

MARKETING EXCELLENCE 2

Aviva

Creating a new global brand
in a 300-year old market



MARKETING
SOCIETY

**AWARDS FOR
EXCELLENCE**

in association with
Marketing

About The Marketing Society



INSPIRING BOLDER MARKETING LEADERSHIP

The Marketing Society is a not-for-profit organisation owned by its members, with over 2500 senior marketers. Over the past 50 years it has emerged as one of the most influential drivers of marketing in the UK business community.

The Society challenges its members to think differently and to be bolder marketing leaders by supporting the development of leading-edge thinking, and promoting the evidence of effective marketing. The Society does this through the Marketing Society Awards for Excellence; its publications Market Leader, Our Week and rich online Knowledge Zone; a national programme of world-class events; innovative professional development, such as the annual Marketing Leaders Programme; and extensive on-and-offline networking opportunities.

www.marketing-society.org.uk

Foreword

By Roisin Donnelly,
President of The Marketing Society

What is marketing excellence?



Roisin Donnelly
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Corporate Marketing
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Marketing excellence can drive breakthrough business results for the short and long term. Marketing excellence requires great strategic thinking, great creative thinking and perfect execution.

But how do we assess *marketing* excellence? First we choose brilliant industry judges who are all experienced and successful practitioners of excellence and we ask them to pick out the cases which they see as remarkable. We ask them to look for two key qualities from our winners: creativity and effectiveness.

But marketing continuously changes and evolves, as consumers become more sophisticated and demanding and the media for communicating with them ever more diverse. So the standards for marketing excellence change and in turn become more demanding.

We believe that The Marketing Society Awards for Excellence in association with *Marketing* set the standard of marketing excellence in the UK. They have established this reputation over a period of

more than 25 years, and they have always been based on the principle of searching out the best examples of different marketing techniques in action, that showcase great strategic thinking, great creativity and perfect execution.

In order to be a winner of one of the Society's Awards, marketers have to demonstrate that what they have done is outstanding in comparison with marketing in all industries not just their own particular sector.

If a marketing story has been good enough to impress our judges, then all marketers can learn from it – however senior they have become. The collection of case histories brought together in this book is the best of the best from the past four years of our Awards, and I am confident that it truly demonstrates *marketing excellence*. I have been truly inspired by these case studies and I hope you will be too.

Aviva

Creating a new global brand in a 300-year old market

Snapshot

Aviva successfully managed a massively complex crossborder rebranding programme to fulfil its ambitious vision of strengthening its bond with customers.

Key insights

- Aviva's ambitious new vision for the business based on stronger customer relationships demanded comprehensive rebranding in all its markets — including three of the strongest country brands — to one common positioning.
- Changing the brand in the UK, Ireland and Poland was a huge logistical challenge and involved a team of 700 people working in tandem to deliver on time and to budget.
- An ambitious integrated marketing communications campaign in the UK rebranding Norwich Union as Aviva boosted awareness levels well beyond original targets.

Summary

Aviva is the world's fifth-largest insurance group and the largest insurance services provider in the UK. Its main activities are long-term savings, fund management and general insurance. The brand has

existed since 2002 following research conducted by CGNU (itself the result of the merger in 2000 of CGU and Norwich Union) which showed that none of the existing legacy brands had the potential to grow into a single brand that could be used globally. However, it did not extend the Aviva brand to its existing market leading businesses: Norwich Union in the UK, Hibernian in Ireland and Commercial Union in Poland.

This changed with the arrival in 2007 of a new chief executive who spearheaded a strategy that would be built on the effective leverage of a single global brand. In 2008 the company took the brave decision to become Aviva everywhere. While it was aware of the huge challenges, it was imperative in order to deliver its new company vision of 'One Aviva, twice the value'.

The brand migration project was incredibly complex. Despite the many different strands to be woven together it was successfully delivered on time and under budget. In the UK, a fully integrated marketing communications campaign managed the tricky transition from Norwich Union to Aviva.



Figure 1

A unifying vision

Aviva's history stretches back 300 years to when it started selling protection against highway robbery. By the start of the new millennium the business had a global presence and was made up of over fifty brands. In 2002 it began trading under the name Aviva and the businesses in 21 markets began to adopt the Aviva name and visual identity, although a common brand positioning had not yet been established.

The existing brands in the UK, Ireland and Poland were local market leaders (Norwich Union, Hibernian and Commercial Union respectively). It was therefore decided that in these three markets the legacy names should be retained as the company was wary at the time of moving away from such strong brand assets.

However, while these three companies were Aviva's strongest revenue contributors, with about 40% of the total, the strategy of keeping these brands intact would prevent continuing momentum and, more importantly, lack emotional credibility among key audiences such as investors.

In April 2007, new Aviva chief executive Andrew Moss announced a new vision for the business: 'One Aviva. Twice the value'. A key tenet of executing this new vision was to adopt the Aviva name in all the markets, so that customers would identify it by one name around the world (Figure 1). This was partly a specific earnings target—to double earnings per share by 2012—and partly a statement of intent: to harness the power of its global size and stature through the effective leverage of a single global organisation based around the benefits of a strong global brand:

- Stronger innovation: the opportunity to refresh the global proposition and achieve more business

with more customers as a consequence of global strength.

- Stronger synergies: operational efficiencies that would improve performance would be created.
- Stronger marketing: there would be spending efficiencies and opportunities for global deals (e.g. sponsorship) if operating as a global brand.
- Global talent: the opportunity to create a single employee proposition and a culture where all employees were part of the same culture would work in favour of the business when attracting the best talent.
- Stronger share price: resulting from all the above effects.

Identifying the risks

Moving to one brand was an exciting opportunity to unite all the businesses and to create massive efficiencies throughout the group. However, in the short term, migrating to Aviva in the UK, Ireland and Poland was going to be a big risk for a number of significant reasons.

As Peter Walshe, global account director of Millward Brown said in the *Independent* on the 23rd of April in 2008, "The opportunity to create one brand from several has potential, if Aviva can establish the name as clear, modern and, above all, standing for something... The downside is that Aviva doesn't currently stand for much among many of the company's key audiences; it certainly means little to the consumer. The rebranding runs the risk of throwing away all the heritage, trust and prestige built up over such a long period."

But the real potential for commercial exposure in the UK in particular ran deeper than this:

- Firstly, Norwich Union was Aviva's most significant and successful business. It was an icon of UK plc,

with more than 20 million customer relationships. It was also a core pillar of the fabric of the community, and not just in Norwich, where it is the largest single employer, since it had a strong presence in York and Perth as well. There was thus a real danger of social and reputational damage affecting 15,000 UK employees, their families and their networks.

- Secondly, the Norwich Union brand had exceptional awareness and consideration scores by any category's standards, let alone financial services. In this sector, where differentiation in a traditional marketing sense is very hard to come by, these measures are more than usually important and any drop-off in awareness could lead to a rapid and calamitous fall in consideration, with very negative commercial implications.

To put this into perspective, if the campaign was unable to build awareness and consideration of the Aviva brand up to previous Norwich Union levels during the necessary time frame, a drop in sales volumes and customer retention would be inevitable.

Finding the way forward

This demanded two essential ingredients: a strong team to oversee the migration in the different markets (see 'Getting the right people together') and a powerful, integrated marketing communications campaign in the UK.



Figure 2. Rebranding in the UK



Figure 3. Rebranding in Poland

Getting the right people together

Although the project had an impact on every person who worked for Aviva in some way, the core team members who worked on the migration programme were the central programme office and the programme managers and their teams in the migrating business units. Over 700 people were directly involved with the brand change across the three markets.

A central programme office had been established at Aviva Group Centre in London shortly after Aviva's new company vision had been announced. This team was the fulcrum of the migration and was responsible for liaising with teams from within all the business unit offices. The members were recruited by the group marketing function for their broad range of skills and their proven history of programme management, including meticulous attention to detail.

The team was also selected because of the members' ability to liaise with stakeholders at all levels of the business, as they would be acting as a direct link from, for example, a facilities team member changing a sign on a wall up to the group executive committee. While individual business units were responsible for migration of their businesses, the central team monitored their operational readiness. This included testing and confirming delivery of the programme from a central perspective and managing any risks and issues through the central programme governance.

Balancing the central/local equation

Working with the local marketing teams, the central programme office helped recruit the programme managers to head the local teams in each of the migrating businesses. This ensured appropriate resources would be allocated and that the team selected would be able to meet the diverse

requirements of the role. Local programme managers, the business unit leaders, were accountable for the end-to-end delivery of the project in line with agreed timelines and budgets approved by the Aviva board. They were charged with ensuring that the necessary resources and business priorities were placed on the programme, that project governance was followed robustly and any necessary remedial actions were quickly identified.

There were four programme managers at business unit level — one each for the UK general insurance and life businesses, plus Poland and Ireland. The programme managers reported directly into the business unit sponsor leaders (i.e. local marketing directors) but, as they were specifically responsible for the programme, they also managed and motivated multiple teams across IT, operational services, facilities, human resources (HR) and marketing.

The central and local market programme teams agreed that the timings of the three migrations would be staggered to limit risk to the business and also so that learnings could be shared among the teams across migrating businesses. The way in which the brands migrated would also vary to reflect local requirements. The UK would conduct a 'big bang' transition, moving straight from Norwich Union to Aviva on the 1st of June 2009 (Figure 2), although advertising to tell people about the change of name began December 2008.

A two-phased approach was chosen in Ireland: the business would be fully rebranded to Hibernian Aviva in January 2009 and then after another year a full rebranding to Aviva. In Poland the business opted for a three-stage migration: first to Commercial Union Aviva, then Aviva Commercial Union on the 1st of June 2009 and finally to Aviva by June 2010 (Figure 3).

Aiming high in the UK

In line with the need to rebuild spontaneous awareness levels with the change from Norwich Union to Aviva in the UK tough campaign targets were set:

- 20% spontaneous brand awareness by 31st April 2009.
- 25% spontaneous brand awareness by 1st of June 2009 (official switch to Aviva).
- 52% spontaneous brand awareness by 31st December 2009 (legacy position).

To achieve this would be as much about how smart the company was in getting attention as the amount spent. So, as well as rebuilding spontaneous awareness and consideration, it needed to aim for tangible improvements in brand strength over time. The migration offered the company the opportunity to create a truly differentiated brand compared to the main competition.

For example, Norwich Union's brand image had not always exerted a commercially positive influence. Its heritage and strength — which acted as assets in the long-term savings market (pensions and life assurance) — were brakes to progress in the more dynamic categories like direct insurance because they meant 'old-fashioned', 'inflexible' and 'expensive'.

The company commissioned extensive research among customers, intermediaries, investors, staff and other influencer audiences in ten markets — from China to Poland, Turkey to Canada — to scope out the boundaries of a successful differentiating positioning in the financial services sector.

This research pointed to a universal desire for individual recognition and for an explicit combination

of expertise and empathy that could contrast with the apparently self-serving nature of the industry and the comparatively low levels of customer service and focus.

An ambitious approach

The UK strategy needed to deliver three key elements:

- Firstly, an unambiguous message signalling the brand change and helping customers to retain the new information front of mind.
- Secondly, it needed to create a sense of newness and difference from the financial services norm.
- Thirdly, it had to present credible customer benefits to the audience.

So the emphasis was put on the forward-facing objectives (global growth opportunities) behind the rebrand as well as the local re-positioning and differentiation opportunities, and to position the change of name as fundamental to those objectives: a herald of the new brand promise and a demonstration of the brand's commitment to differentiation and customer care.

Aviva differentiated itself by using its name change (from Norwich Union to Aviva) to introduce a new customer promise ('*No one recognises you like Aviva*'), thus demonstrating its commitment to behaving differently from the rest of the category while also creating fame for the new brand to drive all-important awareness levels to previous Norwich Union levels.

In the first of three phases, starting in December 2008, TV, print, outdoor and digital advertising trumpeted the forthcoming name change using selected celebrities, place names and events where the adoption of a new name had been

crucial to their subsequent success (Richard Starkey to Ringo Starr, Peak XV to Mt. Everest): ‘Sometimes a change of name is more than just a change of name. Sometimes it’s a chance to show the world, who you’ve always wanted to be’ (Figures 4 and 5).

In Phase 2, which preceded the actual re-brand date of June 1st, brand advertising ran featuring Aviva customers expressing how they wished to be treated, and hated being treated, by financial services companies. Each commercial expressed the brand’s desire to build the new Aviva around its customers: ‘This is not business as usual. This is a company being built around you’.

In both cases the use of celebrities added scale and tapped into the most widely recognised of personal aspirations. At the same time it maximised interest in both the name change and the brand’s perspective on the world. It also boosted enjoyment scores, critical to creating awareness quickly and efficiently.

In phase three, post-the physical rebrand, specific advertising supporting general insurance and long-term saving products ran to drive consideration in specific sectors.

Surpassing targets

1. The migration campaign

The key result for the migration programme was that it was delivered on time and under budget. The scale of the project was immense and the fact that the programme progressed without any significant problems is testament to the diligence and effective teamwork of the programme managers and their teams in the business units and the central programme office, as well as the impact of the campaign.

Some specific achievements for the migration programme included:

- The company communicated directly about the rebranding to over 13 million customers.

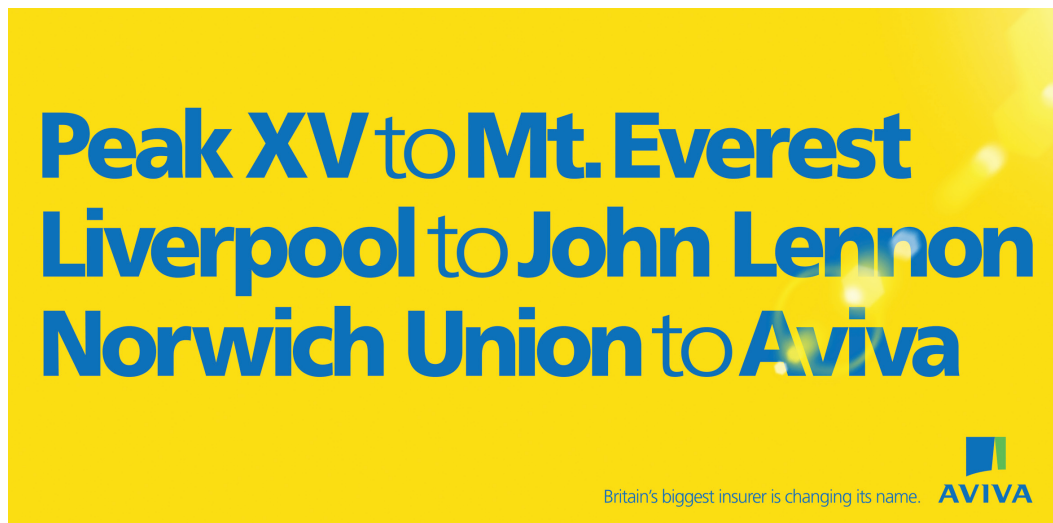


Figure 4. Example of the advertising



Figure 5. Example of the advertising

- Over 30,000 external email addresses and 35,000 internal email addresses changed.
- The company updated external signage on hundreds of buildings and thousands of internal signs.
- 4,500 system-generated documents and at least 5,000 pre-printed documents changed.
- Around 30,000 staff passes were updated.
- All intranet, internet and broker/independent financial advisors sites were updated to the new Aviva name and brand identity.
- 49 legal entity names, 900 bank account names and over 970 fund names were updated
- All front-line employees were retrained.
- Corporate merchandise, learning and development materials, sponsorship etc. were all redone.

The project's biggest risk was that the business would lose customers in the three biggest markets as it moved away from established brands. This risk did not materialise thanks to the excellent work from the migration programme teams and the various functions they supported. The company knew from a dedicated call centre set up for migration that customers were not confused by this rebrand and on the whole were positive about it. In the UK, customer complaints regarding migration were only 0.005% and similar results were seen in Poland and Ireland.

2. Winning hearts and minds

Taking the 54,000 Aviva employees on this journey was clearly no mean feat, and one that was also crucial to the success of the rebrand. It is worth looking at a snapshot of the UK communication programme that was part of the name change activity:

- 'This is our story' cinema sessions, where 3,500 Aviva leaders talked about what the name change meant to them, were held around the UK, bringing

together staff of all levels to engage with the programme. Brand showcases were introduced in 22 Aviva locations throughout the country to further explain the brand story.

- The actual day of change, the 1st of June, became 'A-day' and was celebrated in all offices as the new brand was adopted around the world.
- A dedicated global intranet, with forums, Twitter functionality, videos and imagery was launched to help demonstrate that this was no mere name change, but the start of something new.

A global employee survey in November 2009 showed that:

- 76% of all employees took part — the highest in its history.
- 79% stated they understood the goal of 'One Aviva, twice the value'.
- 88% stated they were personally committed to achieving the goals of their business unit.
- 62% of employees stated they felt recognised for 'who I am'.

In the UK specifically;

- 79% strongly agreed with the statement 'I understand why we are re-branding to Aviva'.
- 80% strongly agreed with the statement 'I receive enough communication about the rebrand'.

Overcoming cynicism

In a sector that in many cases relies on advice to customers by intermediaries, convincing the often-cynical broker audience that the rebrand was more than veneer was key to Aviva's success. The ICM broker survey in October 2009 in the UK, for example, painted a good picture:

- 61% were positive about the name change.
- 94% were satisfied about the name-change communication.
- 79% had seen the specific broker TV execution.

3. Advertising breakthrough in the UK

According to quantitative brand tracking conducted by ICM, awareness of the brand migration grew from 32% to 79% during the first month of the UK campaign. Despite starting from 4% in December 2008, spontaneous awareness levels beat the April target in March, the June target by April and the year-end target of 52% three months early by September.

Consideration of the new brand over the same period quintupled and overtook Norwich Union's position in August 2009, well ahead of the expected target. Meanwhile, within three weeks of the campaign breaking, 80% of those aware of the advertising associated it with Norwich Union and Aviva,

compared to an industry average of 36%. Other strong indicators included:

- 'Different to other insurance ads' scored 78% (industry average of 54%).
- 'I like the advertising' scored 56% (industry average of 41%).
- Especially noteworthy were key improvements in value perceptions, corroborated by independent YouGov Brand Index data, and in the innovation measure ('reputation for coming up with new products and services') where the Aviva score grew by 65%, beating all the top high-street financial services brands in the wider competitive set.
- Finally, the campaign earned enormously favourable public relations (PR), valued at an additional £1.3 million.

Sponsors

Aviva - 300 Years of Insight

We're the world's sixth-largest insurance group and the biggest in the UK, with 46,000 employees that everyday serve 53 million customers worldwide.

We are committed to delivering one distinctive experience for our customers. Wherever they are, we want them each to feel that "no one recognises me like Aviva". Our global consumer research reveals that most of our competitors are particularly bad at recognising people's individual significance. This research also tells us that small human touches can make a huge difference to a customer's experience. Our aim is to make recognition the familiar quality that distinguishes Aviva from our competitors - just as Apple means user-friendliness and FedEx means reliability.

BT operates in over 170 countries and is one of the world's leading communications services companies. BT is a major supplier of networked IT services to government departments and multinational companies. It's the UK's largest communications service provider to consumer and business markets and is made up primarily of four customer-facing lines of business: BT Retail, BT Global Services, Openreach, and BT Wholesale.

BT operates in a thriving, multi-trillion pound industry that spans the whole world. In recent years the global communications market has been focused on convergence, whereby the boundaries between telcos, IT companies, software businesses, hardware manufacturers and broadcasters have become intertwined to create a new communications industry.

BT has evolved from being a supplier of telephony services to become a



"We know insurance isn't just about policies' and pensions; it's about people. That's why we're making our customers the big picture, putting a spotlight on them and our people. Putting customers at the heart of everything not only makes sense for them, it makes good commercial sense too." (Amanda Mackenzie, Aviva's chief marketing and communications officer)

We are working hard every day to build the company around what our customers want from us. That's why Aviva now ranks among the UK's top ten most valuable brands, according to the 2010 Brand Finance Global 500 survey and that success is something we are looking to replicate across the world.



leading provider of innovative communications products, services, solutions and entertainment products. BT's business customers range from multinational, multi-site corporations to SMEs and start-ups.

More than 80 per cent of the FTSE 100 and 40 per cent of Fortune 500 companies rely on BT for networking, applications and system integration. The National Health Service, Procter & Gamble, PepsiCo, BMW, Emirates, Fiat, Microsoft, Philips, and Unilever are just some of the organisations working with BT.

BT has been a driving force behind the success of 'Broadband Britain'. Thanks to the company's investment, nearly every home in Britain now has access to broadband and in September 2009, BT announced plans to more than double the availability of its fastest fibre broadband service.

MARKETING EXCELLENCE 2

“A treasure trove of examples covering the whole waterfront, from launching new brands to revitalising, sustaining and extending established ones, and from insights to advertising and sustainability. Whatever your business, it should make you proud to be a marketer, shake up your thinking and inspire you to go the extra mile.”

Professor Patrick Barwise, London Business School, Chairman of Which?

“This exciting book demonstrates how great marketing can solve the most difficult problems, through analysis, teamwork and creativity.

It contains 34 fascinating case studies, selected from hundreds of high quality entries to The Marketing Society Awards for Excellence. Those involved had the determination to win, and the courage to think differently. An inspiring read.”

Professor Hugh Davidson, Co-Founder, Oxford Strategic Marketing

“This is the textbook, the toolkit and the manual for marketing excellence.”

Cilla Snowball, Chairman, AMV BBDO

“These cases are a great source to stimulate your thinking. Some will stimulate new thoughts, some will unlock ideas from the back of your memory. All of them however are great fuel for growth.”

Keith Weed, Chief Marketing and Communication Officer, Unilever

Featuring 34 award-winning case studies from some of the world’s leading brands:

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