



FROM

Carphone Warehouse

**A new kind
of brand for
a new kind
of mobile
network.**



Marketing Society Excellence Awards
New Brand Category



Executive Summary

The mobile category is full of big, established, famous brands. They spend millions and millions in marketing, and have millions of locked-in customers, kept where they are by length of contract and the general inertia that pervades the market.

And there are no shortage of small, challenger MNVOs (mobile virtual network operators), either.

So when Dixons-Carphone decided to launch iD, its own MVNO – ironically to reduce its dependence on the big behemoth networks it sells through its Carphone Warehouse retail business - it had its work cut out.

iD had to create a product roadmap and brand positioning, conceive a creative strategy and a communications campaign, that made a meaningful connection with an incredibly challenging target audience: 18-25 year old “Young Independents”.

An added complication was, they all had to be people who wouldn't normally come to a Carphone Warehouse store.

And all on a budget that much of the competition would spend in a month.

By committing to a brave Facebook-first campaign, and a constant test and learn approach, iD were able to be nimble, flexible, and build a truly innovative campaign - helping write the rulebook for launching a new brand on Facebook along the way.

iD was a David in a category of Goliath, but saw brand and commercial results beyond anything that could have been predicted at the outset:

iD's launch **over delivered** on brand effects: awareness among the target audience more than doubled, negative sentiment on social channels dropped by 35%, while NPS swung from -20 to +12.

And it **over-delivered** in hard business metrics - bringing in 330,000 customers vs a target of 195,000, a large proportion of whom (in some months as high as 80%) were incremental customers through iDmobile.co.uk.

299 words.



The Business Challenge



In 2015, the mobile phone market was reeling from the shock demise of Phones4U, and Carphone Warehouse, newly merged with Dixons group to create Dixons-Carphone, were keen to avoid the same fate by futureproofing the Carphone Warehouse business.

They hoped to do this by launching iD, its own mobile network: it was imperative that they diversified to reduce their reliance on contracts with the major mobile networks.

However this wasn't just to be a tentative toe in the water: the business had high hopes for it. The commercial target for this new network was to deliver 195,000 new customers in its first year.

The Marketing Challenge

While Dixons-Carphone needed to make a success of iD to diversify their offering, we at iD, a startup team within the main business, needed it to be a very specific kind of success: any contract sold on iD had to be to a customer who would not normally come to Carphone Warehouse, because we could not risk cannibalizing sales that would have gone to one of the major networks.

This meant the iD launch was all about creating, positioning and communicating a very different kind of brand, to a very different kind of audience than Carphone Warehouse were used to.

The Audience Challenge

Analysis of the Carphone Warehouse customer base showed that the main retail brand struggled to attract younger consumers, even since Phones4U's demise had robbed them of



their preferred high street mobile phone retailer. So an under-30 audience became our focus.

Through nationwide quantitative and qualitative studies testing both product propositions and category pain points, a bullseye audience emerged: young, upwardly mobile millennial consumers between 18 and 25, who we named “Young Independents”.

The consumer insight that set it all in motion

Financially independent but not necessarily financially secure, we found that these Young Independents were savvy and sophisticated when it came to ensuring maximum value: embracing discount brands, startups and shared economy businesses, this is the Airbnb and EasyJet generation.

The over-riding impression from meeting this audience was how consistently participants responded to discussions of identity and self-expression: this group are making their mark in the world, looking for the opportunities that will define them, making decisions for their future. And more than this, they are a generation who have more flexible ideas about their own identity than their predecessors: they wear many hats, play many parts, fulfil many roles. They are a much more multi-faceted cohort than any that had gone before.

This insight around individuality became the strategic and creative launchpad for everything we did: we positioned the brand as “The Network as Individual As You”, successfully linking the audience’s desire for personal expression with the key product truths of the iD offering – flexibility, personalisation, and freedom of choice.

This positioning steered the external expression of the brand, but also provided direction for the development of new product propositions.

Building a product to deliver something different

When researching our consumers’ interactions with the mobile category, we observed that while they expressed real dissatisfaction with the current network status quo, this is enforced by inertia which we needed to shake people out of.

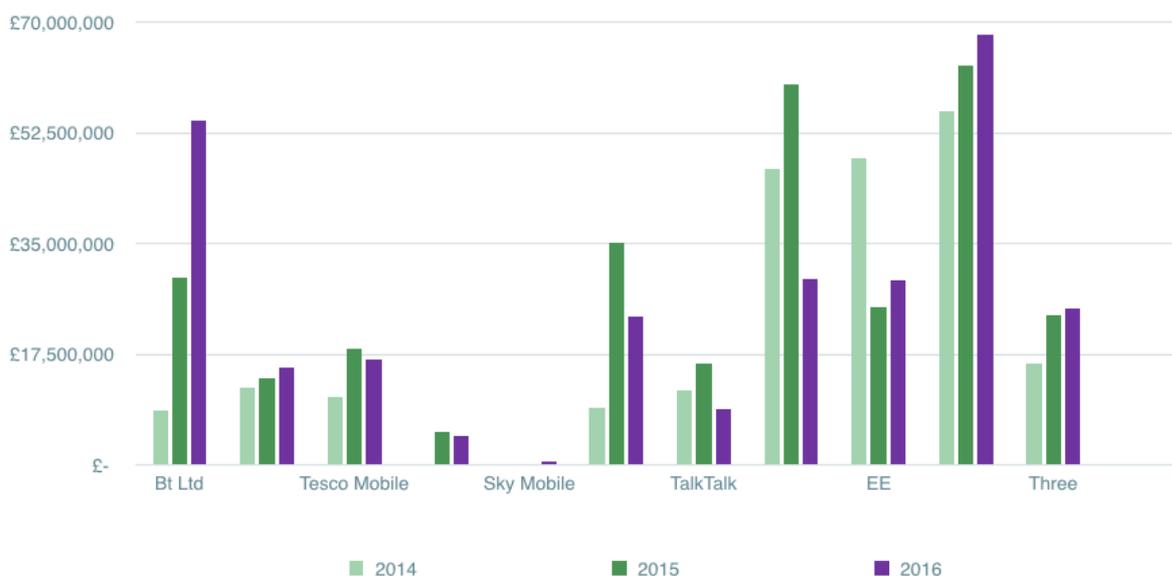
We researched the pain points in the mobile experience, and targeted our product propositions at those moments. They were keen to find ways of taking more control, having more say over the length of their contracts, and flexibility with their allowance, which meant our proposition roadmap became focused on delivering control and flexibility – pioneering free data rollover (since copied by others, this was a first in the UK), market leading roaming deals, and innovative ways of capping your bill to keep control of spend and remove the possibility of bill shock.

The campaign approach to reach a challenging target audience:

We knew from our research and third-party data that our audience reject or ignore much traditional media - no surprise there. And given budget constraints (we had £1.2m for media and £1m for production, where other brand launches saw the likes of EE spent £45m purely on media in their first year, and the other challengers were spending big too: BT Mobile’s 2015 reported media spend - which excludes much digital expenditure - topped £20m), iD was faced with a difficult start to life: how could we launch this brand into a market of mammoth spenders and entrenched relationships, when we were likely to be at best outspent, and at worst ignored?



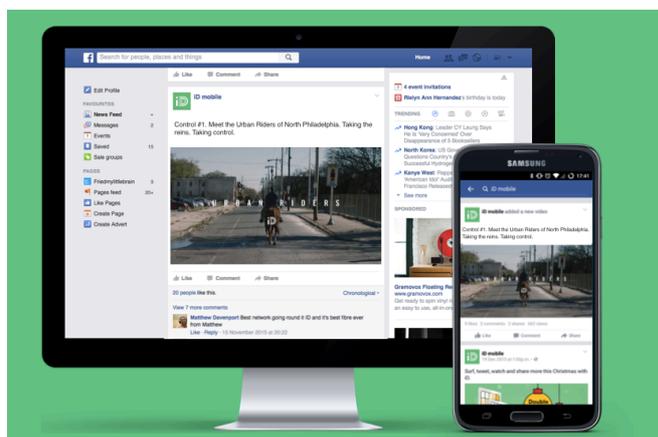
All Media Spend 2014 - 2016



Source: Neilson Ad Dynamix

We were determined to turn these two challenges into opportunities. As such we developed a digital-first strategy that would take iD to where the audience spend time – social media.

We chose to focus all our attention on one platform and make our campaign as bespoke as it could be for that channel, and do so in a way that maximised opportunities to test and learn along the way. After all, launching a brand almost entirely through Facebook wasn't something that had been done before – there was no rulebook to follow.



A creative campaign to win the hearts and minds of Young Independents

We knew that to win as a brand on Facebook, it was crucial to be a welcome guest in our audience's news feeds. That meant avoiding becoming another shouty hard-sell advertiser, and finding an idea that was specifically designed for that environment: with the visual cut through to stop people mid-scroll – the "thumb stopping moment" - and creative tailored for an often soundless environment.

And so, 'Do Your Own Thing' was born: a series of video stories that took our audience into the unique worlds of some incredible people who are true individuals – inspirational but real, these films shine a light on what it really means to follow your own path and make your mark in the world, on your own terms.

The campaign launched with four films following the Fletcher Street Riding Club, an urban horse riding club in Philadelphia's ghettos. This was followed by four films following female Muslim hip hop artists Poetic Pilgrimage, a series profiling Gary Stocker, an ex city-lawyer-



turned-circus-act, and finished off with three content films about Lee Hoy, a blind mixed martial arts fighter.



The videos were supported across the entire digital media mix by a wealth of content - including image posts, competitions and PR interviews with our stars, to create an ecosystem of content that went much deeper than simply engaging with the films, and lasted across a much longer period, creating ongoing dialogue with the audience rather than a more traditional “launch and leave” approach (still very much the norm even with digital content campaigns). We wanted people to switch to us, which is not an easy behaviour to stimulate – particularly given our understanding of the renewal cycle, whereby even if a prospect wanted to switch immediately, they were more likely than not to still have several months left on an existing contract.

That meant playing a long game with an ongoing dialogue, and striking a delicate balance of great content, clearly identifiable as iD, but without the hard-sell advertising messages that could turn people off. We wanted them to become part of our Facebook community and grow a relationship with them over time until such a point as they were ready to switch.

The films were pre-tested with Young Independents, in a way that mimicked their Facebook news feed, so that they were being considered in context and not in isolation. The film content went down incredibly well, gaining an average rating score across focus groups of 8/10 for interest and enjoyment, and importantly was felt to be a positive addition to the news feed:

“I liked it... and it would stand out in my timeline on Facebook”

“I really liked it. It was engaging and shot like a movie... I wanted to find out more... know who the organisation was”

“I prefer it when brands do these sorts of films. I’m much more likely to take a look than if I know they are just going to flog you something.”

“I would enjoy watching something like that... more than the videos that currently clog up my Facebook feed...”

Source: Davies + McKerr Qualitative Pre-testing, January 2016



Partners not Platforms

Key to the success of this campaign was engaging with Facebook not as a media channel, but as a creative partner, both working to make Do Your Own Thing the quintessential case study in how to launch a brand on Facebook.

Once the films were launched, we were in a constant state of test and learn: experimenting with time lengths, captioning, introductory copy, and when the right moment was to show branding and titles. For instance, we A/B tested subtitled content, which showed that the subtitled copy was working harder.

Even the smallest details were optimised to deliver better returns: transitioning from video posts to video link posts mid-campaign drove a significant uplift in traffic to iDmobile.co.uk, while having no meaningful impact on CPV.

As the campaign progressed, we added a layer of interest targeting to our videos which meant that the later films, particularly the “Blind Boxer” films, saw campaign highs in CPV as the films tapped into boxing and MMA passion audiences.

As Facebook developed their own thinking around storytelling in their environment, our films reflected this: less traditional linear storytelling arcs and more emphasis on visual rather than narrative.

Maximising our resources

Our £1.2m media budget wasn't going to stretch far in terms of blanket coverage, particularly when compared to our big-spending competition, but we were determined to make every penny of it count.

One of the beauties of the Facebook partnership was its ability to help build lookalike audiences: meaning our pool of Young Independents grew and grew. Hugely important also was a retargeting strand which reached users who had already viewed the videos in order to build additional frequency.

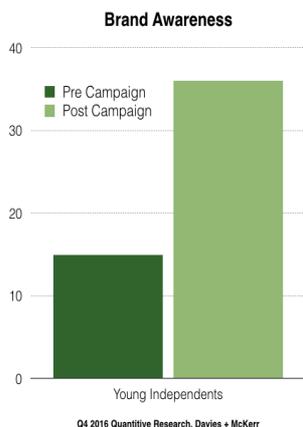
Once the Facebook partnership was up and running, we deployed spend against other channels – YouTube allowed the films to be seen in the most engaged, natural video viewing environment available online, and smart PR activity took our campaign heroes out of the content and told their stories in other places.

Meanwhile a partnership with Vice's network took our brand right into the heart of youth culture through content and advertising across their interest. No stone was unturned in making this brand launch a success against all odds.



Results

The launch of the iD brand exceeded all expectations.



The brand and communications results were impressive: Do Your Own Thing reached a total of 8.6 million people, representing 146% of the original intended audience. iD's brand awareness among its Young Independent audience has more than doubled, from 15% to 36%.

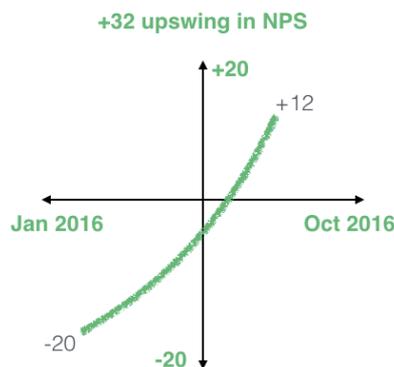
Overall, the campaign delivered 19.9 million video views, surpassing view targets by 116%. It also exceeded target frequency on average by 5.75 unique impressions per user. And against our key campaign metric of

reaching Young Independents, we had reached 74% of the identified Facebook Young Independents audience within the first 90 days of the campaign.

35%
drop in negative sentiment

The effectiveness isn't measured solely in reach, however: the hugely positive reaction to the campaign has led to negative sentiment on social pages dropping by 35%.

Furthermore, iD's NPS score has improved by a staggering amount - more than we ever imagined was possible within one campaign, from a pre-launch low of -20 to a high of +12, and rising all the time.



As impressive as the communications and brand results are, however, this new brand launch was always going to be judged on hard business measures.

iD launch over delivered against customer targets



And it is here that it really delivered as a new brand. iD achieved 330,000 new customers vs the original 195,000 target – and in some months 80% of these sales were entirely incremental to the existing Dixons-Carphone business.

Further proof of its success against this incremental audience is found in the fact that the campaign has also helped drive these hard to reach customers to the online sales channel, iDmobile.co.uk, which now accounts for 30% of volume: a key metric to make sure iD is bringing incremental customers into the business, rather than cannibalising from the big networks traditionally served by the in store retail channel. It has become the fastest growing post-pay MVNO ever, and in January 2017 reached the milestone of 500,000 customers, only 19 months into its life.

Not bad for a David network in a category of Goliaths.

1,965 words

