



ENTRY ID	<u>255-A09</u>
ENTRY TITLE	Skinny - Phone It in
CLIENT	Spark NZ
PRODUCT	Skinny Telecoms
FIRST MEDIA APPEARANCE DATE	02 October 2022
CATEGORY	A09. Telcos & Utilities
CATEGORY DESCRIPTION	You'll be judged alongside other telco and utility providers so you'll need to clearly present the case for your approach to overcoming the challenge you faced within the category.

WORD COUNT: 2500 MAX





01. CASE SUMMARY [0%]

Please write a brief summary of the case study and results not exceeding 90 words.

Skinny believes in low prices, and happy customers.

They want fame, but won't waste their customers' money on frivolous things, like famous brand ambassadors.

So in 2022, we open-sourced their brand campaign to the public.

The entire country could record Skinny's new campaign on their mobile...for free.

34 unique radio scripts, on buses and billboards and bar coasters, each one tailored to its location.

An OOH campaign that was actually a radio campaign, that delivered a 34% increase in new customers YOY.

Our most effective recruitment campaign ever.





02.

WHAT WAS THE CHALLENGE AND WHAT WERE THE OBJECTIVES? (15%)

What was the market context, what was the strategic challenge the client faced, what was the creative challenge the agency was set, and what were the short and long-term objectives that were set for the campaign?

The telecommunications market in New Zealand is highly regulated and extremely competitive.

Spark New Zealand is one of the two largest players in this market, and in 2012 it created Skinny as a sub-brand, designed for the youth market.

Over time, Skinny has tried to evolve into a mass market brand, but it has never been able to shake its telco-for-teenagers roots. Its consideration is significantly lower than the other three major competitors, and has proved stubborn to shift¹.

Skinny's brand promise is to keep prices low and customers happy.

We find ingenious ways of saving customers money.

To deliver on this promise we had previously used local New Zealanders who share names with A-list celebrities as our ambassadors. And turned our own customers into 'Friend-vertisers' to sell Skinny to their mates.

And while it had been working for us since 2018, being a sub-brand of a major telco means Skinny has to maintain a strict growth trajectory or risk being shut down. The success of our previous campaigns had become a rod for our own back, with the business now expecting to see the high growth numbers of our past work.

We couldn't compete on spend, we didn't have big budgets, and we couldn't afford expensive media. Not the typical foundations for unprecedented success. Plus, in a recessionary environment, we also wanted a new execution of our brand philosophy that wouldn't cost the earth to produce, in turn demonstrating our brand promise.

So what would the difficult third album be?

In order to continue growing, we needed to find a way to broaden our audience and engage new people.

Success would be measured against two key sets of objectives:

- 1. Customer Growth
- Consideration







1. Customer Growth

Whatever campaign we developed would need to deliver customer growth for Skinny. Between 2019 and 2021, we grew the base on average by 12% each year. **Our objective for this campaign was to see growth greater than 12%.**

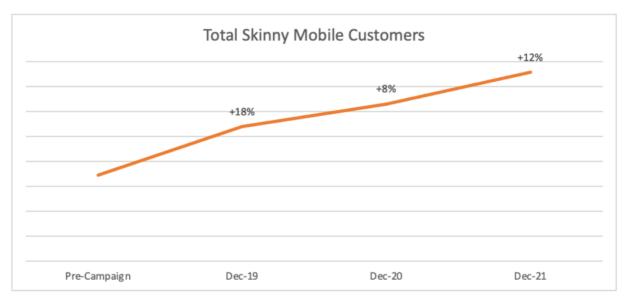


Figure 1 = Internal Skinny Sales Data

2. Consideration

Consideration is Skinny's key (but stubborn) brand metric to move. In 2019, 2020 and 2021, this increased by an average of 2% each year. **Our objective was to shift this +2% in 2022.**

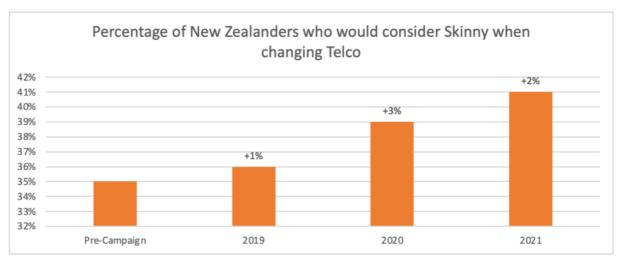


Figure 2 = TRA Brand Tracking Survey





03.

WHAT WAS THE STRATEGIC THINKING THAT INSPIRED YOUR BIG IDEA? (15%)

What was the insight or insights identified as key to unlocking the solution? How and why did the strategic thinking address the objectives set?

Skinny still had a rep for being a young brand, with a third of people believing that we are "a brand for youth²." But for us to hit our ambitious targets, we needed to appeal to a broader range of customers.

When we looked further, we actually saw that despite our wider perceptions 56% of Skinny's customers were over 35³. It wasn't just Gen Z getting the Skinny. These older customers tended to be of a higher-value to the business, so we decided to double down on over 35s as our target audience, conscious of needing to connect with them in ways we hadn't done previously without losing the cred we had built with the youth of New Zealand.

Throughout its growth trajectory, Skinny has stuck hard to the attitudes and values that made it beloved by so many New Zealanders; that we do whatever it takes to keep prices low and customers happy.

And boy, are our customers happy. We looked at what we had - the highest NPS in the market - and saw that Skinny customers are actually more than just customers, they're Skinny fans⁴. Our customers were more likely to recommend us to their friends and families than any other provider in the market. That is powerful. We had seen roaring success in weaponising this fandom in previous campaigns, so decided to take that one step further.

Our first campaign 'Famous Names' paid faux-lebrities to front our campaign.

The second 'Friend-vertising' paid our own customers.

But this third iteration? We didn't need to pay anyone at all.

We created a user generated content campaign, in an era where UGC was dying. And it wasn't on social media either. Instead we would go into the real-world to create a campaign with our fans at the very heart.

IRL UGC, if you will.

'Phone It In' was a perfect demonstration of that belief of keepings prices low and customers happy, and further reinforced Skinny's dominance at the low cost end of the market.

⁴ TRA Brand Tracking Survey





² Internal Skinny Customer Data

³ Internal Skinny Customer Data

04.

WHAT WAS YOUR BIG IDEA [10%]

One sentence. Not the tagline or campaign line, but what was the core creative idea that drove your effort? Consider 'idea' in the broadest sense, i.e., ranging from communication-based to the creation of a new service or resource.

Get everyday New Zealanders to star in Skinny's latest campaign, convincing other New Zealanders to Get the Skinny.

05.

WHAT WAS THE CREATIVE EXECUTION AND HOW DID IT BRING THE BIG IDEA TO LIFE? [15%]

Describe how the creative solution helped the idea break out of the category and resulted in unexpected solutions.

We outsourced our campaign to regular New Zealanders.

To do this we wrote a set of unique radio scripts for people to record, telling other New Zealanders to 'Get the Skinny', and placed them in distinctive OOH media placements across the country. All passers-by had to do was phone the number, read the script into an answering machine, and wait to have their 30 seconds of fame on the radio.

We turned up in unexpected places. Billboards and street posters gave us scale, but clever digital buys and ambush media placements gave us talkability. In classic Skinny style, we used media to outsmart not outspend. That meant we wrangled our way into 3am TV slots to speak to insomniacs, and onto pie packs to capture hungry workers.

The scripts changed depending on where they were seen. It was important to us to make them contextually relevant so that they spoke to the mindset or moment the person was in, as we knew this would make it that much more engaging for people taking part. We had a writers' room and three copywriters working hand-in-hand with the media agency to deliver this.

Each script included our hero messages of Skinny's low prices and great network, but everything else was crafted to make the most of the space it was in and the person recording it.

Once we put our scripts out into the world, we used a nationwide radio partnership to point people towards them. We had the radio ads playing on air while hosts talked about the campaign and where to find scripts. This turned the campaign into a nationwide treasure hunt, just without the treasure, because no one was getting paid.

We were single-minded here – every ad drove people to our Skinny answering machine where they could record their own script – and we knew which placement they'd seen based on the script they read.

Our job was to get as many regular voices as possible to give life to Skinny's radio ads, providing a bank of radio ads to deploy to the nation as and when we needed.

Easy, right?





06.

WHAT WAS THE COMMUNICATIONS STRATEGY? [10%]

Outline the media and communications thinking and strategy that brought the creative solution to life in the most powerful and relevant way for the target audience. Include all significant touchpoints and channels in this section.

Putting lengthy radio scripts onto OOH sites is about as 'worst practice' as you can get. Text heavy, no imagery...other than Skinny's distinctive bright orange border, they went against every principle we're taught to follow. This, of course, was deliberate. We knew our campaign would stand out amongst the crowd, as they were purposefully designed to be radio scripts, not OOH ads.

This did however mean the communication strategy had to adhere to five key principles:

1. Engage-Ability

The media placements needed to consider the audience's ability to actually read the script and be physically able to pull out their phone and record the script. This meant highway billboards (for example) had to be crossed off the list.

2. Seek Attention

To ensure our ads weren't ignored, we needed impactful media placements that would turn up in unexpected places to stop the audience and pique their interest.

3. Context is best

To sustain their attention, we needed to work incredibly closely with our partners to ensure every single media placement had a bespoke script that spoke to the mindset or moment the person was in.

4. Scale for Success

We needed to ensure this campaign reached a significant audience to drive the awareness, and thus engagement we needed.

5. Amplification

Make it feel like this campaign was as big as it could be, through sharing and endorsement.

True to form, we had to do all of this without using media placements and formats that an audience might consider expensive' because we couldn't be seen to be wasting our money as a low-cost brand.

List all supplementary consumer communications touch points used in this campaign (the touchpoints that were not central to the campaign).

Radio / Radio partnership / OOH / Social





07. WHAT WAS THE \$ SPEND? [0%]

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

Media Spend (if applicable): \$355K

Outline the media spend in relation to competition and versus last year:

N/A Skinny did not have a campaign in market, besides always on comms, during the

same time period last year.

Competitor SOV (based on rate card spend) during 'Phone It In' campaign period:

Skinny: 11% 2 Degrees: 13% One (Vodafone): 38%

Spark: 38%

Creative Production Spend: \$140K

WHAT OTHER MARKETING EFFORTS WERE USED IN CONJUNCTION WITH THIS CAMPAIGN? [0%]

List all other marketing or communications programmes not considered part of this campaign, that may have also affected the results e.g. coupons, sales promotion, planned PR, sampling, direct response, point-of-purchase, etc.

Indicate the extent to which any revised pricing, distribution or promotion programmes also affected the results.

Any marketing communications that contributed significantly to delivering an integrated campaign strategy and results should be described elsewhere in the entry form and any relevant contributing partners acknowledged in credits separate to the entry form.

With a brand promise of keeping prices low, Skinny do not indulge in many of the marketing behaviours enjoyed by our competitors.

We do not have sponsorships, like Spark Arena, the largest stadium in the country.

We do not offer value-adds, like Netflix or Spotify, like all three of our major competitors do.

We are, by design, last-to-market with almost every brand or product innovation, thanks to being the low-cost brand in the stable, and allowing Spark to be first. So yes, we delivered new products to market during this time, but only after everyone else had already launched.

We have an always-on search and digital retail layer, but this has run consistently prior to the campaign without a significant change in budget.

Our campaign was the only thing that changed.





It is what drove the phenomenal growth Skinny saw.

MHAT WERE THE RESULTS? [35%]

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

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

- Overall achievement against objectives. Clear proof that objectives established in earlier sections have been achieved. Judges will be seeking quantified results. Demonstration of ROI is helpful. [15%]
- _ Clear demonstration of long term results beyond 6 months [5%]
- _ Convincing proof that the results were a direct consequence of your campaign, the inarguable evidence. [15%]

Please Note: All results must be sourced to be judged; any unsourced results will not be taken into consideration.

Phone It In has been the single most successful recruitment campaign Skinny has ever run, over-delivering against all objectives.

1. Campaign Engagement

We needed people to call, otherwise there would be no campaign.

After consulting with our radio partners as to what a realistic goal would be, and knowing we weren't offering people any incentive to ring and record, we thought we'd be lucky to get 1,000 recorded radio scripts.

And yet, we received over 2,500 recordings, with a massive 22 hours of radio ads to use⁵.

And it gets even better.

We can tell which submissions came from Skinny customers. And it turned out, they weren't the ones ringing and recording. A whopping 40% of calls came from people who weren't Skinny customers at all! An unexpected and validating result that represents the incredibly engaging nature of the campaign⁶.

2. Brand Consideration

Brand consideration is an enduring challenge for Skinny; the primary metric we measure for any brand campaign. And it's hard to shift.

Over three years of consistent brand building activity, we'd shifted Consideration from 35% in 2018 to 41% in 2021.

⁶ Engagement Numbers - Internal answer machine messages





⁵ Engagement Numbers - Internal answer machine messages

Just 6% in four years.

Phone It In shifted it another 6% shift... in just two months.

This shift in consideration was the largest we've seen since we started tracking this metric back in 2018, delivering a high of 47%. It also closed the competitive gap from 14pp to 12pp - the closest we've ever achieved⁷.

3. Customer Growth

But the rubber hits the road when it comes to customer growth numbers.

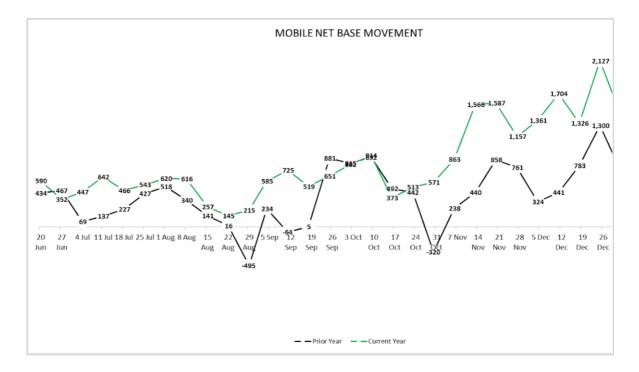
In the first month of Phone It In, customer acquisition was up 34% year on year8.

Other than this campaign, we were running identical seasonal promotions to the previous year, with similar price points, and no changes in distribution.

This recruitment campaign was the only thing that had changed.

Figure 3 clearly demonstrates the numbers for 2021 and 2022 diverging in October - exactly one week after the campaign went live on 17th October.

This significant increase continued right through until the end of the year.



All up, Skinny acquired 49,796 customers in the last three months of 2022.

⁸ Customer numbers and ROI calculations: Internal Skinny data





⁷ Consideration - TRA Brand Survey data

Those customers are worth \$1.3M to the business each and every month, and with an average tenure of 29 months, will deliver \$38.6M back to the business over their customer lifetimes⁹.

However, let's not get greedy with our return on investment calculations.

If we just look at the INCREMENTAL customers acquired, over and above 2021 numbers, we see that Phone It In delivered an additional 16,811 new customers. With the same average monthly spend and tenure, Phone It In returns \$13.02M to Skinny¹⁰. That's significant.

What's even more significant is that, like all Skinny campaigns, we ran Phone It In on the smell of an oily rag.

Factoring in production and media costs (totalling \$495,000), the campaign had already paid for itself by the end of the year.

And considering the lifetime value of these customers, Phone It In delivers an ROI of \$25.29 for every dollar spent.

10. THIS SECTION IS ONLY TO BE COMPLETED IF THIS CAMPAIGN WAS PREVIOUSLY ENTERED IN 2022 [0%]

We welcome campaign entries in consecutive years, but the entrant must demonstrate material differences in the entry; e.g. additional results reflecting the benefit of long-term campaign building; shifts in targeting or campaign execution that delivered fresh outcomes, etc.

If this campaign was also entered last year, please outline what you have learned from being in market and how this has influenced the campaign's evolution.

N/A

¹⁰ Customer numbers and ROI calculations: Internal Skinny data





⁹ Customer numbers and ROI calculations: Internal Skinny data