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Case Studies

Which? Subscriber Acquisition 2006 — Winner of the bronze award in the IDM Business Performance Awards 2007

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Abstract

This case study deals with the problem of a promotional strategy that has become too formulaic and tired over time, while the product itself ('Which?' magazine, published by the Consumer Association), saddled with this repetitious approach, has assumed an image in the minds of consumers that is no longer consistent with its developing persona. The aim of this new strategy was to revitalise both the brand image and the promotional message: this involved moving from the selling of prize draws, as had become the custom, to 100 per cent focus on the product. The success has been overwhelming, as the results quoted below show.

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Submitting Organisation: Mike Colling & Company

Creative Agency: Watson Phillips & Norman

Client Organisation: Which?

Client Contact: Chris Gardner, Marketing Director

Executive summary

Objectives

We were set three objectives:

- get consumers who knew the Which? brand but thought it was not relevant to them to reappraise it
- reverse the long-term decline in new members
- radically change the main marketing message moving from prize draw and replacing it with brand-led messages.

All of this while maintaining marketing returns on investment.

Objectives

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Scale of the task

Consumers thought the magazine

- was old fashioned and
- tested only white goods, for example washing machines.

Subscriber numbers had fallen every year for ten years. The costs of recruiting new subscribers were rising and ROI was falling.

Our approach

Improve recruitment

- Understand why consumers might subscribe to Which? in this information-rich world, and then maintain a long-term subscription.
- Develop a communications programme that recruited subscribers from a central brand truth and not an incentive.
- Do all this at vastly improved volumes and ROI.

All in under 12 months.

Key results

Results

- Improved marketing ROI by 250 per cent in 12 months.
- Significantly improved response, conversion and retention rates.
- Reversal in decline in subscriber numbers for the first time in ten years.

In 25 years of DM activity we have not seen such an improvement in response rates or ROI, with the campaign based on a central brand thought.

Business/market context

Which? is the UK's leading consumer organisation. Which? is funded by its members' subscriptions to its magazine and website.

The magazine and website offer reviews of product and service sectors, providing advice on how consumers can obtain the best value. This advice is truly independent and impartial and is provided in a straightforward and easy-to-understand way.

All product reviews are based on rigorous and completely independent research.

Declining effect of prize draws

For 20 years Which? had recruited subscribers via a prize draw mechanic. This was communicated in direct mail, with c. 5 million mailings sent each year. Response rates, ROIs and subscriber numbers have fallen steadily over the last few years. Reliance on direct mail to a small group of prospects had caused the brand to disappear from public view.

Research highlighted that the magazine was not seen as contemporary and was seen to review mostly white goods. Potential

subscribers thought they could either live without the information or find it elsewhere.

A new management team at Which? briefed us to turn this business performance around.

Objectives

We were given three key objectives:

- develop a new, brand-led, consumer offer to replace prize draw
- radically improve both ROIs and volumes of new subscribers
- create reappraisal of Which? among the target audience.

Our solution

We arrived at a five-step solution, with each step providing the foundations for the next.

A brand-led strategy

1. First, we understood who might become subscribers to Which? and their needs and attitudes towards product research.
2. Secondly, we created a new proposition, motivating enough to stimulate huge volumes of response, but based on a central brand thought so that responders would stay.
3. Thirdly, we changed the media schedule so that the Which? brand was communicated via mass media.
4. Fourthly, we changed the way in which consumers interacted with the brand, ensuring their first encounter with Which? was through a telephone conversation.

These first four steps allowed us to revolutionise the subscriber programme with new direct response communications.

Having proven success in both volume and ROI terms, we had the confidence to make a substantial investment in step 5:

- create a pure brand message campaign
- substantially shift the ingrained attitudes towards Which? and
- uplift the already improved subscriber numbers.

Step 1: Target market and targeting

Which? had traditionally targeted either the profile of their current subscribers (older, male, upmarket, educated) or responders to prize draw mailings.

We suggested a radical overhaul of their thinking. We set out to discover the key variables that could predict an individual's potential as a Which? subscriber. We used TGI to identify the variables most associated with Which? subscription.

We found two key axes.

- First, a tendency to research a product/service before making a purchase.
- Secondly, a confidence in one's own research abilities.

Targeting

We used these variables to create a cluster analysis, segmenting the UK adult population into eight groups.

We focused on four key groups, c. 40 per cent of the population, each with their own characteristics and representing growth for Which?

Each group had a common tendency to research products/services before buying them, and responded to Which?'s values of

- independence
- integrity and
- thoroughness of research.

We took the learnings into the field. Members of each cluster were recruited, and the variables were confirmed/elaborated — building a pen portrait of each segment.

We then carried out bespoke qualitative research and re-segmented the base to finally identify our four target groups. This segmentation was enhanced with media consumption and attitudinal data to inform our marketing programme.

Step 2: Developing a new consumer proposition

Being good direct marketers we know 'free' is the strongest offer! At the heart of Which?'s offer are the 'best buy' guides, listing the product/service that offers the best value for the consumer. But this is our crown jewel and we did not want to give it away. So we created a new set of information — 'how to get the most out of products and services guides'.

Free guides

A series of free guides provides independent and impartial advice — in areas of mass consumer confusion — for example changes in technology.

Step 3: Delivering a media schedule that reflected the new strategy and began to revitalise the brand

Historically, Which? were heavy users of direct mail. As recently as June 2005, c. 90 per cent of their recruitment was in this medium.

This was very effective for prize draw. The new strategy needed a new media mix.

Our objective was two-fold:

A new media mix ...

- first, reach our new target audience when they were considering purchasing a new product/service
- secondly, reach more people than via direct mail, and put Which? back in the public eye.

Identifying when a consumer would research a product was impossible, so we had to be present as often as possible to catch prospects when they were in consideration mode. We moved our funds into 'broadcast' media of DRTV, newspaper and inserts. Each was chosen on the basis of three criteria:

... concentrating on broadcast media

- efficiency at reaching our target audiences
- efficiency in generating response and
- cost per contact and thus resultant cost per subscriber.

Our new schedule took Which? to a daily communication with prospects of a reach of 25 million adults via public media. The odds of being in the right place at the right time astronomically improved.

Step 4: Changing the consumer experience

Telephone response

To fulfil our strategy of offering free guides we replaced mail with phone response, inviting consumers to call for a free guide.

We hired call centres that did not need to be slavishly scripted but that employed intelligent operators who could follow guidelines. The operators were asked to chat with callers and discover what they were looking for. During this conversation we offered a three-month trial of Which? at a reduced price. Subscribers continuing with the magazine after three months reverted to full price.

The result of steps 1–4

Response rates to trial soared, and the percentage of trialists converting to fully paid subscribers held — thereby bringing in many more subscribers.

Those callers who only took the guide and did not subscribe straight away had a positive experience and real added value from Which? and are therefore much more predisposed to say 'yes' when offered a subscription at a later date.

Our results from these first four steps were revolutionary.

Revolutionary results

- Response volumes reached 500,000 over a three-month period.
- That is a huge leap in terms of numbers of people interacting with the brand.
- We saw response rates up to ten times higher than Which? had achieved before.

- Conversion rates to trial of the magazine were around 30 per cent with numbers continuing to hold firm.
- Return on investment rose by 3.5 times within a year: from c. 50 per cent ROI (all marketing, administration and product costs vs income) to 185 per cent ROI.

We have never seen such an ROI improvement in such a short space of time.

Step 5: Overlaying the brand experience

Within a year of starting this process it was clear that we had huge success. Volumes of calls were running at c. 50,000 responses per month.

We had a sustainable, brand-centric and cost-effective new subscriber model, and one that began to address brand awareness and image issues. But there were elements of our audience whose needs were not met by this campaign alone. We wondered if a greater clarity of communication, separated from a direct response message, might more quickly address the issues of ‘old fashioned and irrelevant’ that research had identified.

Brand uplift

So we created a brand uplift campaign.

Two key objectives:

- change and update the image of Which? among core audiences and
- uplift the already excellent direct response results.

Planning insight

Previous research indicated that Which? is a brand with a clear proposition, positioning and values among our target market; however, it lacked relevance. We conducted a substantial review of existing research, and developed a number of creative routes exploring benefit-led propositions for a brand communication. We quickly realised that new subscribers appreciated the benefits, but this was not enough to inspire purchase. It was the barriers to purchase that we needed to address in order to drive behaviour.

Barriers to purchase

Listening carefully, we realised that the primary problem was that prospects were locked in a past-tense vision of Which? — that it was (only) a magazine that offered test information for domestic goods. The massively enhanced delivery of advice, information and support on an ever-increasing number of issues, products and services had been missed.

Our recommendation consisted of two key words.

We needed to communicate the idea that Which? is: ‘Surprisingly Diverse’.

The creative insight

Our brief was simple: get across Which?’s dynamic and diverse testing programme in a way that would make people sit up and take notice. The creative therefore needed to be bold, brave and surprising if it was to challenge people’s deeply rooted perceptions of an old-fashioned brand.

Creative for TV, press and DM

The core thought came out of a throw-away comment made in research: ‘Which? just test washing machines don’t they?’ Our creative strategy turned this misconception on its head, using both television and press to dramatise the sheer variety of products and services tested by Which?

For our brand television activity we wanted to excite and stun our audience with the ‘new’ Which? Our 30-s television spot literally burst onto the screen with a visual bombardment of stunningly shot close-ups of everyday products in action, accompanied by the stirring ‘Anvil Chorus’ and punctuated by relevant sound effects.

For the more rational medium of press, our strategy was to take a list of recently tested products and turn the whole into a powerfully graphic execution using bold typography and strong colours, using the washing machine device as the visual link with television.

This work was integrated with the hard-hitting direct response television, press advertising, inserts and door drops described in steps 1–4 above. Creatively, these utilised traditional direct marketing techniques and were integrated with the brand work.

The campaign ran for 12 weeks:

- c. 600 network adult TVRs were delivered (87 per cent cover at 8.1 OTS) together with c. 180 press adult GRP (54 per cent cover at 3.3 OTS)
- we underpinned the brand uplift work with our heaviest-ever weights of direct response activity.

Results — Business payback with the brand overlay

Which? recruited 145,000 new trialists in 12 weeks, that is as many as recruited in the whole of 2004. These trialists were recruited at more than three times the ROI of 2004.

Integration of the media, timing and creative gave significant uplift. Creatively, the use of integrated DM and brand press/insert material also provided an uplift.

We created control cells and measured uplift vs control:

Payback

DRTV	RR up 9.2 per cent on May control ROI 180 per cent
Inserts	RR up 92 per cent on May control ROI 222 per cent
Door drop	RR up 14 per cent on May control ROI 173 per cent
Press	ROI 187 per cent
Online	RR +22.8 per cent higher in test region.

Results — Brand engagement (via pre/post-research)

Key advertising message:

- Which? tests a diversity of products — 30 per cent increase on pre-wave

Image improvement

- Which? is a modern brand — 5 per cent increase
- Which? is relevant to me — 8 per cent increase

Brand values and attributes:

- Independent — 13 per cent increase
- Rigorous — 7 per cent increase

Consideration:

- Consider subscribing to or paying for information from Which? — 9 per cent increase.

Summary

Which? has completely transformed its marketing activity and results.

Subscriber numbers have grown year on year for the first time in ten years.

Our new direct marketing activity had doubled response and tripled ROI year on year.

The brand uplift activity built awareness, consideration and positive attitudes.

It also uplifted response rates by between 9 and 92 per cent.

The cost per new subscriber has been reduced by 20 per cent.

The campaign has caused a significant reconsideration of the Which? brand — new subscribers have a much better understanding of why they are subscribing and are thus more likely to stay.

Exit prize draw

All of this activity has been driven by brand-led consumer insights: not a prize draw in sight.