



Kevin The Carrot - Making Christmas Amazing

Client: Aldi Stores UK & Ireland

Brand: Aldi

Start Date: 6/11/2016 End Date: 31/12/2016

Countries in which effectiveness was proven

Ireland
United Kingdom

Campaign Background

For ten months of the year, Aldi had a winning formula in the UK and Ireland. Being a deep-discounter supermarket famous for low prices – averaging 20% cheaper - on a modest range of everyday necessities was a recipe for success.

But at Christmas everything changed, and Aldi's greatest strengths became its biggest weaknesses, until Kevin the Carrot came along. Since 2011 Aldi enjoyed fantastic growth. In April 2016, Aldi UK had the highest YoY growth of all its competitors at 18.1%¹ and Aldi Ireland had a YoY growth of 38.1%².

However the key Christmas trading period remained a challenge. Aldi shoppers 'trade up and out' to treat themselves to luxuries because:

- They don't feel Aldi has the full range of these products.
- They worry Aldi will run out of stock on key lines.
- Aldi is too associated with everyday shopping and doesn't feel festive.

It represents a time when all shoppers become less loyal, and when food retailers strive to hold onto exiting shoppers and entice in new ones. In 2015, this resulted in a dip in market share at Christmas.

Aldi needed to address and reduce this shortfall for Christmas 2016. They could not easily change their range, store size or shopper experience so the only lever left for marketing was communications.

Objectives

Business

Aldi had one clear business objective – to beat their Christmas 2015 sales performance.

Marketing

- Address Aldi's Christmas dip in market share
- Increase penetration over Christmas: by 1% in the UK (450,000 new shoppers) and 1% in Ireland (25,000 new shoppers)
- Improve shopper loyalty
- Increase sales of premium products

Communications

Get shoppers to reappraise Aldi at Christmas.

- Communicate "Aldi had everything you need for a perfect Christmas at great value"
- Increase consideration
- Create positive social commentary

Creative Strategy

Brand platform

In 2016 Aldi launched its brand platform, Everyday Amazing, which highlighted the lengths Aldi go to provide high quality everyday goods at low prices. It was built on an insight – Aldi's approach doesn't just save you money, it enables you to get more out of life.

Christmas creative challenge

There's a challenge for Aldi at Christmas as shoppers don't want an 'everyday' experience – they want a special magical one. In recent years other supermarkets have been massively increasing their investment in high-profile, big-budget, elaborate and integrated Christmas campaigns, all competing to be the most talked-about and the most loved. Aldi was faced with how to make 'Everyday Amazing' work at Christmas while facing the 'arms race' of marketing spend from all the other supermarkets.

It needed to land its key message that 'Aldi has everything you need for an Amazing Christmas at prices that represent unbeatable value', and it needed to do it in a way that would cut through, get noticed and remembered and be distinctly Aldi.

Insight from research

Aldi's problem was that it was 'too associated with everyday shopping and does not feel festive.' They needed communications to add a sense of specialness to the brand. But what they actually created was a campaign built around a humble carrot. Yet it worked. Here's why:

Agency qualitative research had revealed a surprising paradox in shoppers' attitudes to Christmas. On one level they willingly buy into the hyperbole of Christmas marketing. Yet they're not stupid. People recognise that Christmas is actually still a day just like any other. They know it doesn't always snow. Your home and town are the same places that they always are. Your family are the same people. Yet nevertheless it all feels different somehow.

The insight is that the real magic of Christmas is in the paradox – it actually comes from the power of the imagination to see the most everyday things in the most amazing way. Rather like Aldi's Everyday Amazing strategy.

Creative idea

Ramp up the Everyday to ramp up the Amazing – create a brand spokesman based around one of the humblest, most unsung, overlooked and unassuming everyday items Aldi sell, and then use this spokesman to showcase all of the wonderful, unexpected, 'Amazing' things available at Aldi at Christmas.

The birth of Kevin the Carrot

Inspired by the millions of children who leave one out for Rudolf, Kevin the Carrot walked us through Aldi's amazing Christmas range and in the process won the hearts of the UK and Irish public. Kevin's adventures featured in an integrated campaign and he could be bought in every Aldi store in for 3p/3c! He fronted a teaser campaign, 13 TV commercials and a behind the scenes 'casting' video.

In store, soft toy Kevin replicas sold for £2.99 (€3.99) with all proceeds going to charities; Barnardo's in the UK and St. Vincent de Paul in Ireland. The toys sold out in half an hour, spawning re-sales on eBay and innumerable hand-knitted 'Kevins'.

Communications Strategy

We needed Kevin to cut through the £95m+ (€110m+) grocery Christmas media market, so our channel strategy had to work hard to bring Kevin to life. Our core media KPI's were also critical to the campaign's success:

- Achieve optimal reach and frequency in each channel.
- To rise above the higher than usual competitor noise in the period.
- Delivery of market leading return on investments.

The media strategy focussed on the communications objective to get shoppers to reappraise Aldi's Christmas range and put Aldi on their Christmas shopping list. Insights showed that Christmas food shopping starts early with many products then consumed resulting in multiple revisits to stores. Against our competitor set, Aldi was the sixth highest advertiser in the UK and the third highest in Ireland. The highest spender's budget was Lidl, which exceeded €30m for UK and Ireland. With such a competitive market and without being the highest spender, generating engagement, cut-through and interest was crucial. We addressed this via our timing strategy.

We developed a four stage approach:

[1] Tease:

To pique audience interest, we teased Kevin 5 days prior to launch. The objective was to get the nation guessing; who was this carrot and who was behind it? Multiple digital media formats, synced with the digital OOH, built reach and facilitated social sharing. 39 door drop packs were sent to journalists to further enhance anticipation in the media. Spend was minimal during this phase but an integrated PR and media approach meant an estimated reach of 60%+ over the 4 days.

[2] Launch & [3] Build

Multiple channels, highly efficient at reaching and engaging with main shoppers were deployed. Here, reach build was key, 15 days into the campaign our combined channel reach was 91% whilst maintaining a weekly SOV of c.15%. Media mix included press, digital, paid social, radio, TV, VOD and outdoor.

[4] Accelerate

Research insights indicated that shoppers trade up at Christmas and Aldi's share of market drops in the final shopping week. Main barriers to shopping at Aldi are Quality, Range and Availability. Reach and awareness levels were already high at this point, so frequency and cut through were now critical. Frequency of message helps communicate range and allows up to date availability messaging via digital

channels, whilst cut through and impact showcases quality. Channels were optimised against these two metrics.

Footnote: UK and Ireland Spend by Advertiser. Nielsen, to 31 December 2016.

Media Allocation Chart

Television: 62
Radio: 3
Branded Content: 1
Interactive/online: 1
Digital: 7
Newspaper: 16
Consumer Magazines: 1
Point-of-sale: 3
Direct Mail (letter/flyer): 5
Other: 1
Specify: Out of Home

Total commercial communication expenditure:

15m Euro and over

Major Competitors' Marketing Communications Expenditure

Competitor Name Expenditure:

Lidl €31,206,754 (UK & Ire)

Tesco €21,905,362 (UK & Ire)

Asda €19,125,904 (UK)

Results

Kevin the Carrot was a phenomenal success. The campaign helped Aldi overcome their key challenge in the Christmas trading period; shoppers trading 'up and out' in favour of more expensive luxuries. Aldi beat all of the other grocery retailers in the UK by achieving 15.1% YoY sales³ in a market that grew by only 2.9%³. Penetration increased for both the UK and Ireland⁴ and Aldi attracted almost 1 million new shoppers in the UK and 37,000 in Ireland⁵. Aldi's customers remained loyal over the Christmas period as Aldi saw the smallest decline in loyalty out of all grocery retailers³. Customers were also trading up within the store; Aldi saw the highest conversion of any grocery retailer as 64% of Aldi shoppers bought into the Premium range³, which resulted in a 27% lift in Premium Label sales. The campaign successfully communicated that Aldi had an outstanding Christmas range and the rate of consideration (those who said they would consider buying at Christmas) was strong.

The campaign saw exceptional engagement as both the media and public took Kevin into their hearts; from knitting their very own carrots to creating school lessons

based on his adventures. Kevin the Carrot was in high demand as Limited Edition soft toys sold out within half an hour of going on sale. The campaign received over 200 pieces of news coverage, an 18.27% engagement rate (bypassing the industry benchmark of 3%), 1 million social media interactions and over 7.5 million video views. And that was how a humble carrot helped Aldi to make the Everyday Amazing at Christmas.

Footnotes

¹ Kantar Worldpanel, Grocery UK, 52 w/e to 24th April 2016

² Kantar Worldpanel, Grocery Ire, 52 w/e to 24th April 2016

³ Kantar Worldpanel, Grocery, 4 w/e to 1st January 2017

⁴ Kantar Worldpanel, Grocery, 4 w/e to 1st January 2017 vs. 4 w/e to 3rd January 2016

⁵ Supermarkets had best Christmas for four years, Nielsen Jan 2017, Nielsen Homescan Total Till