

LEGO EUC – The Addressable Journey



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BRING SMILES TO LITTLE FACES

The toy industry, as a category, is on the rise in Germany: In 2020, the sector generated an overall turnover of approx. EUR 3.7B, an increase of EUR 1.2B from 2010 (NPD Group; das Spielzeug, 2000-2020, 2020). Obviously, the pre-Christmas period is considered as the most important period of the year to drive sales and bring smiles to little faces while getting the products underneath the Christmas tree. Of course, this is mirrored by the ad spends around this time: According to Nielsen Media Research, toy manufacturers spent EUR 166M on advertising, totaling up to 40% of their annual budget spent in the three remaining months of the year.

CONVINCING LOW-AFFINITY PARENTS

As the most beloved brand in the world (Brand Love Story 2020, Townwalker 2020), LEGO regularly delivers outstanding brand health metrics. LEGO is one of the key players within the toy industry and has become a gift staple for most parents. With its business peak during the Q4 Christmas holiday season, LEGO was facing the most cluttered and highest competitive time of the year. A year coined by a global pandemic shifting media usage towards digital channels and elevating e-commerce to new highs. While the brand is well established, the general challenge is not only to maintain this high level of awareness: Having identified them as a great growth target, LEGO aimed at driving sales amongst parents having low affinity for LEGO's product portfolio. More precisely, the task was to generate incremental active share (+10%-pts) amongst our audience of low-affinity parents. Active share is a LEGO metric, defined as people who have bought a LEGO product at least once in the last 12 months, collected by Lieberman Worldwide Research on a monthly base. Delivering incremental uplifts in unique reach rather

than just increasing frequency for such an established brand during one of the most competitive times of the year is already a big challenge. Combined with a target group that is tough to identify and target effectively, we understood early that we had to leverage pioneering and innovative media techniques. Due to the global pandemic, 2020 was an unprecedented year with changing media usage and shopping behaviour across all markets. The campaign period would fall into the second national lockdown in Germany. With this development in mind, during the planning stage, Initiative ensured to incorporate

the learnings from the first wave of local, political restrictions in early 2020 in our media selection: In particular, the reduction in the public mobility rate during the first lockdown phase (compiled and updated daily by Teralytics & the Federal Bureau of Statistics) had a strong impact on consumers. As a result, we reflected this development in our approach to guarantee highest planning flexibility: When national mobility declined, we were able to dynamically decrease the DOOH investment and re-allocate our budget to other digital media channels in the mix.



Example for ATV

ONE CONSISTENT DATA LAYER ACROSS ONLINE & OFFLINE CHANNELS

The audience-first strategy put into effect by merging characteristics of low-affinity parents from the Ripple Survey with the data base from Acxiom and thereby making a programmatic utilisation of the target group across all relevant channels possible.

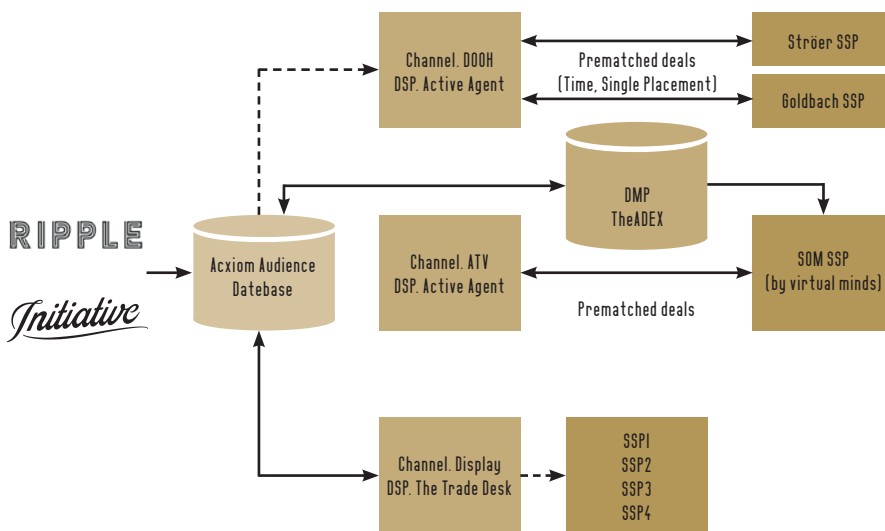
Achieving this utilization, we were able to maximise unique reach levels of DOOH, Mobile, Display and ATV against our hard-to-reach audience.

This approach is unique as we created the first-ever connected DOOH, Mobile, Display, and ATV campaign in Germany using one consistent data layer.

CASE SUMMARY

While targeting the low-affinity parents audience 100% programmatically through a single-source, cross-channel data layer, we did not only drive awareness and consideration, but also maximised in-target reach levels by adopting an advanced targeting approach.

The Addressable Journey Architecture - Details



Source: Initiative Media 2020



Example for DOOH

Off the back of the custom data fusion we were not only able to build a precise version of the low-affinity parents target group, but to extract and analyse their shopping and media behavior, too. These insights were instrumental in selecting media channels and placements, like DOOH in shopping malls and public transport, as well as picking Display/Mobile Premium Ad Banners to drive efficient awareness and consideration in the upper funnel of consumer journey stages.

Leveraging the custom data segment, we were also able to find and (re)target the same, non-exposed unique ID via ATV, or build incremental reach by delivering SwitchIN XXLs on linear TV - all of which lead to effective in-target impacts that would ultimately encourage engagement with LEGO brand amongst low-affinity parents. We were also able to minimise impression wastage by using this targeting methodology, as the custom data segment only included IDs that were part of our strategic target group. By further decoding the data down to MAID-level, we were also able to compensate the lack of DOOH/ATV usage with mobile and display ads and therefore maximise conversion.

TAKING THE LOCKDOWN INTO ACCOUNT - THE PREDICTIVE MODELLING

With the advent of 2020's COVID-19 pandemic, for the safety of its population, the German federal government restricted the public life to various degrees throughout the year. Along with the lockdown situation the media habits were changing: e.g. a new interest in news led to younger age segments watching linear television again, a drastic change in the trend witnessed in recent memory. Most importantly for our campaign, however, was the potential change in people staying indoors, potentially limiting the effectiveness of OOH media. Without knowing how the degree of restrictions would look like during the campaign period, it was our goal to be most flexible and dynamically shift our allocated budget from DOOH to other digital channels while the campaign was running. By using outdoor mobility data in a predictive modelling for our target audience, we were able to react to lower mobility rates by adjusting spendings across the channels and thereby guarantee highest effectiveness and efficiency while the campaign was running.

EXCEEDING EXPECTATIONS

The campaign delivered outstanding awareness, consideration and sales metrics. By targeting the precisely defined target group 100% programmatically through a single-source, cross-channel data layer, we were able to maximise in-target reach by adopting an advanced targeting approach.

The campaign exceeded our expectations with an active share of >74% in Nov/Dec 2020, outperforming 2019 by +16.3 ppts. Exceeding the business goals was fuelled by strong penetration levels of our target group. Thanks to the engaging creative assets, the campaign resulted in an outstanding CTR of +145% on our display/mobile ads vs. with LEGO EUC agreed-on benchmark for PremiumAdBundles (+66% StandardAdBundle). With these figures, we beat our best-in-class benchmark across all placements, which once again highlights their effectiveness.