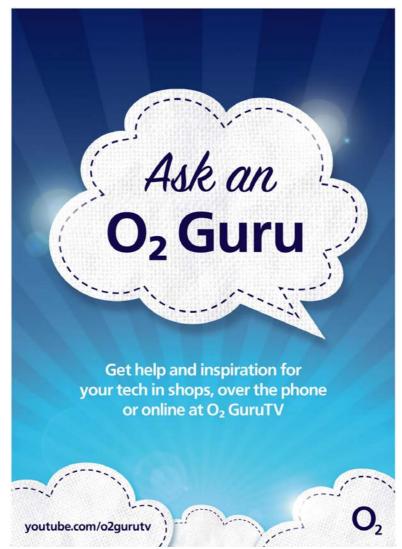


Marketing Society Awards for Excellence 2013



Problems to possibilities: how O2 Gurus turned great personal service into great content

Category I – Content Marketing

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Executive summary

In 2009 O2 launched Gurus, in-store tech experts offering free, impartial advice. They had no sales targets, so could focus simply on being helpful. In a world of ever more complex and data hungry phones and tablets, the service increased customer satisfaction and reduced the rates of handset returns.

After a couple of years, the service had proved so successful that O2 wanted to take it further. How could we bring the Gurus experience to even more people, including those who wouldn't normally go into one of our stores, but research and shop purely online?

In 2011, we launched O2 Guru TV, a channel full of helpful and inspiring videos on every conceivable aspect of mobile gadgets and gizmos. By behaving like a publisher, and focusing on possibilities not problems, we have made O2 Guru TV the most popular How To channel in the UK, now averaging more than 1 million views a month.

By embedding search and social into our content strategy, we have been able to get smarter in the way we produce and distribute, driving down the Cost Per View from 34p to just 4p.

By developing engaging and inspiring video, rather than the usual wordy and heavy content of other networks and manufacturers, we rose to the top of natural search rankings, and had our content posted by other sites, creating over 5,800 new links into O2.co.uk

O2 Guru TV has driven down the cost to serve customers, decreased handset returns, and increased revenue through improved customer satisfaction. And it's now seen by manufacturers as a crucial part of the channel mix in their new product launches. In combination, these effects have meant O2 Guru TV is not only a popular success, but a commercial success too.

Word count: 291

Where it all started: the birth of Gurus

2009 will probably be looked back on as the watershed year for smartphones, when Apple's iPhone 3GS and competitor models finally made the dream a reality.

The rise of smartphones was clearly a fantastic opportunity for the mobile networks, but also presented challenges. While Average Revenue Per User might increase, so would the costs of servicing customers. Greater phone complexity, and heavier data usage, would mean more customers needing help and would likely lead to greater numbers of returned handsets, at significant cost to the networks. The whole industry suffered from an image, only somewhat unfair, of being more interested in selling than serving. As the gizmos they sold became more expensive and complex, this was a worrying legacy.

For O2, the challenge was acute. Although historically enjoying better customer satisfaction scores, the approaching end of iPhone exclusivity would inevitably lead some customers to see if the grass was greener with other providers.

So O2 needed to create a step change in customer service: to increase customer satisfaction in an increasingly competitive market, where service was as important as price in driving market share; and to reduce costly handset returns.

It was against this backdrop that in 2009 O2 Gurus were first trialled, as the brand's tech experts on all its products and services, offering free, impartial and expert advice to whomever needed it. They were trained to a higher level of expertise than other staff and had no sales targets at all, so that they could focus simply on being helpful.

By the end of December 2010, Gurus had proven to be a very successful initiative. So popular was the knowledge and helpfulness of retails Gurus, that they regularly received letters, flowers and even cakes from grateful customers. Early indications were that customer satisfaction and profitability were higher in stores that had Gurus.



I. An O2 Guru, and a cake from an O2 customer

The next level: Gurus enter the big time

By the start of 2011, Gurus had the potential to become a central story for O2, helping improve service perceptions for both customers and non-customers.

But that meant finding a way to allow the Gurus experience to reach more people, not just those coming into one of the Guru stores. We needed to reach O2 customers who mainly researched and bought online, as well as prospective customers.

Research showed that people were consulting more sources than ever before¹ and we wanted Gurus to be able to interact with customers wherever and whenever they were looking. Embracing the trend towards multi-channel customer journeys, we set about embedding Gurus throughout the business. Online would be key, as most customers' first port of call for research and self-help: search engines, brand websites, tech review sites and independent forums had replaced the customer service desk and Gurus needed to be part of this world.

But this wasn't just about where Gurus could be found. It was about what they could do. The spirit of Gurus went beyond the sort of quick and efficient resolution of problems captured in the phrase "customer service." These guys weren't just good at fixing niggles and swift troubleshooting. They were passionate about gadgets, and what they could do for us all.

As new mobile product launches have become major media events, and worryingly large numbers of people now upload YouTube footage of themselves unboxing their latest bit of kit, this was a passion that had popular appeal.

We saw an opportunity to make O2 Gurus part of *these* conversations, about the amazing things technology could do, and not just those about the frustrations of things going wrong. Our Gurus needed to be passionate tech enthusiasts, rather than traditional customer service staff.

We called this attitude: **Possibilities, not problems**

¹ "The number of sources used by any shopper for any average shopping occasion has almost doubled [2010-2011], from 5.2 to 10.4 sources used." Google/Shopper Sciences, Zero Moment of Macro Study, Apr 2011

Our approach

We saw that the new battleground was going to be content. Customers and prospects were learning and making decisions long before they were getting to us.

We needed to step outside our traditional competitive set and stop thinking like a traditional retailer. To help us, we created a new 4-step process:

1. Know your audience (and yourself)

We needed to have highly accurate information on what conversations were out there and where we could get involved, so we created a rigorous ongoing audit approach:

Adwords Keywords and a whole range of social listening tools enabled us to get up to the minute data on what mobile and tech stories our audience was searching for and reading about.

Adobe SiteCatalyst and Open Site Explorer enabled us to see which links, keywords and pages were driving to our site, and an ongoing audit enabled us to categorise, review and optimise our content, to see where the gaps where that O2 Gurus could credibly step in.

All these technicalities enabled us to do something that actually felt simple to our customers: like they were having a conversation with a real Guru, who got them and their needs, rather than a corporate spokesperson.

2. Behave like a publisher

We needed to create content that both helps and inspires, and that puts us in challenging company.

Traditional publishers like *Stuff* or *WIRED* had both print and digital content, and we were also competing with millions of individual bloggers, tweeters and YouTubers offering free and instant advice, reviews and tips in the technology and mobile space.

In comparison, manufacturers' and network providers' online help and advice was usually wordy, uninspiring and indigestible.

The approach we took with Guru TV, therefore, was to make content entertaining as well as informative and use recognised talent and special guests in order to drive awareness and views. While our Gurus would be the core presenters, outside guests would bring credibility and a bit of magic. In short, we had to become an online magazine or TV show, rather than a brand channel. Just like Gurus in store, we would talk about innovative device features, apps and tips that they might find interesting. We created detailed calendars to ensure we would always have fresh and relevant things to talk about.

3. Grow links

To maintain long-term efficiency, SEO needed to be the bedrock of our strategy, and growing links through content was central to SEO growth. We mapped the brand's current link network across customer segments to find the most influential places to grow link equity.

Ongoing analysis of key influencer sites enabled us to create SEO-beneficial content off-site as well as on-site.

4. Never stop learning

And finally, we put in place a system of measurement to make sure we got smarter with every click. Traffic, engagement and user behavior data was fed back to help us prioritise and optimise the next piece of content.

For example, rigorous tracking of viewing behavior has enabled us to constantly improve the time lengths of video, which reduces both viewer drop off and production costs.

Gurus in action

Gurus content lives on the O2 website...



Guru section of O2.co.uk, where customers can book an in-store appointment with a Guru, chat live, watch Guru video content and even learn about how to become a Guru yourself.

2. O2 Gurus on o2.co.uk

and its own Youtube channel...



3. 02 Guru TV

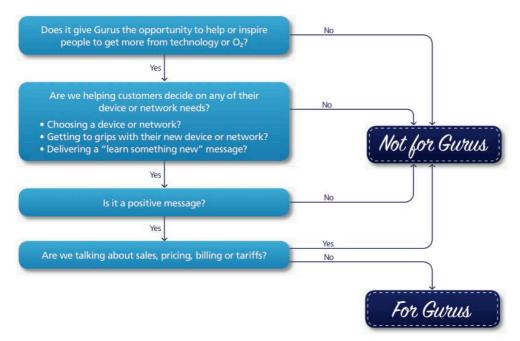
Video is at the heart of Gurus content. Over the last 2 years, we have created 1,175 videos for Guru TV, covering everything from how to change a sim on an iPhone, to covering the latest gadgets and gizmos from the big tech shows.

And our approach to content in 2012 has evolved Guru TV from a destination for help and tips to an entertainment portal featuring TV-show-style episodes and regular Gurus:

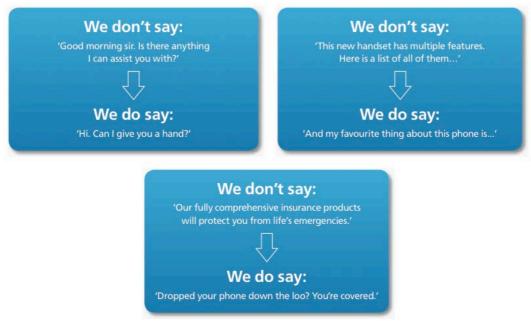


4. Our 5 Guru TV programmes

Key to the success of the content is ensuring that we cover the right topics, and have the right tone of voice. We constantly strive to recreate the quality personal service that O2 Gurus in store provide, and that means our content has to follow the same guidelines for what we say, and how we say it, ruthlessly focusing on helping, not selling, and possibilities, not problems.



5. The Gurus topic guide



5. Gurus tonal guide

Guru TV content features both new manufacturer launches, and new O2 services, and consistently links to the O2 website through video annotations.



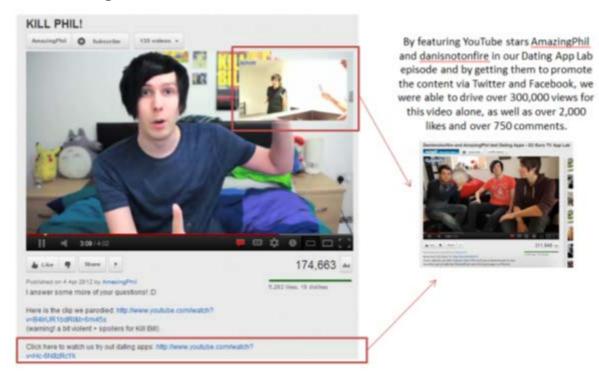
Using Guru TV to promote various O2 products and services, including Priority Moments (featured in an App Lab episode) and O2 Travel (featured in a News Burst episode)





7. Guru TV in action

Careful use of outside talent enables us to increase our credibility and improve reach and link-building.



By featuring talent like pro-photographer Toby Smith, we ensured our content was credible and interesting enough to be picked up by hundreds of blogs and websites.



8. Gurus go beyond



In 2011, we supported our Gurus content with an ATL campaign, the most exciting element of which was a realtime video Twitter stunt in which we responded to live customer questions, and made 60 personalised videos.



9. Stills and response from TV launch

But since that original launch, we have seen Gurus TV flourish without the need for any ATL investment.

The good work of Gurus

Guru TV has become the UK's biggest online How To channel, and a central pillar of O2's communications with customers and prospects. Guru TV now has:

- Over 18.7 million views
- o Over 14,000 likes
- Over 10,000 comments
- Over 5,800 new links into O2

Now averaging over 1 million views per month, Guru TV content covers all devices and passion points, and is being used on O2.co.uk, social media and in online ads.

And this high visibility is being achieved with ever-increasing efficiency. Through ongoing optimization of titles, keywords and descriptions, Cost per View has fallen from 34p to 4p in 2012, while Guru TV achieved top 3 natural search rankings for the Top 10 BlackBerry and iPhone-related help search terms.

Those aware of Gurus score O2 significantly higher on a number of brand perception scores, including 'welcoming and inclusive' (76% vs 58%), 'straightforward and clear' (65% vs 49%), 'treat their existing customers as a priority' (81% vs 66%) and 'know individual customers needs' (68% vs 53%).

Gurus Pay Back

Of course, content is only one part of Gurus, but all our evidence is that it is delivering significant ROI for the business. It has been central to our work that content is not just the latest nice-to-have, but a fundamental and measurable part of the communications mix.

There are 3 ways in which Guru content pays back:

Reduces cost to
serveDrives revenueAttracts partner
fundingImage: Distribution of the serveImage: Distribution of the serveAttracts partner
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How Gurus content drives commercial success

- 1. By being a high profile and low-cost channel for helping customers learn about the right phone for them before they buy, and answer any questions they may have after buying, it has helped drive down the number of product returns decreased from 8.14% in 2011 to 5.6% in 2012.
- 2. Guru TV has been a significant driver of awareness of Gurus as a whole, and with econometric modeling the business is able to put a value on this.

Awareness of Gurus has risen from under 1% in January 2011 to over 25% in May 2012. Those aware of Gurus have higher Customer Satisfaction Index by 3 percentage points for consumers, and 6 percentage points for SMB customers. O2 calculates the lifetime value of just a 1 pt uplift in the Index as being £41.70

And while not explicitly a sales mechanism, Guru TV content sees extremely high click-throughs from annotations to O2.co.uk. The average click-through

^{10.} The payback of Guru TV

rate for device-related videos is just over 18%, compared to an industry average for direct response banner advertising of 0.02%

3. Finally, and perhaps most significantly of all, is the impact O2 Guru TV is having on manufacturers.

By pursuing an approach of possibilities, not problems, and reproducing the real Gurus feel through content, we have created a channel for new product launches that manufacturers now see as an essential part of their launch strategy. We behave like a publisher, and other brands treat us as one.

While for reasons of commercial sensitivity we are unable to release exact figures, in 2012 manufacturer contribution made a significant contribution to covering the costs of producing and distributing the content

Word count: 1,976, inc. headings, footnotes and titles