



ENTRY TITLE

'Good Tings': How 2degrees took on a fight no other telco would.

2degrees

PRODUCT

Telecommunications

FIRST MEDIA APPEARANCE DATE

2nd October 2023

CAMPAIGN START DATE

2nd October 2023

517-B11 - Positive Change

CAMPAIGN FINISH DATE

17th November 2023

CATEGORY

ENTRY ID

B11. – Positive Change

CATEGORY DESCRIPTION

This category celebrates work with objectives designed to have a positive impact on society, people and the planet. Diversity and inclusivity initiatives or campaigns targeting broad audiences on issues such as inequality, poverty, prejudice, or disabilities. The entry will need to demonstrate that efforts have measurably shifted audience behaviour towards better choices and/or grown demand by integrating relevant socially-aware messaging into their marketing communications. Entries could be either for commercial enterprises, brands, governments and not-for-profit organisations or philanthropic trusts.

WORD COUNT: 2500 MAX





EXECUTIVE SUMMARY [0%]

Give the judges an understanding of the case they are about to read by providing a brief summary for each of the items below. A one-sentence summary is recommended for each line.

(Maximum: 100 words in total – not included in total word count)

The Challenge:	Expand 2degrees' fairness reputation beyond price, taking on the cultural fight of smartphone risks for young Kiwi.
The Insight:	While other milestones, like learning to drive, require a license, kids get their first smartphones with no training, leaving them unaware of the good or bad choices they face when using them.
The Strategic Idea/Build:	Interrupt the first phones moment, to lift the lid on all the good and bad things a smartphone brings.
Bringing the Strategy & Idea to Life:	Good Tings: the world's first, first phone programme.
The Results:	8.9m earned impressions. Double-digit increases in fairness perceptions. Integration into the NZ school curriculum. +11.8% business growth.

Why is this entry an outstanding example for effective marketing in this Effie entry category?

(Maximum 90 words - this is not included in total word count)

"We're on the cusp of a health crisis that could make the smoking epidemic... look like a mild inconvenience. The cause? Our children's smartphones."

This paper shows how 2degrees took on a fight no-one else would: the negative impact of smartphones on children.

By interrupting the moment a child receives their first phone, 'Good Tings' empowered young Kiwi to stay safe online.

The result? An ongoing conversation that is improving the wellbeing of an entire generation.

And with Good Tings now part of NZ's school curriculum, it's just the beginning.

01.

Challenge, Context & Objectives [20%]

This section covers your strategic business context for your marketing activity, alongside your key business challenge and objectives.

¹ NZ Herald, 'Smartphone use in schools', 9 August 2023





Please provide the necessary context on your industry category, competitors, and brand so the judges, including those unfamiliar with your brand/category, can evaluate your entry. Outline the degree of ambition represented by your objectives. Including historical data may be useful here to provide judges with a clear picture of the situation the brand or organisation found itself in.

01A

Before your effort began, what was the state of the brand's/organisation's business and the overall category in which it competes? What was the strategic challenge that stemmed from this business situation? Provide context on the degree of difficulty of this challenge.

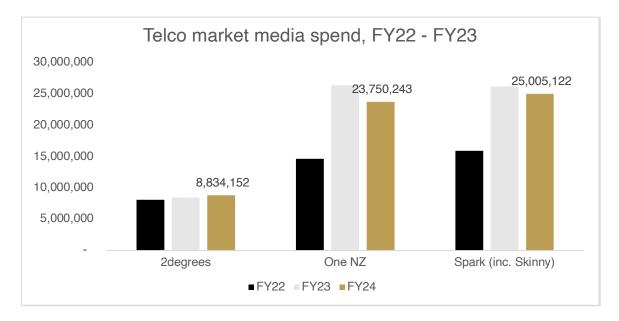
IN 2019, 2DEGREES LAUNCHED FIGHTING FOR FAIR TO IMMEDIATE SUCCESS.

Recapturing its challenger spirit, Fighting for Fair enabled 2degrees to outgrow the rest of the telco market.²

Success led to acquisition by Macquarrie in June 2022.

BUT BY 2023, THE BUSINESS FOUND ITSELF OUTSHOUTED...

Amid flashy rebrands, 2degrees' SOV decreased from 21% to just 15%, putting business in jeopardy as SOV declined below SOM.³



... & OUT-PRICED.

Bankrolled by Spark, Skinny and its cheaper prices were eating 2degrees' lunch.4

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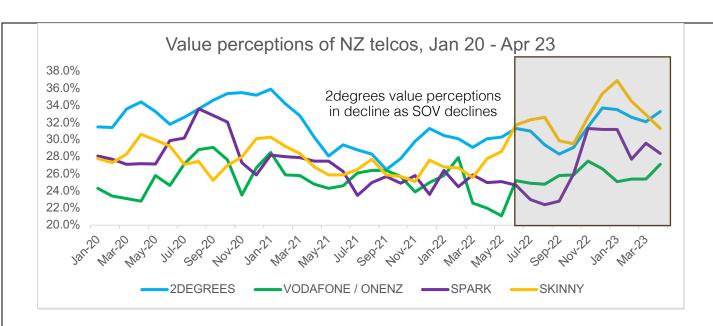
IDC, Q1 2018 – Q4 2023 data cut

³ IPA, 'The Long & Short of It'

⁴ 2degrees, Brand Tracking – Value, Jan 20 – March 23







2DEGREES' FAIRNESS POSITIONING WAS UNDER THREAT.

As the cost of living crisis bit, and inflation soared, fairness understandably became synonymous with affordability.

As such, 2degrees' reputation started slipping, falling from 6th place to 8th for 'fairness leadership'.5

A WANING DESIRE TO FIGHT ON PRICE.

While Fighting for Fair remained integral, 2degrees' new owners wanted to pivot from its low-cost operating model⁶, meaning the 2degrees brand could no longer rely on price to uphold its fairness perceptions.

BUILDING A REPUTATION FOR FAIRNESS BEYOND PRICE.

To continue owning its Fighting for Fair platform, 2degrees needed to make a fundamental shift:

FROM: Fairness through low-priced products.

TO: Fairness through positive change in culture.

THE UNFAIR ISSUE IN CULTURE WAS STARING US IN THE FACE.

2degrees' long-held strategic ambition is to "Make NZ a fairer place to live".

But an inconvenient truth stood in our way: when not managed safely, our products were creating unfair outcomes for Kiwi – particularly children.

Without the right guidance, research showed heavy smartphone use among kids could increase suicidal ideation⁷, the odds of developing OCD⁸, and shrink attention spans.⁹

⁹ The Conversation, 'How smartphones weaken attention spans in children and adults', 2023





⁵ Kantar, 'Corporate Reputation Index', 2022 & 2023

⁶ 2degrees, '2degrees and Vocus merger completes', June 2022

⁷ PubMed, 'Association between Smartphone Addiction and suicide', 2022

⁸ Journal of Adolescent Health, 'Screen Time and Obsessive-Compulsive Disorder Among Children 9–10 Years Old', 2022

These alarming statistics led to a +52% increase in media debate about child phone usage. 10

Parents' anxiety was spiking with the realisation that the biggest risks facing their kids were no longer coming from the outside world, but from the very real dangers of the online world accessed through their smartphones.

As Brent Carey, CEO of Netsafe, remarked:

"Phones are giving young people unrestricted internet access & all the risks that come with it. It's of critical concern that no one is addressing this." 11

If 2degrees was going to stand for fairness beyond price, and tackle an issue that makes NZ a fairer place to live, then encouraging positive, healthy phone use among kids was the place to act.

THE CHALLENGE:

EXPAND 2DEGREES' FAIRNESS REPUTATION BEYOND PRICE, TAKING ON THE CULTURAL FIGHT OF SMARTPHONE RISKS FOR YOUNG KIWI.

01B

What were the objectives you set to address your challenge? For each objective, include: KPI, benchmarks, previous outcomes and the rationale for why it was selected.

Please outline one business/organisational objective and a maximum of 3 marketing and 3 advertising/comms objectives.

1: BRAND: WIDEN 2DEGREES FAIRNESS REPUTATION BEYOND PRICE

Three new metrics were set, encompassing the key cultural dimensions of fairness beyond price.

- 'Cares about making New Zealand a better place to live'
- 'Tackles social issues relating to how New Zealanders use technology'
- 'Cares about New Zealanders adopting good online safety habits'

A reputation measure was also set, proven to impact commercial results. 12

KPI: Lead the category on each measure; lead on telco reputation in Kantar's Corporate Reputation Index

Hard because: Spark & One outspent us, and outperformed us on these metrics.

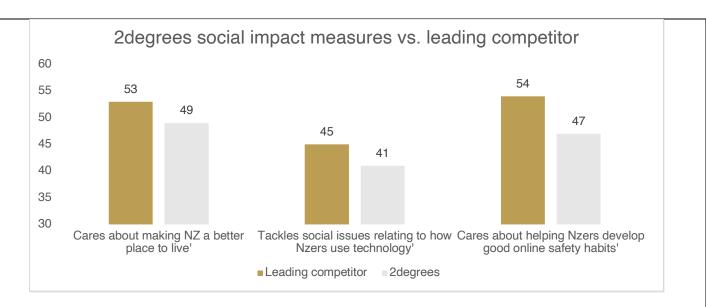
¹² Kantar, 'Corporate Reputation Index', 2024





¹⁰ Google News, articles referencing 'Smartphone Addiction', July 2020 – June 2023

¹¹ Agency – Netsafe briefing



2: COMMS: DELIVER IMPACTFUL COMMS AT SCALE, WITH CLEAR MESSAGE OUTTAKE.

KPI: Overcome SOV deficit through earned coverage; ensure comprehension of message; drive propensity for action.

Hard because: We needed to land a clear, positive message in a cluttered, negative & often uncontrollable news cycle.

3: BEHAVIOURAL: ACTIVELY HELP YOUNG KIWI ADOPT FAIRER PHONE BEHAVIOURS.

KPI: Increase the number of children & teenagers engaging with healthier smartphone behaviours.

Hard because: We had to impact a global problem with a miniscule budget of just

02.

Insights & Strategy [25%]

This section covers the key building blocks of your strategy. Explain to the judges how you arrived at your strategy and clearly articulate that strategy. Focus on the thinking or insight(s) that unlocked your solution and tied it to successfully addressing your objectives.

02A

Explain the thinking that led you to your strategy. Explain how any insights discovered were directly tied to your brand, your audiences behaviours and attitudes, your research and/or business situation.

When it came to managing the risks of smartphones on children, no-one was stepping up.

And it wasn't just the big telcos avoiding the issue in Aotearoa.

Even multi-billion-dollar tech companies were bypassing the problem.

Four insights informed our fight to positively change an issue that no one else would take on:

INSIGHT 1: PARENTS FEEL DISEMPOWERED TO TACKLE THE ISSUE OF SMARTPHONE USE FOR KIDS





Despite intense concerns, 79% of parents are unsure how to navigate a conversation about smartphone usage with their children.¹³ Often, these conversations end in unwanted conflicts.

Many parents lack the confidence to give their children advice about online behaviours because they didn't grow up with the same level of digital exposure.¹⁴

What parents needed was help to start a positive, informative conversation with their kids. But 71% didn't know where to turn. 15

IMPLICATION 1: ARM PARENTS WITH THE TOOLS TO HAVE CONSTRUCTIVE CONVERSATIONS.

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INSIGHT 2: A FIRST PHONE SETS SUBSEQUENT BEHAVIOURS:

The moment a child receives their first smartphone is crucial; setting up all future habits & behaviours.

In the words of Sean Lyons, Netsafe's Chief Safety Officer:

"Nobody is talking about the first moment a child receives their phone, yet it's arguably the most important conversation we should be having with every child and parent in NZ".

IMPLICATION 2: INTERRUPT THE MOMENT A CHILD RECEIVES THEIR FIRST PHONE.

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INSIGHT 3: A FIRST PHONE WITHOUT GUIDANCE IS LIKE DRIVING WITHOUT A LICENSE:

As Netsafe shared, app restrictions & current safety advice are not effective.

Kids know how to get around walled gardens, and do so regularly.

Other risky milestones, like learning to drive, require a license, but kids get their first smartphones with no training, leaving them unaware of the good or bad choices they face.

IMPLICATION 3: EMPOWER KIDS WITH THE KNOW-HOW TO MAKE GOOD PHONE DECISIONS.

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INSIGHT 4: GETTTING A NEW PHONE IS A THRILL; BUT ADVICE IS COMPARATIVELY DULL:

Internet safety is dull and complicated; a stark contrast from the dopamine hit that comes with unboxing a new phone.

To engage children in safer phone use, we needed to embrace this truth and speak their language.

IMPLICATION 4: MAKE PHONE SAFETY ADVICE AS EXCITING AS THE PHONE UNBOXING.

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¹⁵ Pure Profile, 'Parent – children phone behaviours results', July 2023





¹³ Pure Profile, 'Parent – children phone behaviours results', July 2023

¹⁴ Netsafe.

IN SUMMARY

The first phones moment provided a clear opportunity for 2degrees to expand its Fight for Fair.

But another typical telco ad wouldn't cut it.

Delivering on our strategy would require a bold act to ignite positive behaviour change, giving kids & parents the know-how to understand the good & bad side of phones.

02B.

What was the Core Idea or strategic build that enabled you to reach your solution?

(Be succinct. A maximum of 50 words.)

INTERRUPT THE FIRST PHONES MOMENT, TO LIFT THE LID ON ALL THE GOOD AND BAD THINGS A SMARTPHONE BRINGS.

03. Bringing the Strategy & Idea to Life [20%]

03A.

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

Every time a child's phone goes 'ting', how do they know if it's a good 'ting' or a bad 'ting'?

Good Tings is the world's first, first phone programme, a one-of-its-kind experience which interrupts the moment a child receives their phone to provide education and encourage positive conversation between parents & children.

A packaging solution which can accommodate any phone new or old, the initiative has been meticulously designed to take children and parents on a journey which enables them to understand, agree and adopt healthy phone behaviours from day one.

Every tear, lift and fold was engineered to enhance the unboxing of any device and make learning about phone safety as exciting as getting the phone itself.

The box design includes:

- Ten core lessons on how to stay safe online, endorsed by Netsafe
- Scannable digital content, including a bespoke educational music track
- A contract for families to agree healthy phone habits
- Fun, collectible stickers to remind kids of the lessons
- The phone, any type, new or up-cycled, with box built to incorporate manufacturer packaging

LESSONS IN DISGUISE:

Rather than preaching advice, the experience takes cues from emerging youth culture to deliver valuable safety lessons in disguise, where every element entertains & engages kids first.

The visual design and track tap into emerging youth trends of grime music and street culture, creating experiences kids can't miss.





The bespoke 'Good Tings' music track and video by grime icon Scrufizzer teaches kids the 'good tings' and 'bad tings' people receive on their phones in a fun, digestible way.

And a multi-channel campaign, starring Scrufizzer, then advertised where to get first phone boxes from and put our lessons where kids spent their time.

03B.

WHAT WAS THE COMMUNICATIONS STRATEGY?

This section relates to 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.

Outline the rationale behind your communications strategy. Explain how the key elements worked together to drive results:

To launch a bold behaviour change initiative, our comms strategy needed to be equally bold, ensuring Good Tings turned up authentically in the lives of our youth audience and promoted dialogue within families.

PHASE 1: LAUNCH TINGS INTO CULTURE:

Objective: Launch our campaign in a way that feels credible to a cynical younger audience.

Approach: We launched the Good Tings track & music video as any artist would:

- We seeded the track out on unbranded social media channels.
- We sponsored Spotify's 'Discover Weekly' playlist.
- We ran the music video across YouTube and Vevo to get the video trending.
- We prompted discovery through scan-to-listen street posters in proximity to schools & dairies.

PHASE 2: IGNITE CONVERSATIONS BETWEEN PARENTS & CHILDREN:

Objective: Launch the box in a way that drives interest among both parents & children.

Approach: We intercepted moments where children & their parents were likely to be together:

- We launched the box in stores. We then promoted the boxes by:
- Intercepting family co-viewing moments across BVOD & YouTube.
- Ran a bespoke 'turn off your phone' message in Event Cinemas before family films.
- Launched radio spots in and around school drop-off times.
- Placed OOH in prominent areas over-indexing with families.

PHASE 3: GET BUY-IN:

Objective: Drive cultural relevance & generate credibility for the initiative.

Approach: Once the campaign was fully established, we went loud with PR.

We revealed our collaboration with Netsafe, gaining their endorsement in media channels.





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

Other owned media included retail displays, window decals, digital screens & posters.

What was the \$ Spend? Outline the media and production spend on the campaign within the campaign period. Use actual spend rather than ratecard. In the case of donated media please list the rate card value separately from the paid media spend.

Media Spend	
Outline the media spend in relation to competition and versus last year	Media spend YoY slightly increased – from 14% to 15% - but well below SOM of 18%.
Creative Production Spend	

04.

WHAT WERE THE RESULTS? [20% for 4A and 15% for 4B].

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.

Please Note: All results must be sourced to be judged; any unsourced results will not considered by judges.

04A

Overall achievement against objectives [20%].

Clear proof that the objectives established in section one have been achieved. Judges will be seeking quantified results. Successful entries ensure that results can easily be aligned against objectives established in section one.

Note: Please ensure all data is sourced, and is specific to the results period outlined in the Call for Entry, and geographically isolated to Aotearoa.

OBJECTIVE 1: WIDEN 2DEGREES' FAIRNESS REPUTATION.

Of those who recalled the campaign:

RESULT 1: 2DEGREES IS NOW LEADING THE WAY IN MAKING NZ FAIRER. 16

¹⁶ 2degrees Brand Tracking, December 2023





'Cares about making NZ a better place to live' grew from **49% to 62%** – typically these metrics move by just -/+ 4% over a six month period.¹⁷

RESULT 2: 2DEGREES IS NOW LEADING THE WAY IN MAKING TECHNOLOGY FAIRER. 18

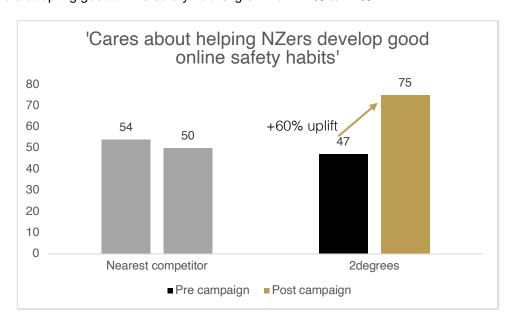
'Tackles social issues relating to how NZers use technology' grew from 41% to 64%.

Spark also saw growth as it invested heavily in its 'Hello Tomorrow' platform, outspending 2degrees at 44% SOV.

Nevertheless, 2degrees still went from trailing by -4% to **leading Spark by +11%.**

RESULT 3: 2DEGREES IS LEADING THE WAY IN MAKING ONLINE BEHAVIOURS FAIRER. 19

'Cares about NZers adopting good online safety habits' grew from 47% to 74%.



RESULT 4: 2DEGREES NOW HAS THE BEST REPUTATION OF ALL NZ TELCOS.²⁰

Uplift in social impact fairness measures contributed to ranking in the top 20 of Kantar's 'Corporate Reputation Index', following a **+3 increase in RepZ**.²¹

COMMS: DELIVER IMPACTFUL COMMS AT SCALE, WITH CLEAR MESSAGE OUTTAKE.

²¹ Kantar, 'Corporate Reputation Index 2024'





¹⁷ 2degrees Brand Tracking, December 2023

¹⁸ 2degrees Brand Tracking, December 2023

¹⁹ 2degrees Brand Tracking, December 2023

²⁰ 2degrees Brand Tracking, December 2023

RESULT 1: GOOD TINGS GAINED MASS CULTURAL AWARENESS, INCREASING MEDIA EXPOSURE.

Good Tings was picked up by 16 different national media outlets in NZ, including TVNZ, the NZ Herald & RNZ.²²

These different media channels resulted in **8.9 million impressions**, resulting in a conservative AVE (Advertising Value Equivalent) of \$81K.²³

Contrasting these earned impressions with other best in class positive change cases, Good Tings garnered +22% more media coverage in NZ.²⁴

Our message was heard wide and clear – across all mentions, key message inclusion stood at 100%.²⁵

The campaign also resonated beyond NZ, with Mail Online & BBC Radio 1 picking it up, resulting in **63 million impressions**.²⁶

RESULT 2: GOOD TINGS DELIVERED A CLEAR, EDUCATIONAL GUIDE ON GOOD PHONE BEHAVIOURS.

Brand tracking shows that advertising comprehension stood +44% above NZ norms.²⁷

RESULT 3: GOOD TINGS DROVE STRONG PROPENSITY FOR ACTION.

Drive score – measuring propensity for action after viewing advertising – stood +83% up on NZ average.²⁸

OBJECTIVE 3: ACTIVELY HELP YOUNG KIWI ADOPT FAIRER PHONE BEHAVIOURS.

RESULT 1: GOOD TINGS IS DIRECTLY ENABLING BETTER CONVERSATIONS.

15,000 people logged onto the online unboxing experience.²⁹

All 4,000 First Phones boxes placed in stores sold out.30

Due to demand, Good Tings has now been made a **permanent feature in all 2degrees retail stores**, with an indefinite supply of boxes.

RESULT 2: GOOD TINGS HAS LED TO A SURGE IN SEARCHES FOR BETTER PHONE BEHAVIOURS.

Netsafe have reported a +25% uplift in people having conversations with them about phone safety.31

Google Trends shows a +1,110% uplift in searches for 'first phone support' in NZ post campaign period. 32

³² Google Trends, Indexing for 'first phone support', October 2020 – November 2023





²² First Phones PCA, December 2023

²³ Agency, 'Media ratecard data', 2023

²⁴ 'Correct the Internet', WARC Awards for Effectiveness 2024

²⁵ First Phones PCA, December 2023

²⁶ First Phones PCA, December 2023

²⁷ 2degrees Brand Tracking, November 2023

²⁸ 2degrees Brand Tracking, November 2023

²⁹ First Phones PCA, December 2023

³⁰ First Phones PCA, December 2023

³¹ Netsafe, 'End of 2023 year report', December 2023

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FROM RESULTS TO IMPACT:

CULTURAL IMPACT: GOOD TINGS IS DELIVERING LONG-TERM, GENERATIONAL IMPACT.

Good Tings has now been permanently integrated into the NZ school curriculum.

The impact of this cannot be overstated: all current & future children receiving their first phone will now be trained how to stay safe online, ensuring greater health & wellbeing for an entire generation.

This year, we estimate the initiative will reach every child aged 10-14, or 343k children; over the next 10 years, we estimate the initiative will reach <u>968k young Kiwi</u> ³³ – delivering immeasurable media value and brand equity for 2degrees.

As Brent Carey, CEO of Netsafe, said:

"This campaign has gone far beyond what we ever imagined and sets a new standard for phone safety. With Good Tings now in every school in NZ, it will lead to a whole generation of Kiwi being better prepared for the digital world."

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COMMERCIAL IMPACT: 2DEGREES REMAINS OUTPERFORMING THE TELCO MARKET.

In the first half of FY24 (July – December 2023), 2degrees outperformed the rest of the telco market, growing by +11.8%. In contrast, One NZ & Spark – despite 78% of SOV – grew by +5.6% and -0.4% respectively.³⁴

During the two months that Good Tings was in market, 2degrees saw a +39% increase in mobile plan sales.³⁵

Showing that what's good for New Zealand, is good for business too.

04B

Convincing proof that the results were a direct result of your campaign [15%].

Outline other external factors that could account for the results outlined in 04A and provide compelling evidence and rationale for why these did not contribute significantly to those results. There are almost always other factors that could have affected your results, such as product changes, pricing, distribution, stock levels, competitive activity, weather, etc. You need to convince the judges that these factors were not responsible for your results, or estimate their contribution and/or demonstrate how they needed the campaign to amplify their impacts.

WIDEN FAIRNESS REPUTATION:

Were results down to external influences on the category? No. Our metrics went up; our competitors' measures did not.

³⁵ 2degrees, Internal sales data, March 2024





³³ Stats NZ, 'National Population Projections', 2022

³⁴ IDC, 'H1 FY24 report', March 2024

Were fairness uplifts down to other 2degrees activity? No. All measures reported are pre & post Good Tings, when no other brand activity was live. While trading-related comms did exist, activity does not correlate with social impact metrics.

Did any other activity impact 2degrees' broader reputation, as reported by Kantar? Yes. Kantar's report is published yearly and during FY24, 2degrees also sponsored Super Rugby Aupiki. Good Tings has been attributed with ~60% of this reputational uplift.

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IMPACTFUL COMMS AT SCALE, DELIVERING A CLEAR MESSAGE:

Can we attribute all fairness and reputation uplifts directly to Good Tings? No. But we know paid & earned media are the biggest contributors to reputation gains.

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ACTIVELY HELP YOUNG KIWI ADOPT FAIRER PHONE BEHAVIOURS:

Was there wider media coverage of children's smartphone use which could have influenced Netsafe & Google uplifts? Yes. But uplifts were seen as Good Tings was in market.

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CULTURAL IMPACT:

Were there other initiatives in play which tackled phone usage among young Kiwi? No. No other telco or organisation has positively impacted children's phone behaviours.

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COMMERCIAL IMPACT:

While we cannot isolate Good Tings' impact on commercial performance, a strong RepZ score has been proven to create volume & value share growth.³⁶ As 2degrees' largest piece of branding activity in FY24, Good Tings contributed +60% of this RepZ upturn.

Guidance Notes Please refer to the guidance notes below, to ensure your entry conforms to eligibility criteria.
Eligibility: Data presented must be isolated to Aotearoa, and work must have run between 1 June 2022 and 30 June 2024. Results may be included up to 23 July 2024. Results data that fails to isolate or identify data specific to the eligibility period and/or Aotearoa New Zealand risks low marks and/or being ineligible.
Data Sources: All data referenced in the entry requires sources (recommended as footnotes on the page referenced or at the end of the entry).
Charts and Graphs: Entrants are encouraged to display data via charts & graphs within the limits allocated in each question. Sources required for all data including charts and graphs.
Agency names: No agencies, of any kind, are to be included in the entry.

WORD COUNT: 2,488

³⁶ Kantar, 'Corporate Reputation Index 2024'



