

TITLE OF CASE STUDY: Caramilk Key to the Secret Promotion

The case study can not exceed 5 written pages in 11 point font. The case study should explain the business opportunity and objectives, the research story behind campaign development, a description of the campaign, and proof of business results (please see Entry Kit for more details). *Proprietary data can be disguised. Winners are able to submit an alternate version of the case study excluding sensitive information for use in public communications. You may delete this portion this text for your case study.*

Caramilk Key to the Secret Campaign – Ogilvy ARF Award Submission

Background

Caramilk is a beloved brand in the Canadian Chocolate market. The brand has a strong heritage, built by a consistent 40-year campaign the; *Caramilk Secret*.

The Secret intrigued and engaged Canadians for decades. It made generations of Canadians wonder: *“just how do they get the soft flowing caramel inside the Caramilk bar”*. Since its inception in the 60’s, it has become a modern-day myth, a part of Canadian culture. By the mid-2000’s, the brand was losing its relevance as consumers and competitive launches changed the landscape. In order to address this, the brand moved away from the Secret in order to focus communications around the relevant category truth, ‘indulgence’.

However, relevance and baseline sales steadily declined. In a market where there are so many choices for consumers, Caramilk lost some of its uniqueness and Canadians began to forget what the brand stood for. This impacted equity measures and moved the brand from loyalty to repertoire usage.

The Brand and the Consumer Insight and Strategy teams did a deep dive to understand where the brand stood in 2009 and where the best opportunities lay to regain share and presence in consumers minds, hearts and shopping baskets.

Research Process



1. Strategic qualitative was conducted with both Adorers and Occasional users of Caramilk. During the research, consumers were probed on current category and brand perceptions and exposed to various strategic territories. The research utilized a variety of techniques including: collages, brand personality assessments and competitive analysis to gain a deeper understanding of the consumer relationship with the brand. Ultimately the research was instrumental in making decisions about the right direction for Caramilk moving forward.

As a result of this Strategic qualitative work, the team was able to make the following key decisions:

- 1) A return to the 'Secret' was the correct approach for the brand
- 2) While a focus on the 'Secret' was important, any new strategic executions for the brand would have to highlight the 'Secret' in a new and different way to ensure continued brand relevance and interest.

2. Following from the qualitative, the team decided that a promotion would be the optimal way to both leverage the equities inherent in the 'Secret' and engage consumers in a new and different way. The 'Key To The Secret' promotion for Caramilk was specifically created to focus on those core equities highlighted in the first phase of consumer research.

As the next stage in the process, concept testing research was initiated with a broad confectionery sample to understand the potential impact of the newly created 'Key To The Secret' promotion in market. The methodology was designed to test each individual element of the promotion (e.g. Prize money, trip to Toronto, factory tour) and enable an understanding of the most motivating program features for messaging. In addition, specific details of the prizing (e.g. number of winners and prize winnings) were included to allow for a cost-benefit analysis on the program elements.

As a result of the promotional testing work, the team was able to understand:

- 1) The most important elements of the promotion that could be leveraged in TV, OOH, on-pack and in-store.
- 2) An optimal prizing format (focus on 10 Golden Keys vs. 25-50 keys) to manage costs and maintain the true strength of the promotion.

3. As a next step, the information from the promotional testing was leveraged in the development of the communication strategy. Specifically, the information on the importance of the promotional elements was key in the construction of the creative to drive both promotional awareness and brand equity.

To test the new creative, two rounds of Ipsos-ASI Quali-Quant testing was conducted with both Loyal and Occasional users of the brand. In each round of Quali-Quant research, different creative executions were introduced to consumers and the research was used to better understand program comprehension, emotional reaction to the ads and impact on core brand equities. Two rounds of research were necessary to land on the optimal advertising.

As a result of the Quali-Quant testing, the team was able to:

- 1) Gather a diagnostic understanding of the creative approaches that worked and did not work for the brand.
- 2) Use those learnings to develop a piece of creative that resonated with consumers and generated excitement in the promotion.

4. Once the final piece of creative was produced, a Millward Brown LINK creative test was conducted to ensure the creative concept was delivered optimally in a fully produced

format. Learnings from the LINK test were used to fine-tune the advertisement before final production.

5. Finally, once the promotion was launched in market, continuous in-market equity tracking was used to understand the impact not only of the various media options (promotion, TV, on-pack), but on the core equity of the brand itself. Regaining relevance and uniqueness in particular were key as these are drivers of success from an equity and brand health standpoint.

In addition, the brand was closely monitored via Nielsen analytics to help assess the program success and impact in market.

Campaign Description

Caramilk Key to the Secret

We hid 10 golden keys in Caramilk bars across the country. One of them unlocked the Caramilk Secret... a secret that we paid one lucky Canadian \$250,000 to protect for 6 months. The catch? They had to return the Secret unharmed, untouched, and unopened in order to get all the money. 50% was paid upfront, with the second 50% upon return of the Secret.



Key to the Secret was the sole brand activation on Caramilk in 2010. We turned what started as a simple in-store promotion into a major base equity activity, one that would drive short-term sales lifts, and long-term baseline impact. With all our investment focused on this promotion we consciously stepped away from the traditional TV equity advertising we had been trying to crack. Focusing our TV efforts on the communication of the promotion was a significant risk, and a shift in mind-set versus how we had traditionally considered in-store promotions.

The promotion deeply incorporated every element of Caramilk’s marketing mix, from advertising, to in-store, to on-pack, and in-pack.

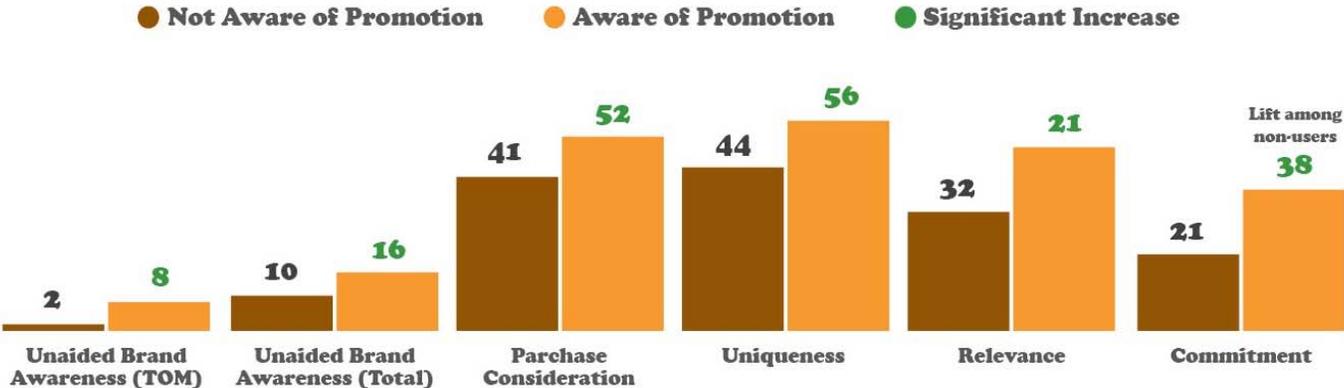
Key to the Secret also used an extremely novel instant-win mechanic, which ultimately put it in another league vs. other competitive consumer promotions. We gave away \$250K, but it wasn’t about the money, it was about what the money stood for, and the fun in getting there. Instead of driving consumers online to determine whether or not they had won, we physically brought the excitement and magic in-store and in-pack as the keys were physically hidden inside Caramilk bars. This mechanic was ultimately at the core of what was a powerful idea and it drove purchase frequency beyond expectations.

Campaign Results

Highlights

- Caramilk singles hit the #1 position nationally, and had the highest share of single bars
- The 52 gram bar saw strong growth in the final month of the promotion
- Received outstanding promotional awareness
- Garnered over 200 PR stories, and strong online SOV
- Our Brand Equity increased overall

CARAMILK PROMOTION EQUITY RESULTS



CARAMILK ADVERTING EQUITY RESULTS

● Not Seen Ad
 ● Seen Ad & Linked to Caramilk
 ● Significant Increase Lift among users & non-users otherwise noted

