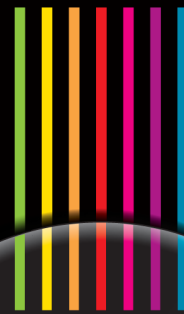


MARKETING EXCELLENCE 2

Shell

Better marketing for a more
desirable employer brand



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
President of
The Marketing Society
Corporate Marketing
Director and Head of
Marketing at Procter &
Gamble UK and Ireland

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.

Shell

Better marketing for a more desirable employer brand

Snapshot

A comprehensive marketing capability programme had a significant impact on Shell's ability to attract the best people.

Key insights

- Shell had to find a way to double the number of new and highly-skilled recruits in the face of strong competition and weak brand equity.
- It decided to undertake an ambitious programme to develop the marketing capabilities of its recruitment team.
- Sharpening up their marketing skills, while also strengthening the image of the employer brand, transformed perceptions of the company as a valued employer while costs dropped significantly.

Summary

Shell is a global group of energy and petrochemical companies with around 102,000 employees in more than 100 countries and territories. In 2004, with the world's soaring demand for energy, Shell needed to rethink its approach to recruitment in order to boost the number of highly-talented recruits it was able to

attract. That meant doubling the number in a year and expanding this even further by 2008.

But persuading large numbers of high-quality people to change their perceptions of the Shell employer brand and join the group would be a challenge. Brand equity was weak while the recruitment team was internally focused, operated in country silos, and not oriented around its customers — the candidates. The problem was that the recruitment team lacked excellent marketing skills and processes.

Pioneering the use of best-practice marketing approaches in the recruitment process transformed the company's candidate attraction ability. Not only were targets exceeded, but recruitment costs decreased significantly.

Setting ambitious goals

By 2006 Shell was facing some hard truths:

- There was a step change in the demand for energy, as the world population soared and the geography of demand shifted eastward.
- Energy supply was struggling to keep pace, causing a race to identify new, sustainable, sources of energy.
- Increasing environmental pressures meant finding more responsible energy solutions.

Addressing these truths and growing the business required an ambitious business strategy, delivered by an expanded and talented workforce. Since 2006, the focus of Shell's business strategy had been on finding more and different types of energy. People were to be a key enabler of this strategy, and an unprecedented capital investment was accompanied by an emphasis on recruitment. The company needed large numbers of new and highly skilled employees in disciplines such as engineering and finance, and in new and competitive geographies like India and China.

The business set itself challenging targets:

- In 2005 it had recruited 2,697 employees. In 2006 the target more than doubled, to 5,440 new recruits.
- The three-year picture was to be even more ambitious: 14,000 new recruits would be needed between 2006 and 2008. Fewer than a third of that, 4,151, had been achieved in the previous three years, 2003-2005.

It was the job of the recruitment marketing team to attract these new employees and convert them to choose the Shell employer brand over other

multinational competitors. It was a massive challenge: Shell's employer brand equity was weak, the employer brand proposition meant little more than salary packages, and the 'customers', the potential candidates, were ever more demanding, with the best being spoilt for choice as the recruitment market had grown hugely competitive.

Shell thus had to double its results while reducing costs. The business expected the recruitment team to demonstrate cost-effectiveness and maximise its return on investment. This was a classic marketing dilemma. In the face of strong competition and weak brand equity, how could the number of new candidates be doubled cost-effectively? It demanded much sharper marketing approaches.

But there was a distinct lack of marketing skills in the recruitment team, many of whom had a background in human resources (HR). While some steps had been taken to introduce marketing disciplines with a marketing planning process, the team recognised the need to make a substantial improvement in marketing capabilities — and to do so rapidly — if it were to meet these ambitious goals.

Developing a robust framework

Working with the specialist marketing capability consultancy Brand Learning, the Shell team began by developing a pioneering capability programme, Shell 'xchange'. This was a blend of marketing skills development, process creation and knowledge management for non-marketing specialists.

The first step was to design a marketing capability framework which identified the skill areas needed to deliver the business strategy. The analysis generated ten areas which were prioritised to develop a marketing capability plan (See 'Enhancing capabilities').

Enhancing capabilities

The Shell marketing capability framework highlighted the following key areas:

- Living the brand
- Brand development
- Channel
- Product
- CRM
- Creative communication
- Co-ordinated campaigns
- Marketing strategy and planning
- Marketing efficiency and effectiveness
- Information to insight

By interviewing business stakeholders within and outside of marketing, and by analysing the issues raised in the new marketing plans, the team identified two capability priorities:

1. To create a motivating customer (candidate) experience driven by insight and which would help to retain candidates and deliver a better return on investment. This involved several

capability areas, including gaining insights and co-ordinating campaigns.

2. To develop and learn how to leverage a differentiated brand positioning which allowed the company to attract the best candidates with relevant and differentiated benefits (reducing reliance on factors like salary).

1. Creating a motivating candidate experience

Establishing a motivating candidate experience from the moment someone heard about Shell to the moment they joined the company required a coordinated approach across all the recruitment disciplines. It was not enough to ensure that marketing communications resonated with prospective employees. Instead, marketing, operations, recruiters and line managers all needed to work together. To do this required a leap from the typically 'Shell-centric' perspective, to becoming 'candidate-centric'. That might sound obvious, but for an operation with 300 people, working on five continents and receiving up to 600,000 applications each year, it was no easy feat.

First, the candidate journey was defined by applying a classic brand funnel approach to the world of recruitment. A workshop run with members of each recruitment discipline helped build up the understanding of the importance of candidate-centricity. This was followed by creating a candidate journey model, which was subsequently described as "the bedrock of our business approach" (See 'The candidate journey').

The candidate journey

The candidate journey followed a defined path:

- Prompted/spontaneous awareness
- Positive interest
- Action
- Mutual assessment
- Hire
- Coming on board

Having developed the overall journey, the team identified the key moments of truth, gathered insights into candidate needs at these moments, and assessed how well they were being addressed. This was new territory for an HR team, so the marketing concepts and tools used to build capabilities at each stage of this journey proved invaluable.

The next stage involved a series of marketing capability initiatives to improve the candidate experience:

- The organisational structure was changed to put candidates first. Instead of operating in separately-managed functions based on specialisms (marketing, operations and recruiting), one function was set up — recruitment — with strategic, structural and cultural emphasis on collaboration and joint ownership of the candidate experience.
- Processes were refined and standardised to ensure cross-functional alignment along the candidate journey, with clarified roles and responsibilities to avoid duplication or candidates being 'lost'.

- A website and learning programme were designed to help embed the processes and candidate-centred philosophy.
- Clear key performance indicators (KPIs) that revolved around candidates were set, while the 'candidate experience survey' was established to measure performance and identify improvements. These became core KPIs on a recruitment dashboard.

Fixing the recruitment process

Research demonstrated that candidates found the recruitment process frustratingly slow — particularly between being assessed and receiving an offer. Several would drop out at this point, switching to more agile competitors. This lack of speed had been justified by referring to the number of Shell stakeholders involved in hiring decisions and the number of candidates who had to be reviewed. Now, however, the team members challenged themselves to overcome internal constraints and improve the candidate experience. This was a particular issue for graduates in Europe. In 2007 they had had to wait an average of 81 days between final assessment and receiving an offer. This was reduced by 50% to 39 days by 2008. Candidate satisfaction improved significantly.

2. Developing a differentiated brand proposition

The second capability was to develop a differentiated brand proposition and the skills to leverage it effectively. Working with Brand Learning, the Shell team built a shared understanding of what makes an excellent employer brand, and embarked on a process to identify what the Shell employer brand should stand for in the hearts and minds of customers — candidates and employees.

Qualitative and quantitative research was commissioned in six countries to probe people's attitudes towards Shell as an employer, including both internal and external audiences. Based on the insights this generated, an employer value proposition (EVP) was created for graduates with a new brand idea, validated in further research and then rolled out globally.

The roll-out process involved enhancing the marketing capabilities of several thousand employees. All marketers needed to understand the proposition, why it was important and how to use it in their markets. However, to be effective, it also needed to be understood across the business. Brand understanding had to be built among all involved in recruitment — from engineers in Aberdeen to lawyers in Malaysia. This was delivered with an extensive multi-channel programme, including virtual classrooms, conferences and brochures.

The successful implementation of the graduate EVP was followed by the development of an EVP for 'experienced' professionals in 2007 /08, tailored to a different target audience with different motivations and expectations.

These EVPs were then actively used to develop new communication campaigns, refine recruitment tools and processes, and to guide the messages everyone gave candidates. To ensure that costs were managed effectively, an 'ad creation tool' was introduced which allowed local markets to create tailored versions of the global campaign using a simple website. It ensured the new EVP was consistently communicated to candidates without incurring excessive creative agency costs.

Markets could tailor messages and use targeted channels which in fact delivered better quality applications and reduced costs per recruit compared to the national press on which the company had previously relied.

Broadening the reach

While the main focus in 2006-8 had been on developing these two crucial capabilities, the company was also investing in developing other broader marketing skills. A series of virtual classrooms were created in the capability programme, xchange, and supported by on- and offline toolkits to teach people marketing fundamentals. This built up knowledge of the core principles of marketing among everyone in recruitment. It covered the skill areas of the candidate journey, insight, segmentation, brand positioning, brand activation and marketing planning.

Recognising the importance of strengthening marketing leadership, the key managers in recruitment were sent on The Marketing Society's Marketing Leaders Programme, which they found inspiring and helpful practically.

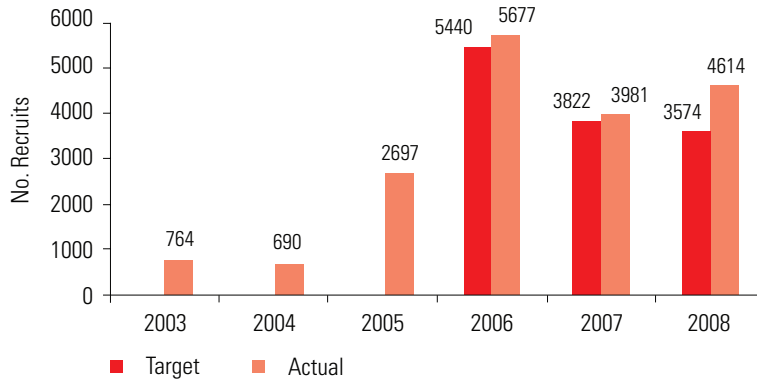


Figure 1. In 2006-8 targets were exceeded and the number of recruits more than trebled

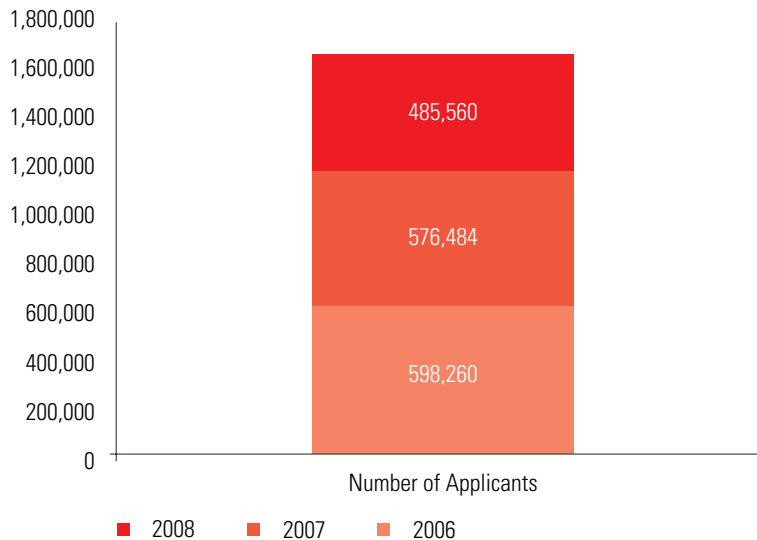


Figure 2. 1.6m applicants were attracted to the brand

The brand resurgent

The challenge was huge: to double the number of new and highly skilled recruits to Shell cost-effectively in the face of strong competition and weak brand equity. The HR team had little marketing experience in the face of a business hungry for new talent. By building the marketing capabilities with Brand Learning’s specialist support and pioneering the application of classic marketing approaches to recruitment marketing, the company achieved impressive results.

- Recruitment targets were surpassed every year between 2006 and 2008 which resulted in massive growth (Figure 1).
- 1.66 million applicants were attracted to the Shell brand (Figure 2).
- The marketing budget and marketing cost per hire were both reduced by focusing on the customer — the candidate — and finding efficiencies in communicating the EVP (Figure 3, overleaf).
- The customers reported improvements in their brand experience, which was driven largely by improvements in process efficiency (Table 1).

Table 1

	2006	2008	% change
Overall customer experience score	3.55 out of 5	3.7 out of 5	+4%

- Perceptions of Shell's employer brand continued to improve. Research showed that the Shell employer value proposition was motivating more people to consider Shell as an employer against competitors and they were now more likely to recommend Shell to their friends.
- Enhanced marketing capabilities meant that staff could be developed and promoted into other marketing roles across the business. Between 2006 and 2008, 20% of the recruitment marketing team were promoted into other marketing roles, from marketing Shell Lubricants to corporate communications.

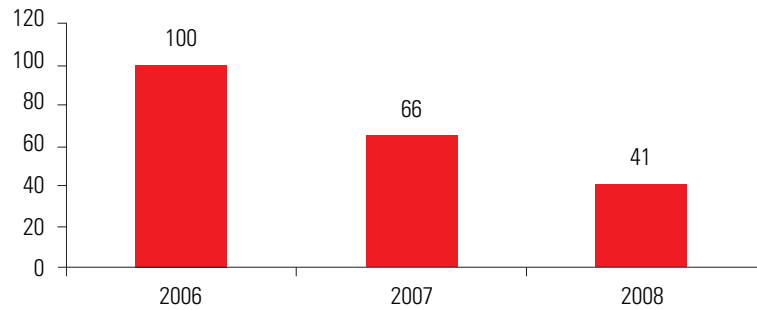


Figure 3. Marketing cost per recruit fell to 41% of 2006 levels

The company had overcome the perception that its recruitment team were not 'proper marketers' because they were in recruitment marketing. This turned out to be very motivating to the team, as was the investment in building their marketing capabilities.

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:

Sky+ BT Business NHS Blood and Transplant Magners Change4Life alli O2 Waitrose KFC McDonald’s Hovis British Gas Audi Marks & Spencer Virgin Atlantic Dulux Sainsbury’s Pedigree Thinkbox Harlequins More Th>n UPS Walkers Aviva ebookers Shell ICI Paints Channel 4 British Heart Foundation Keep Britain Tidy Ariel

© Copyright The Marketing Society 2010. All rights reserved.

This PDF edition is for the personal use of the purchaser who may print from it a single copy. It may not be reproduced, posted on intranets, extranets or the internet, e-mailed, archived or shared electronically either within the purchaser’s organisation or externally without express written permission from The Marketing Society. To share this PDF with colleagues at the same site or across multiple sites within an organisation by email or via an electronic network please contact The Marketing Society to purchase an appropriate licence.



in association with

Marketing

sponsored by



To download further case studies or purchase the book, Marketing Excellence 2, please visit www.marketingexcellence.org.uk or Phone 020 8973 1700