift; this allows them to home in on the attribution of the direct mail campaign to prove its effectiveness in driving increased foot traffic to store. According to McDonald, one consistent finding is that often the old proximity-to-retail-location rule of thumb doesn't accurately capture audience opportunity when you factor in mobile data and household data that intersects trading zones and physical customer journeys.

From a best-practice perspective, McDonald points to the importance of co-ordinating

geolocation data, audience targeting and timing to get the most out of connected media. He also points out that working with media partners to integrate data and expertise leads to stronger recommendations and solutions. For instance, Kinetic partners with Canada Post Smartmail Marketing™ experts on direct mail and leverages postal code data to increase OOH and in-home media integration. McDonald says, *"Being able to be highly targeted on all platforms has resulted in us seeing a significant increase in the redemption and conversion rates for our clients. Canada Post has really been at the forefront, especially in the last few years, in helping us get a targeted message to the right house at the right time."* In his first-hand experience, McDonald adds, *"I have always found that direct mail programs have had one of the highest redemption rates. Now that we have the ability to leverage mobile data and be highly targeted to our consumers, the efficacies of direct mail have increased significantly."*

PLUG IN DIRECT MAIL

There are many ways to amp up your marketing with direct mail – the in-home media channel – to address marketing effectiveness challenges that have become even more important in a recovery marketplace. Direct mail can be plugged in to the customer journey and other channels and should be plugged in to the principles that contribute meaningfully to amplifying consumer value and relevance.

AMPLIFYING CONNECTION

Direct-to-consumer connection is changing brand relationships. Marketers must earn attention and affection through connection – at every touchpoint, on every channel. During the earlier months of the pandemic, many brands learned this lesson and began rediscovering the value of connecting versus selling. Direct mail can go beyond the call to action and create meaningful connections. IKEA launched six instruction manuals for building blanket forts using household items. Understanding what every parent needs to keep kids entertained in lockdown, the furniture retailer combined customer experience design with context, and names like CĀSTLE and CĀVE, for an on-brand win.

AMPLIFYING BRAND

Effective marketing means being able to build brand and convert at the same time. With direct mail, marketers don't have to choose. According to the U.K. Institute of Practitioners in Advertising's 2017 *Media in Focus* report, compared to other direct and mass channels, direct mail is equally good at creating brand-building and activation impact. Integrating direct mail with social media content and digital platforms will enhance customer engagement among brand users, which in turn can influence new users. Through targeting and personalization, direct mail improves relevance while physical creativity increases memorability.

AMPLIFYING ATTENTION

Digital spaces contain skippable advertising, ad blocking and algorithms favouring existing preferences. With a much higher dwell time, less noise, and targeting capabilities, direct mail can increase attention and enhance at-home discoverability. Use search, site traffic and social data along with postal codes to enhance targeting relevance to get the right people's attention. In a noisy and fragmented channel landscape, it can be difficult to get the attention of the people you want to try your brand, product or service. Direct mail is the perfect "tryvertising" channel that complements digital and social interaction, with many formats to help people experience your brand first-hand.

AMPLIFYING REACH

While targeting is critical to marketing performance, so is reach. According to the Canada Post *Canadian Marketer's Survey*, conducted in fall 2019, direct mail is the highest-ranked channel for targeted reach. But what marketers might not realize is that direct mail can also improve total effective reach while compensating for high frequency in other channels. JICMAIL, a U.K. industry committee that provides mail metrics to advertisers, has reported that direct mail reach and impressions have been significantly under-reported, especially considering that the channel often contributes unduplicated reach and frequency to multi-channel campaigns made up of TV, digital and print.

AMPLIFYING PERSONALIZATION

One of the biggest gaps in relevance right now is the lack of personalization. An HBR.org study reported that personalized recommendations and offers deliver the most significant ROI for their efforts, followed by in-person experience. These findings support the vital role of physical

experience in personalization. Direct mail goes hand-in-hand with personalization, with precise data-targeting capabilities and the ability to customize pieces for both B2C and B2B audiences. Google reached the most unreachable top executives and told them about the power of Google Cloud for business. Sending hyper-personalized biographies of each recipient proved that investing in audience expectations is crucial to effective marketing.

AMPLIFYING EXPERIENCE

Direct mail sits at the intersection of marketing, customer experience and shopping, giving it a unique and customizable role throughout the customer journey. It matches key CX [return-on-experience] metrics by being memorable and emotionally engaging and promoting time spent. Consider using direct mail to turn your brand, product or service into an at-home experience; extend social content into a physical channel; fill in gaps in customer service; or increase your brand's "shopability." If your brand stages events and practices experiential marketing, direct mail is especially relevant now. Use it to enhance or supplement your events by integrating physical interaction with digital.

AMPLIFYING CREATIVITY

Your brand's storytelling and personality are important to standing out, getting people's attention and reinforcing with people that you are for them. In the template-heavy digital and trend-laden social media landscape, it can be challenging to bring your brand personality to life, often promoting "blanding" over branding. Storytelling through direct mail allows brands and customers to go deeper than digital. Direct mail is a creative blank slate – fully customizable to bring your brand to life in an intimate way that can really drive emotional appeal home.

Read More >>

Download these articles at canadapost.ca/incite from our issue archive for more about how to amp up your media mix.



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**Direct Mail
True Story**



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**Don't Leave
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Mix Blowing
in the Wind**



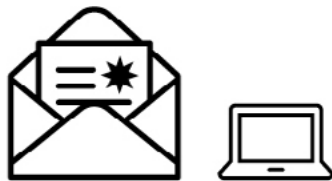
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**The Channel
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DATAGRAM

DIRECT MAIL INFLUENCE



Direct mail influences brand recall with **70%** higher recall than digital ads.

Source: Canada Post, *A Bias for Action*, 2015

When digital is integrated with direct mail, it influences omni-channel performance:

40% conversion rates
68% increased website visits
63% increased response rates
60% increased ROI
53% increased leads



Source: Compu-Mail, 2020



Converting direct mail volume to ad impressions shows the real influence of direct mail. A mailout of 1 million direct mail items generates 4.8 million ad impressions – **five times the impact** usually credited to the channel.

Source: JICMAIL, 2020



Direct mail influences reach by **4%** and delivers **16%** more GRPs for multi-channel campaigns [tv, digital, print].

Source: JICMAIL, *JICMAIL + IPA Touchpoints*, 2019

Direct mail is increasingly influential when it comes to trust.

87% of consumers consider direct mail to be “believable,” while only 48% feel the same way about email.



Between 2007 and 2017, there has been a **27%** increase in people stating that direct mail makes them “feel valued.”

Source: Royal Mail MarketReach, *thedrum.com*, 2017



Direct mail influences brand response [brand building and activation impact] more than all other direct and mass channels.



Source: IPA, *Media in Focus: Marketing Effectiveness in the Digital Era*, 2017

20%

Digital data combined with direct mail retargeting produces 20% response rates – 10x higher than traditional direct mail and 200x higher than digital retargeting at 0.1% CTR.

Source: Pebble Post via *tinuiti.com*, 2016



Millennials spend most of their time engaged online, however direct mail converts better.

59% find the information they receive by mail more useful than that received by email.

65% pay attention to direct mail.

Source: USPS, 2019



IN THE NEXT ISSUE

THE YEAR AHEAD

- › The best of 2020 *INCITE*
- › The value of sustainability to marketing
- › Planning for unpredictability and creating resilience
- › The issues with growth marketing
- › How to add sustainability to direct mail

"I received a copy of INCITE and thought it was fantastic. I love the layout and content."

– Caius Tenche
Founder and Creative Director,
Gearbox Experiential

"I love INCITE. A source of inspiration for me."

– Joanna Wiseberg
President, Red Scarf Gift Co.

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