LOVIN' IT.... HOW MCDONALD'S HAS PUT THE EMOTION INTO PRODUCT FEATURES

Last week I wrote about the battle for brand share during the World Cup. In the meantime, advertising creatives have been engaged in their own World Cup in the annual shindig that is the Cannes Lions.

I was interested to see the award-winning entry from McDonald's in Canada. Firstly, because in all the fuss about digital it was great to see a brilliant external outdoor campaign but secondly because it was another feather in the cap for a brand that appears to be getting a lot of stuff right recently.

McDonald's Award Winning Outdoor Campaign

Unlike my nostalgic reflections on the World Cup, I have to confess that I'm not a regular McDonald's consumer but, from a marketer's perspective, I have to say I'm a big fan. I have long used the McDonald's IPA paper as a case study in training courses on how a brand started to wean itself off the drug of direct response advertising and balance its share of voice to more longer term brand-building activity.

You can download the case study from the Marketing Society here:-
https://www.marketingsociety.com/sites/default/files/thelibrary/marketing%20excellence%202%20mcdonalds%20%28brand%20revitalisation%29%20case%20study.pdf

Over the past couple of years, this strategy has continued and I think McDonalds has achieved that rare balance of balancing both the rational and emotional – a 'hard centre' of a consumer benefit delivered in a way which recognises a fundamental human truth.

When training teams on finding insights, I am a big advocate of the is/ does/ gets / feels framework i.e:-

PRODUCT FEATURES – what it is
PRODUCT BENEFITS – what it does
CUSTOMER BENEFIT – what you get
EMOTIONAL BENEFIT – how it feels

Nowhere was this more in evidence than the recent McCafe campaign. At its heart it's a product announcement ad (i.e. McDonald's does coffee) but it's delivered in a way which generates a wry smile and also hits on a genuine underlying human insight - we can all feel a bit pressured by the complexity of choice that can now be involved in choosing a hot beverage.

The next time I sat up and took notice was last Christmas. For all the hype around Moz the Monster, in my book McDonalds won Christmas and many of the published data bases e.g. System One's Feel More 50, ranked it as one of the best performing campaigns of the season. Again at its heart its advertising late open hours, drive through and healthier produce (carrots for Rudolf) but again its delivered in a humorous way which reflects the realities of modern day families.

Secondly, McDonald's has been taking a leaf out of Byron Sharp's book and leveraging those distinctive assets. The recent 50th anniversary campaign for the Big Mac had many of us children of the 80's reminiscing about that seminal moment that a McDonald's opened up in our town and the memories we shared hanging out in McDonald's as teenagers. Reinforced by creative outdoor executions like the 'wrap' of the BFI IMAX, it again managed to build an emotional campaign which still had a product message, selling two brand extensions of the Big Mac as the final call to action.

Finally, we have the more recent campaign landing the improvements in the customer experience. Many brands I have worked with have shied away from the tricky territory of talking about customer experience benefits, based on a fear that it's a hygiene factor or its highlighting that it was never that great in the first place. Two brilliant executions manage to highlight significant improvements to the customer journey (digital kiosks and table service) but again doing so in a way which is based on a genuine human truth about parenthood.

The good news for McDonald's is that it seems to be working. Recent results showed sales growth of 7.8% in developed international European markets like the UK at a time when the casual dining market has been under such severe pressure. Too often I've sat in meetings where driving and sales and building the brand are set up as two alternate paths. It's great to see an organisation proving that you can deliver long term sales growth through owning a more emotional territory.

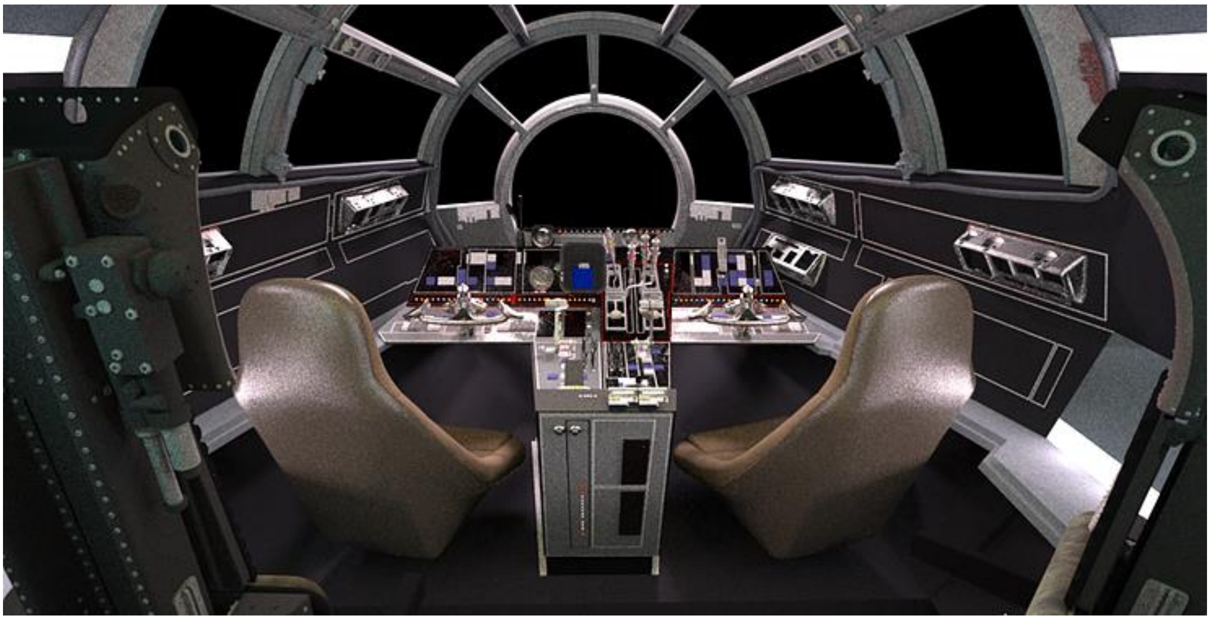
At Orange we had the mantra ' a brand is a promise delivered' drummed into us - don't get me wrong, as a brand and proposition, McDonald's has a lot of challenges facing it. Quite rightly it is being forced to address critical issues such as changing dietary habits, childhood obesity and the sugar tax. Equally, it will have a big job on its hands to reduce the amount of single us plastics it generates as a business to reduce the impact on our oceans.

However, from a marketing perspective, it certainly appears to be on the right track - I hope it can continue to communicate in a way which grounds rational features in genuine human truths. I, for one, am 'lovin' it'.

To find out more about getting richer insights from your existing research, get in touch at nick.bonney@deepbluethinking.co.uk

DON'T DEMOCRATISE DATA... MAKE IT DRIVE ACTION

It seems we cannot move these days for yet another piece of software which promises to put 'data at our fingertips'. The promise of 'data democratisation' has long been a buzzword within large corporate organisations who are aiming to break down silos within their business and ensure all stakeholders have the information they need without having to rely on central resource.



Consultants build business cases promising 'marketing effectiveness cockpits' and, for the Star Wars fans amongst us, we conjure up images of every brand manager making instant data-driven decisions as their brand speeds to new inter-galactic success.

The reality is somewhat different and, for most organisations, dashboards are, quite rightly, the beginning and not the end of the story. With all the excitement around the possibilities that 'Big Data' can unlock for 'Big Businesses', it seems some of the fundamentals around organisational change are often forgotten.

Back in the 1990's, Bruce Schneier popularised the concept of the 'Golden Triangle'; the idea that people, process and technology need to work in harmony for any system change to take effect. Whilst it's not fashionable to look at such historical concepts these days, it seems the concept of the Golden Triangle applies more than ever in a work environment where we are swamped rather than starved of data.

So many tools are available in this area now. Tableau and Qlik have established themselves as the enterprise giants in this space alongside the Microsoft Power BI suite. Even stalwarts like SAP have been forced to play catch up in this area initially through the acquisition of Roambi and more recently through the $8bn acquisition of Qualtrics (it remains to be seen if/ how these different elements of the portfolio will come together). For those who like a bit of power to crunch, tools like Tibco Spotfire and Alteryx have more analytical capability under the hood but can be less 'pretty' for the end user out of the box. Finally, if you want to build your own, developers have a host of JS tools available to enable them to build bespoke dashboards in house. You can find a good round up of these tools here: http://bigdata-madesimple.com/review-of-20-best-big-data-visualization-tools/

However, having led implementations of Qlik, Adobe and Spotfire in previous roles, it always feels too much is written about the tech rather than underlying principles which make or break an implementation. Why, for example, based on the same technology platform would one trading team adopt a new tool but another within the same organisation choose to shun it?

Start with an end in mind

This may sound like a 'no brainer' but it's amazing how often the end goal can get lost along the various steercos to get budgets approved and the ongoing project implementation meetings. Any dashboard roll-out needs to be solving a clear business challenge or opportunity. Just because you *can* surface a piece of data, doesn't mean you *should* unless it's going to drive a business change.

Democratising the data, simply 'putting it out there' just won't work. Decision makers are simply deluged with information. An MIT survey found that 60% of sales managers found they believe they have too much data and a similar Reuters survey found that two in three managers believed data had made their job less satisfying. Just because we're so close to it, don't believe there are swathes of managers out there crying for more and more data!

Think clearly about the change you're trying to affect:

Is it about reducing the time to make a critical decision? Is it about making certain business processes more effective or more efficient? Is it about changing the nature of the conversation, highlighting hitherto hidden gems?

Most importantly, write this objective down and stay true to it… it's so easy to get distracted by the power of the tool (s) that you can lose sight of why you were trying to build the dashboard in the first place!

Beware the sacred cows

The second part of Schneier's Golden Triangle was process.

Any change to systems or underlying data needs to align to the central processes of the business. Part of the rationale for any dashboard roll out maybe to remove/ streamline a regular meeting e.g. trading meeting, customer feedback meeting, weekly stand up etc.

However, this is where the implementation swiftly moves from the rational to emotional territory. Often these meetings are celebrated 'rituals' within the organisation. Whilst they may get decried in corridor chat, there may be a status associated with being on the distribution list or the running of the meeting may afford an individual with organisational power they otherwise wouldn't have.

This isn't to say that these organisational totems shouldn't be challenged but it's important to think about these implications as part of any roll out.

Who are the key stakeholders that any organisational change could impact? How can you get them on-board early? Can they 'sponsor' the roll out so that any change is seen as modernising their process rather than undermining their power-base?

Start with the people and finish with the people

This leads to the final part of Schneier's Golden Triangle – people.

Driving change within teams is a long game. Don't be lulled into a false sense of security by the promising early signs of adoption – we all love the new and often there's a surge in interest and usage for any new dashboard roll out.

However, this doesn't guarantee the tool is going to be used longer term – this requires sustained effort both from central teams and end users. In many ways, a successful implementation of a data visualisation/ dashboarding tool is no different to other system-based changes but I've always found the following elements to be critical to success.

SENIOR SPONSORSHIP - Depending on the governance within your organisation this may be required as a matter of course for any change programme. If it is, use it to your advantage – make sure your sponsor is an active one and plays a key role in your programme. If it's not required, lobby a key senior stakeholder to act as your sponsor and champion the change

LOCAL CHAMPIONS- If your roll out is going to impact multiple teams e.g. brand teams, sales teams, trading teams etc, get them onside early by ensuring each team has a local 'champion'.This individual can act as the voice of that team in any decision-making body but critically can also play a key role in communicating and selling in the benefits of the change (both formally and informally) within their team

SUPER-USERS- This may or may not be the same person as the champion (they are fundamentally different skills) but ensuring that there's a key user within each team who can act as a super user. This key individual can help deal with any problems in the moment but also can help open the eyes of their team to wider use cases and help you by proactively suggesting potential enhancements

HEART AND HEAD - Often the data community is a very logical one. We can see the benefit of the change so surely everyone else will too?! However, any organisational change like this requires winning over heart as well as head.Don't neglect the internal comms – launch with a splash and make it feel like a big moment for the business. Whilst this might feel peripheral to all the challenges of getting an accurate underlying data model, it's just as important in driving internal adoption.

Finally, Look in the Mirror

With all that running around worrying about everyone else's business processes and whether they're on board, it can sometimes be easy to neglect your own patch!

What will this dashboard mean for the central insight/ data/ performance team? Simply putting the data out there won't turn off a stream of questions (in fact you may expect more!) but it should change the nature of the questions.

Providing more access to the data is a great opportunity for any central insight / analytics function but also brings with it additional pressure – if everyone has access to the data, what's the value that the insight team can bring?

It's a great time to take stock and think about how you can 'reset' relationships with internal teams; spend more time on the 'so what' and 'now what' not just the 'what'.

It's also a moment to reflect on the skill-set of your internal teams but also the agency partners you work with – does everyone have the commercial acumen / insight skills to understand why patterns are appearing in the data rather than simply describing what now everyone can see...

This blog was first published in 2018 on Insightplatforms.com - the go to resource for insight tools and platforms.

WHEN TWO BECOME ONE – BUILDING GREAT PARTNERSHIPS BETWEEN CLIENTS AND AGENCIES

There have been many articles written on the challenges of the client/ agency relationship in the market research world. Most that I've seen have taken the form of one 'side' or the other bearing their frustrations at what they see from the other side of the fence. Indeed, the very language we use seems to set that divide in stone: 'Do you work 'agency-side'?' 'Have you thought about moving 'client-side'?' etc

In reality of course getting to great consumer insights which drive an impact within a business is a value chain rather than a divide between two sides. It requires everyone to step up and step and do their bit – great people, working collaboratively to produce great work. This week the industry will come together to celebrate the 'best of the best' at the MRS Awards so it felt like an opportune moment to share some views on what I see as the key conditions which allow this kind of relationship to thrive:

1. Empathy

Sadly there are just too few people in the industry who have worked on both sides of this imaginary 'divide'. I'm proud that I started right on the coalface, working as an interviewer and then in field before moving into a research exec role. When I worked as a client, I actually found it a huge advantage to understand the very process of getting research done. Equally, when I returned agency side as an MD, the understanding of what clients were looking for from their partners was invaluable.

More mobility in the industry would undoubtedly help here and, as more clients choose to in-source (look at media & creative here) and technology starts to commoditise some of the heavy lifting agency side, this more fluid career path feels like an inevitability. This can only be a good thing in my book. However, we can also accelerate this; Clients can send their graduates to agencies as part of their induction programme (not for a week but for a meaningful amount of time to understand what its like). Equally, I believe agencies should actively look at secondments/ placements as a way of providing career development to their up and coming execs.

2. Trust

We hear a lot about 'trust' these days; our declining trust in everything from brands to institutions. However, it cannot be under-estimated just how important the T word is in this context. When a client commissions a piece of work, they are placing their reputation in the hands of the agency they choose. This is at the nub of a huge number of the oft-bemoaned client behaviours but I would urge anyone who has worked in agencies all their career to stop and reflect on this for a moment – what would you do if *your* worth was being judged on the work of others?

This doesn't just work one way, however. I got my fingers burned relatively early in my agency career when a senior client (who shall remain nameless) denied all knowledge of the various decisions she had signed off (even the ones in black and white). The account was a car crash and it was clear that it was me who would be seen to be at the wheel. This drove counter-productive behaviours on all sides with everything having to be formally agreed, double and triple checked before anyone could move. So, when the CEO or CMO is banging the table, the acid test is whether the agency and research buyer are united as one team or is the client stood behind the CMO throwing additional grenades?

3. Openness

I talked earlier about research being a chain. My observation is that in many cases, this chain has got too long. The number of individuals (both within agencies and clients) who are involved between the person asking the question and the person doing the work needs to be as short as possible but often it passes through multiple layers…. Chinese whispers. We all know a bad brief leads to bad work yet often in larger agencies I see work passed from pillar to post. In big corporations, organisational design specialists will talk a lot about spans and layers; stripping out complexity by removing the number of layers between the CEO and the customer and increasing the number of direct reports senior managers oversee to avoid micro-management.

There are some good analogies here to the client- agency relationship. Ensure clients are working across a sufficient breadth of programmes to avoid them micro managing the client but equally ensuring agency teams are as flat as possible to ensure everyone in the team feels direct accountability for the end delivery to the client.

At this point I'm sure many of you are feeling that these principles are all well and good but give us something practical. So, here goes, five quick fire observations which are deliberately not set up as a client vs. agency list!

1. Communication - E-mail is the devil. No-one ever built trust or empathy threw e-mail. Ever. Meet. Pick up the phone. Video call. Use e-mail when it's necessary but never as a screen or in lieu of a meeting. Clients, try to involve and engage the end client as much as possible to avoid the Chinese whispers effect.

2. Pitches take time – I hold my hands up. As a client, I never realised how all consuming the new business process can be for senior agency teams. If senior teams are spending time writing you proposals, they're not working on your debrief. Think about when competitor pitches are necessary vs. when it's more beneficial to agree a rate card up front. When do you need a full proposal vs. when you need something more simple. Agencies, don't be afraid to ask this question either!

3. Ask questions , a lot of questions – That probably sounds obvious (especially for researchers!) but I have seen many account teams with almost no understanding of what previous research or what other data exists on a particular subject but have never asked. Equally, the client who inherits an ongoing programme but remains blissfully ignorant on why a project has been structured in a particular way. Don't be afraid to challenge the brief or challenge the status quo.

4. Know the business – OK so this one is more pointed at agency land but you need to live and breathe the account. As a first step, take an interest; buy the product, shop the stores, ask your friends. However, this isn't enough – read the business press, read the annual reports, sign up for news alerts etc so you start to get a grasp for the commercial dynamics in category. Businesses talk in pounds not percentages.

5. Give and ask for feedback – this is essential at all stages of the process. For proposals, a no response or an e-mail which says sorry the other agency was cheaper just isn't good enough. Someone has put a lot of time into that proposal. Call them and explain why you're going elsewhere. Agencies, if you don't get feedback on what happened to that brilliant idea from the last project, ask! What's the worst that could happen?

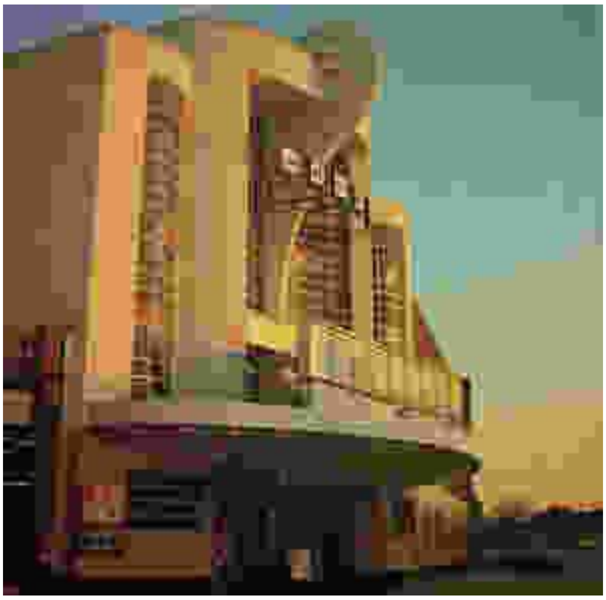
Undoubtedly, our industry and the roles within it are going to evolve significantly over the next few years. These changes will throw up challenges to the established 'norms' for both client and agency roles and tt will require all of us to work together to find our path. There are some incredibly smart people in every part of this industry – with a good dose of trust, empathy and openness I'm sure we can crack it...

If you'd like to chat about how you can get more from your client/ agency relationships please just give me a call.

- View From The Blue
- Nick Bonney
-

SCREEN TIME – HOW CINEMA IS WEATHERING THE DIGITAL STORM

So the award season is upon us and we'll see a flurry of big releases hitting the Big Screen yet at the same time we continue to see many questioning the relevance of cinema in the Netflix era.



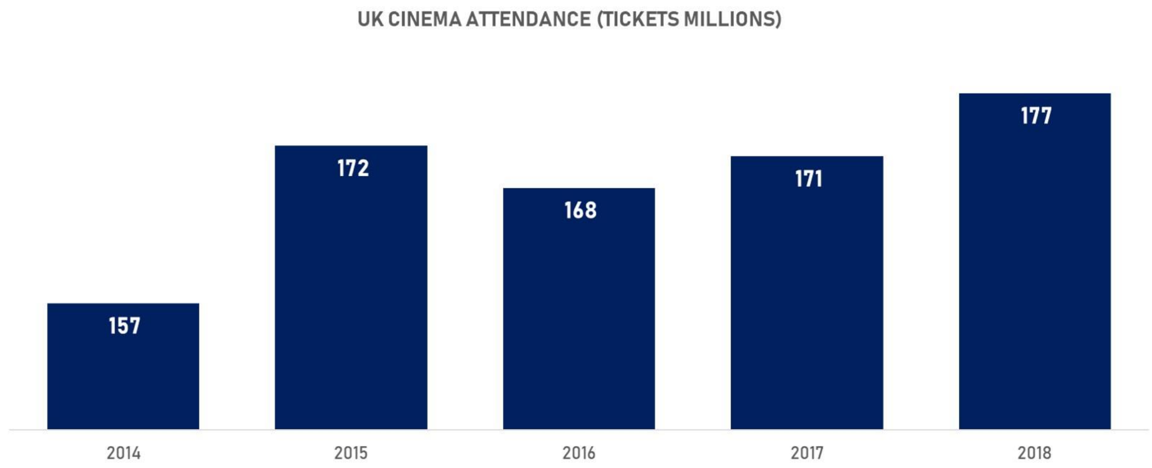
Cinema HeyDay – Art Deco Cinema Heaven in Rayners Lane

It is beyond dispute that subscription video on demand services are changing the way we consume long form content with box set bingeing now a regular part of our lives. The latest figures from OfCom show that the presence of subscription on demand services has risen from just 14% households in 2014 to 39% in 2018. However, this isn't purely disruption in the access market – we've also seen both Amazon and Netflix become serious players as studios too, culminating in a Netflix production, Roma, receiving an Oscar nomination this year after widespread critical acclaim.

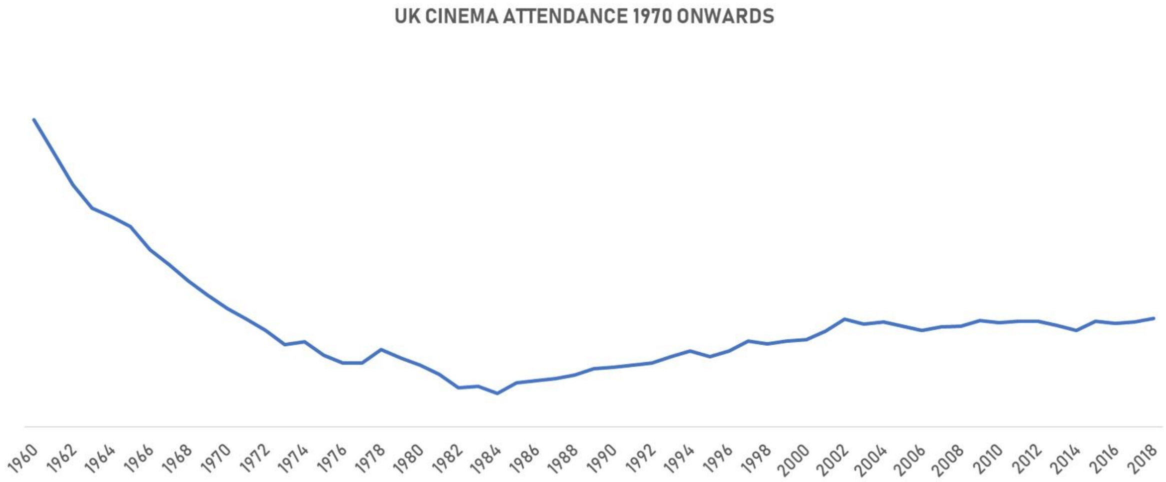
Looking forward, 2019 is forecast to see a crucial tipping point for the industry with Ampere predicting that streaming revenue will exceed cinema box office revenues for the first time this year. It's easy to jump to the conclusion that streaming will kill cinema – I'm sure I'm not the only one who has had a teenager in qualitative research say that they don't go to the cinema because they can't use their phone for two hours! And with every bigger screens and surround sound now relatively common place, it could be argued there's no need for the average Brit to venture out to watch a movie.

Yet on the other hand, it's clear that the death knell has been sounded too early for the cinema industry. Figures announced this week showed that UK cinema attendances were at their highest level since 1970 with over 177m tickets sold in 2018 compared to 170.6m in 2017. And this isn't just a

UK phenomenon – figures from The Numbers showed that US cinema attendances were up from 1.225bn in 2017 to 1.342bn in 2018.

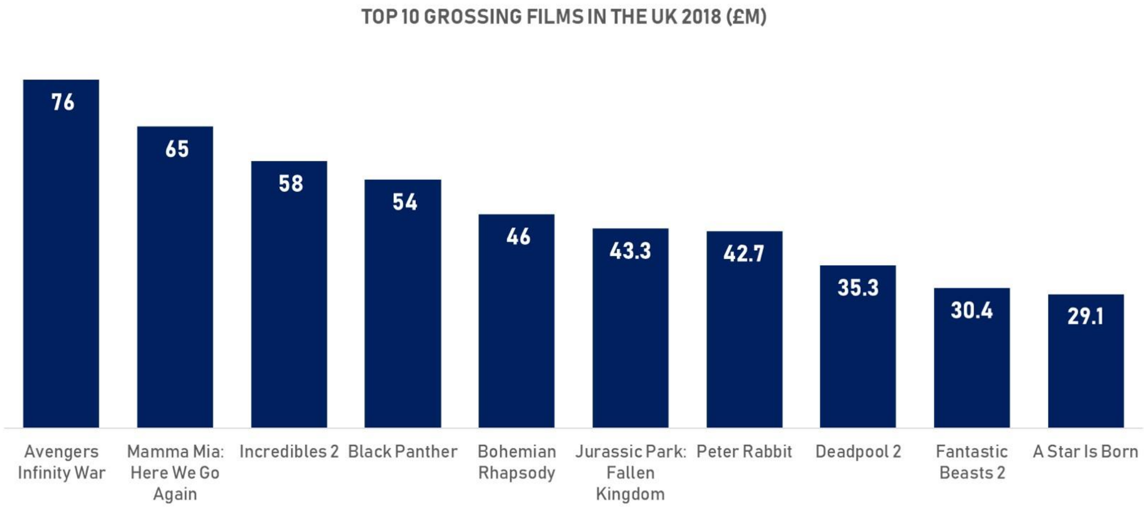


UK Cinema Attendance (CAA)



Long Run Trend in Cinema Attendance (CAA)

The top 10 grossing movies in 2018 show just how diverse our tastes are from the Marvel blockbusters of Black Panther, Deadpool and Avengers through to Mamma Mia and A Star is Born – the UK it seems definitely loves a musical.



Top Grossing Movies in 2018 (BFI)

So what's behind this resurgence in our love for the silver screen?

Segmentation

Undoubtedly one of the biggest trends over the past few years has been the rise of premium experiences. Everyman started with a single screen in Hampstead but now boasts some 69 screens across the UK. We're constantly told that, in the retail world, consumers would prefer to stay at home and shop from the convenience of their own sofa rather than venture out into the high street. With 4/10 households now subscribing to a VOD service, surely cinema should be hit by this phenomenon even harder?

It seems though that we're falling back in love with our big screens. DCM's research would say that 69% still believe the best place to watch a film is at the cinema. It's not just niche players like Everyman that are building ever richer experiences. Odeon have opened their new Luxe proposition in Leicester Square (with social media imploding over £40 ticket prices!) and other chain operators are investing not only in the environment but also the on screen experience too.

A quick scan of the market shows the sheer variety of features available now – from reclining seats to VIP bars and from 3D and IMAX through to sofas and at seat service. Whatever your demographic or budget, it seems there is a cinema seat with your name on it!

	Large Screen	IMAX	Premium Seating
cineworld CINEMAS	Superscreen	✓	✓
EVERYMAN			* As standard
ODEON FANATICAL ABOUT FILM	Isense		✓
Picture house		✓	* As standard
SHOWCASE CINEMA DE LUX	Xplus	✓	✓
vue	Xtreme	✓	✓

Value Added Features from UK Cinema Chains

There was a time where premium ticketing at UK Cinemas involved a different seat covering and slightly more legroom. In those days , the rest of the customer journey went pretty much unchanged and the experience felt as VIP as paying for an extra legroom seat on a Ryanair flight. However, the growth of these niche, premium operators has seen a response from across the industry and for that operators are to be applauded.

Subscription (and beyond)

It's not just in the experience where the Cinema sector has seen significant innovation in recent years. The pricing model has evolved from a one size fits all model to tiered pricing both to target different market segments but also different needs.

Off peak discounted screenings have long been a feature of the cinema landscape but these are now augmented with a range of different pricing mechanics. Most operators are now offering a range of subscription packages and many are now offering additional packages e.g. family bundles

	Large Screen	IMAX	Premium Seating
cineworld CINEMAS	Superscreen	✓	✓
EVERYMAN			* As standard
ODEON FANATICAL ABOUT FILM	Isense		✓
Picture house		✓	* As standard
SHOWCASE CINEMA DE LUX	Xplus	✓	✓
vue	Xtreme	✓	✓

Pricing Models from UK Cinema Chains

All the major operators are now offering annual subscription packages with many offering tiered packages. Cineworld and Odeon, for example, both offer unlimited membership but at nearly £18 per month, the economics only really make sense for the very frequent cinema goer. However, there are also now a wide range of loyalty mechanics on offer across the market to reward less frequent cinema -goers ; from MyCineworld Plus to the Showcase Insider programme, these offer discounted tickets and affiliate deals in return for registration or a small annual fee.

Silver Screeners

Finally, cinemas have been one of the few industries to successfully tap into our biggest societal trend – an ageing population. Whilst reaction from many sectors has been to nod sagely at this irrefutable demographic shift but then plough headlong into their next initiatives targeting millennials, cinemas have actually done something concrete. From dedicated screenings to changing the offer to bring a broader range of arts content (from ballet to opera) to those who are unable to travel to big cities to view first hand, there is much more to tempt an older customer to the cinema than there ever has been.

And it's working. Whilst cinema still attracts a younger audience (Statista claim 47% of the audience is under 35), the biggest shift has come from older demographics. Those aged 45 and over accounted for just 18% of the audience in 2008 but this figure had risen to 22% by 2017. It's not just the cinemas who have realised that this is a profitable market to tap into; there is now content to match as studios have realised that making movies targeting this demographic can be big business. BFI data shows that over 55's can make up nearly 40% of the audience for releases such as The Danish Girl (compared to 11% of the audience for Top 20 movies in 2017)

Our retail landscape is currently littered with casualties – a graveyard of big brands who once held the mainstream mid market but have failed to adapt in either offering or experience to the changing world around them. Cinema though has been a different story; despite severe pressure on disposable incomes and an increasingly rich and compelling range of digital competitors in the home, they have continued to innovate and drive growth in the category.

At a time when the future looks increasingly challenging for our high streets, what's even more positive about this renewal of fortunes for UK Cinemas is how much of this growth is coming from town centres. According to the BFI, town centre and edge of centre locations have seen a 22% and 23% increase in screens respectively since 2008 (compared to 12% for out of town locations)

Standing still has never been an option and from what felt like an inexorable slide to a cinema landscape of large, soulless out of town multiplexes in the 90's, we now have a cinema landscape as diverse and thriving as the films that are shown within them.