

TITLE OF CASE STUDY: Wheat Thins Comes Alive with Real Crunch

Business Situation

Wheat Thins in Decline

Wheat Thins (WT) was in trouble. Launched in 1947 as a Wheat Cracker, the brand grew to over a \$400 million brand in 2009 – but its underlying foundations were starting to chip away. WT was losing salience with core consumers – key equity measures started to erode in 2007 and the brand became very reliant on innovation to drive growth. Then the recession hit bringing with it more stringent criteria for consumer's discretionary dollars. WT was no longer able to rely on innovation to keep the brand propelled -- consumers started to leave the brand and sales and share started to decline, tracing to both base and incremental performance.

WT fundamentals needed fixing – but how? Thus, began the journey that lead to one of the most successful digital campaigns in the marketplace today. It is a story of a cross-functional team of Consumer Insights & Strategy, Marketing and Agency Partners collaborating closely together to generate enlightening insights that inspire. A team that combined traditional research with ground-breaking research techniques and then overlaid the latest in social listening to glean deeper insights –Insights that enabled us to 1) rebuild WT Marketing Foundations; 2) Develop a Salient Campaign that reconnects with our consumer on both an emotional and functional level; and 3) continuously direct and strengthen execution of the campaign.

THE JOURNEY BEGINS WITH REBUILDING MARKETING FOUNDATIONS:

INSIGHT: We Need to Change our Frame of Reference from Cracker to Savory Snack

Three studies were synthesized to drive the conclusion we were not thinking broadly enough about WT's frame of reference:

- 1) **In-depth Sales/Behavior/Usage Analysis:** This traditional study, conducted with Nielsen and National Eating Trends, revealed that WT was eaten more like a Salty Snack (SS), than a traditional cracker. Additionally, a significant portion of WT's volume losses traced to the Salty Snack category, as consumers started substituting Better-For-You Tortillas and Chips for WT. Finally, despite strong interaction, WT's sales were declining, while SS showed healthy gains.
- 2) **Integrated Demand Landscape Study:** This company-first study, conducted with The Cambridge Group, identified and integrated three consumer-based dimensions: Consumer Segments, Consumer Palates Preferences and Savory Snack Need-States, to provide a holistic understanding of the Savory Snack marketplace and consumers demands within this landscape. It revealed WT's appealed to a distinct Consumer (Busy Snack Enthusiasts) that enjoys WT distinct flavor/texture profile within Need-States that was more commonly associated with Chips or Nuts: Hand to Mouth Snacking and Wholesome Snacking.
- 3) **WT's Value to Consumers Today:** Four focus groups were conducted by Energy Enfuser, employing their unique Jobs Model, that identified what "jobs" consumers seek for Savory Snacks to perform, where WT fits into these roles and how that has been impacted by the economy. This study further supported the high

level of interaction between WT and SS – and that in today's economic climate it is critical to elevate functional bonds with consumers to a strong emotional connection.

Having crystallized our situation, it was clear: Our competitive focus could no longer be just crackers; we needed to turn attention to a more broadly defined universe of Savory Snacks. It was time to change the game and embrace what consumers believe us to be – A Salty Snack.

INSIGHT: We needed to change our target from an older health seeking woman to a younger, adult experience seeker.

With our frame of reference firmly established, we still needed to reverse the penetration declines and attract new/lapsed users back to brand. In order to identify the best growth target, we conducted two analyses:

- 1) **Prime Prospect Analysis:** A quantitative survey conducted with MISI, employed their survey-based modeled approach in identifying consumers that share all the same values, attitudes and behaviors as consumers passionate about your brand, with the only difference being these consumers do not buy your brand. By identifying WT's growth target as such, we were able to identify a sizable group of people, who would be open to WT's unique point of difference.
- 2) **Archetypal Landscape/Work-Session:** Kraft CIS worked with IPSOS to develop an industry-first quantitative methodology to classify the Archetypal Profile for all major brands within Savory Snacks. We then partnered with Margaret Mark, author of The Hero and The Outlaw, to facilitate work session enabling the cross-functional team to a) recognize key factors driving WT's current Archetypal Association, b) determine the most optimal Archetypal Association and c) identify the key levers we need to pull to change consumer's perceptions of the brand.

Collectively the learning from these activities revealed:

- Long gone are the Sandy Dunkin days when WT was considered a healthy woman's cracker – our appeal should now shift to both women and men.
- We needed to attract a younger consumer, with 25-35 acting as a more appropriate bulls-eye than formerly targeted 35-54 year olds.
- Both growth and core users understood the brand's nutritional profile, but our growth target needed to be reminded of the brand's unique sensorial qualities.
- While WT's Archetype is currently that of an Innocent, to stay relevant to our consumer, we will need to reposition WT association to that of an Explorer.
- Enjoyment was the most powerful drivers of choice (vs. health) —However, the growth target didn't think Wheat Thins was as interesting or exciting as other snack brands

Based on these analyses it was clear we needed to change our target from women 35-54 year old healthy balancers to adult experience seekers who were 25-35 years old.

THE JOURNEY CONTINUES WITH AN INDEPTH UNDERSTANDING OF OUR CONSUMER TO INSPIRE THE POSITIONING AND STRATEGY:

Insights from three activities were triangulated to provide an in-depth understanding of WT's new consumer target:

- 1) **On-Line Survey/e-Collage:** Kraft partnered with BuzzBack Research, to conduct an on-line survey, along with an e-Collage to drill beneath the surface and identify consumers' attitudes, values, lifestyles and

media habits, as well as key perceptions on WT today. This relatively new quantitative tool was able to compare these insights across long time users, new users and men.

- 2) **Social Listening:** Employing the tools of Radion 6, the team listened to what consumers were saying about WT's today – the good, the bad and the ugly.
- 3) **Ethnographies:** Instead of hiring a research firm to go out and talk to these consumers, we decided the entire team (agency, marketing and CIS) would spend in-depth time interviewing these consumers themselves. We needed to get to know them so well that our instincts as we moved forward would be consistent with the way they thought. We explored their lives, values, aspirations, what they did for fun and which snack they ate and why.

Synthesis across the learning above provided: 1) a deep understanding of the defining characteristic of our WT's target buyer, 2) a clear identification of WT's marketing challenge and 3) the insight the team needed to develop a relevant, inspiring communication brief that was based on two key tenets:

A. Defining Characteristics:

#1: EXPERIENCE EMBRACERS

We discovered our consumers like to explore, to engage in new experiences; to take advantage of all life has to offer. Why? For them, experiences were things to be shared with friends and family as a way to deepen connections with them. This sharing could happen in real time, or virtually.

To these consumers, downtime is wasted time. They get easily bored with the mundane and monotonous. There is nothing worse to these adults than sitting there and doing something mindless. Whether it's boring work or lazily sitting on a couch, these consumers get restless for something to stimulate them—a great game, cool music, conversing with friends in a social network or being entertained by social media. They love variety and spontaneity.

#2: SOCIAL – VERY SOCIAL!

They desire to share the things they love with those close to them. After all, life is better when shared with others. Sharing experiences (live or via on-line posts) with friends or family makes the experience last longer and is more valuable. Their friends are varied and they love this diversity. We learned that many of these consumers use social media tools (i.e.; Facebook, Twitter, You Tube, etc.) to stay connected. Some were active participants while others were more passive.

These consumers surround themselves with their “tribe” – the group of people they call family. They could be related, long time friends or even virtual connections – but it is a group of people they feel incredibly connected to – the people with whom they choose to explore life's adventures.

#3: THEIR LIVES ARE FLUID – SO IS THEIR SNACKING

These consumers eat snacks throughout the day to fit their busy schedules. They keep different snacks readily available. Snacks are a fun way to keep going so they can squeeze the most out of every experience, every day. They see snacks as fuel, not a reward for a success, a stress reliever, or any other emotional benefit. They are flavor adventurers with a balanced approach to food. For many, the health obsession has sucked the pleasure out of snacking. They crave the excitement of snacking. “Salty snacks are what I want and I don't want a timid eating experience.” So while they are ingredient and nutrition conscious, they don't want to think about it a lot. Instead, they want interesting snacks that keep them moving. When choosing snacks, they love a good crunch because it's satisfying to them.

B. Wheat Thins Marketing Challenge: WHEAT THINS ARE PERCEIVED AS NUTRITIOUS AND BORING

Core WT's users and the growth non-user target are both aware that Wheat Thins is made with whole grains, but while the core has discovered its unique multi-dimensional taste and texture, the growth consumer only associated

WTs with its nutritional properties —they think of the brand as sensible and boring. These same consumers see salty snacks as fun and exciting with a lively crunch. They enjoy exploring new experiences and taste sensations and love variety in their snacking.

So, while our core users have discovered the complex taste and crunchy texture of Wheat Thins, our growth consumers don't believe Wheat Thins is as interesting or exciting as other snack brands

We knew we needed to evolve Wheat Thins from a serious, boring snack to an exciting, fun sensory appealing snack. Our core users have already discovered it; our growth consumers were looking for it.

C. Communication Brief:

Tenet #1: ACT LIKE A SNACK!

Utilizing these insights our team worked together to develop the communication brief:

- **Brand Fight:** Crunch against the Grain!
- **Consumer Insight:** When I'm inactive, I miss out
- **Product opportunity:** Toasted whole grain crunch that engages mouth and mind
- **Brand message:** Come alive with real crunch.
- **Brand voice:** Active, current, real, fun, surprising and young in spirit
- **Brand Challenge:** I don't believe Wheat Thins is as interesting or exciting as other snacks

Tenet #2: SHIFTING MEDIA PHILOSOPHY FROM MASS TO TRIBE

We knew increasing relevancy among our consumer went beyond our message to medium, as well. Relevancy with these consumers is all about establishing connection and this needed to be defined by their world, in their terms. Leveraging everything we learned about our target's media and lifestyle habits and what they talked about on-line, we recognized that while these consumers still used traditional media, they were also extremely active in social media.

We also discovered WT had its own Tribe -- a unique group of Wheat Thins lovers that loved everything about Wheat Thins--the energy it represented, the complex taste and the intensely satisfying crunch. These passionate brand users tweet, post pictures, complain when their husband or kids finish their Wheat Thins, and endlessly express their love of Wheat Thins. We determined about 20% of the Tribe were active participants within social spaces—commenting, posting, re-tweeting, etc. We also learned that our target were suspicious of media pushed out to them.

To effectively reach the Tribe, we had to change our traditional campaign focus from mass to one that was focused on social networking; establishing one-on-one relationships with the Tribe. They were already acting as ambassadors of the brand. We needed to tap into this passion and activate them so that they could help us draw in even more users.

THE DESTINATION – THE WHEAT THINS CAMPAIGN: LISTENING-SURPRISING-AMPLIFYING

The Wheat Thins Campaign

So, we developed a campaign that started with listening--building one-one relationships with the Tribe. Next, we engaged them by tapping into their passion points and surprising them in exciting ways. Finally we amplified the conversations by creating mass media TV ads.

Campaign Objective:

Our campaign objective is to transform Wheat Thins from a cracker to a snack.

Listening to the Tribe

We actively listened to our Tribe's Tweets and Facebook comments about their local passions and interests. We showed consumers we care by listening and responding directly to the Tribe and by keeping them informed about brand news (like the launch of Wheat Thins Stix) and current activities. We also kept the Tribe entertained by sharing content related to their passion points (videos, photos, stories, games, challenges, etc.).

Surprising the Tribe

Since the members of the tribe mention Wheat Thins everyday in social media, we acknowledged, thanked and championed these individuals to strengthen the relationship. We surprised our passionate Tribe members with customized and enhanced responses to their conversations.

Twitter (i.e., Twitter account [crunchiscalling](#)) was the main site where Wheat Thins engaged one-on-one with influencers and consumers by posting new content updates, re-tweeting, responding and having conversations with our Tribe directly.

Facebook was the main platform where Wheat Thins engaged with the community. It served as the main hub for our digital communications and where we continue to build a tangible fan base. On Facebook we demonstrate value to our community by starting conversations (tips, quotes, jokes, remarks, and questions), creating custom experiences and replying to consumers on an ongoing basis.

Using social media monitoring tools, we identified and kept abreast of the top 50 brand advocates for Wheat Thins including top bloggers in music, lifestyle & entertainment categories; categories our tribe finds engaging. We also kept in touch communities who talked about topics like Wheat Thins sponsored events. Each advocate who opted-in received a gift box of Wheat Thins along with a handwritten thank you message which in turned generated even more conversations. During 2010 we gave away over 1,000 of these "Wheat Thins care packages".

In all consumer interactions we ensured we were open, transparent and honest. They were always told we were engaging them on behalf of Wheat Thins.

Amplifying--From Social Networking to Mass Media

We amplified our discussions by used the Twitter and Facebook comments to serve as the basis for our television campaign (we called Twiterventions.) A few consumers who mentioned Wheat Thins on either Twitter or Facebook were paid a surprise visit by a film crew traveling in a van that says "The Crunch is Calling". These Twiterventions became the television ads. The first television ad developed by Escape Pod of Chicago launched in June 2010. It featured Tabitha Hancock who had written on her Facebook page that because she was "outta wheat thins", her "life is officially over!" Ms. Hancock got a surprise knock on her front door by the Wheat Thins Crunch crew. While a fork lift lowered a pallet of Wheat Thins onto Ms. Hancock's driveway, the actor Brian Palatucci interviewed her. Other spots surprise consumers who had posted about using Wheat Thins as picks to play air guitar or wondering if noise-canceling headphones can effectively block the sound of Wheat Thins being chewed. Still others existed only on the Wheat Thins You Tube channel called [CrunchIsCalling](#) .

Events

Finally, we sponsor several events during the year (i.e., NCAA college basketball games, the Bonnaroo Music and Arts Festival). At these events we gave away more than five million product samples of Wheat Thins Stix and/or Regular Wheat Thins at locations like the "Crunch Den," an air-conditioned tent where Bonnaroo festival attendees were able to sample Wheat Thins and talk about their experiences in video confessionals. Later, montages of fans interacting with the Crunch Confessional along with fan reactions to the experience were put on WT's Facebook fan page to extend the reach of the experience.

Business Results

- ⇒ Despite this campaign being relatively new, early indicators suggest stellar business results. We've reversed the declining sales trend, achieving seven straight months of sales and share growth since this campaign began. (Refer to Appendix 1 & 2)
- ⇒ Importantly, the fundamental health of the brand is improving, as the base trend line has reversed and base velocity has shown growth since January 2010.
- ⇒ Tribe Engagement continues to grow:
 - Facebook fans have grown from 2,000 back in August of '09 to 179,971 today
 - Twitter followers went from zero in August '09 to 3,400
 - YouTube views which were also non-existent in August '09 are now 1 Million+

Wheat Thins is definitely Coming Alive with Real Crunch...as we continue to evolve our campaign by listening to our consumers, surprising them and then amplifying the message, we fully anticipate continuing to build on its success.