Case Study

2018 EFFIE UNITED KINGDOM GOLD AWARD WINNER

“Buster the Boxer: John Lewis’ Most Effective Christmas Campaign Ever”

The Christmas period generates 40% of John Lewis annual profit, so success at Christmas is crucial for the business. In 2016, in a dire retail climate and against fierce competition, our Christmas campaign became John Lewis’ most effective and profitable ever. It became our most watched, liked and shared Christmas advert of all time, and delivered real commercial value to the business, paying for itself ten times over with an ROI of £11.
Executive Summary

The Challenge
In 2016, John Lewis needed to deliver their most loved and most effective Christmas campaign yet.

The Idea
Our campaign evoked the joy of thoughtful gifting in the story of a little girl, Bridget and her dog Buster.

Bringing the Idea to Life
As part of our more joyful creative approach, we coupled an impactful launch with new platforms that encouraged people to have fun with our campaign.

The Results
The campaign was our most effective and profitable Christmas campaign yet, generating more likes, shares and views than ever before, alongside an ROI of £11.

Effie Awards Category Context

The Christmas period generates 40% of John Lewis' annual profit, so success at Christmas is crucial for the business. In 2016, faced with a dire retail climate and fierce competition from other retailers, John Lewis needed their Christmas campaign to be more successful than ever.

As you'll see, our Christmas campaign was the most effective and profitable ever. It became the most watched, liked and shared Christmas advert of all time, with a launch day that stole Trump's limelight. It also delivered real commercial value to the business, paying for itself ten times over with an ROI of £11.
State of the Marketplace & Brand’s Business

It’s a challenging time for British retailers. In 2016, the situation was particularly bleak. A turbulent political and economic climate, coupled with a shift to online shopping, produced a retail apocalypse.

In that year, the collapse of BHS (British Home Stores) was heralded by the media as the ‘beginning of the end’ for bricks and mortar stores. The Financial Times claimed that “full price retailing was dead.” Across the country, 1,504 stores went out of business.

Amidst all this turmoil sat John Lewis. A premium UK department store, selling homewares, electrical products, and fashion. Founded in 1864 on a pioneering Partnership model, it had 53 stores across the country and an e-commerce business. It employed 91,500 people.

A nation tightening its purse strings presented a problem for a premium retailer such as John Lewis.

Strategic Communications Challenge

Christmas matters a lot to John Lewis. The Christmas period accounts for around 20% of annual sales and 40% of profits, so success during this period is vital to the business.

Yet UK retail is fiercely competitive, and never more than at Christmas. British retailers spend around £180m a year on Christmas advertising. To exacerbate the issue, ‘Black Friday’ has taken hold in the UK, with retailers kick-starting the festive season with heavy discounts. This, together with the continued rise of online shopping, makes generating profit at Christmas even more challenging.

Objectives & KPI’s

As seen above, shopper polygamy in grocery retail is the norm: people shop everywhere.

**Commercial Objectives**
- Generate profit for staff bonuses
- Increasing share of department store market
- Increasing sales during Christmas period

The key to strong sales at Christmas is store footfall, driven largely by gift shoppers. Therefore, the marketing objectives were:

**Marketing Objectives**
- Get more customers, spending more
- Increasing store traffic
- Increasing propensity to shop at John Lewis for Christmas gifts
The likelihood of visiting John Lewis is partly a matter of salience. In the lead-up to Christmas, John Lewis must spring to mind first. It’s also a matter of emotional connection – John Lewis needs to feel like a “special destination” shop that people want to visit.

Yet the impact of the John Lewis Christmas campaign reaches far beyond short-term sales. This is the most high-profile marketing campaign in the UK, at the most important time of the year. Each new John Lewis Christmas campaign is anticipated, scrutinized, and talked about. Failing to move the nation would have a significant commercial, social and cultural impact on the John Lewis brand. Every year, the challenge is to raise the bar, and make each campaign more famous than the last. Stakes firmly raised, we set the following communications objectives:

**Communications Objectives**

- Increase brand salience and deepen emotional connection
- Creating Britain’s most watched, loved and talked about Christmas advertising

**Audience**

John Lewis appeals to an affluent, educated customer base (typically ABC1 aged 25-55), who like to buy well, and be seen to do so. When it comes to buying gifts, they like to choose more thoughtfully. They want to buy the most interesting, relevant and distinctive gifts; gifts that say how important the people they love are to them. We call these people “Thoughtful Gifter”.

**Insight**

Each year, John Lewis Christmas campaigns build upon the successful strategic bedrock of ‘thoughtful gifting’. This strategy derives from three insights:

1. **Business insight**
   
   John Lewis has more products than any other high-street retailer: no matter who you are buying for, you’ll find the perfect gift for them there.

2. **Brand insight**
   
   John Lewis is composed and understated in all it does. The shopping experience is calm and unruffled. At a frenzied time of glitz, celebrities and cliché, John Lewis is more considered and thoughtful.

3. **Customer Insight**
   
   John Lewis customers are more “Thoughtful Gifter”.

Our Christmas strategy is always to position John Lewis as “The home of Thoughtful Gifting”, a place where shoppers can find gifts that mean more and demonstrate a little more ‘thought’.

Whilst most retailers use advertising to showcase products and prices, our strategy shifts the focus to the true meaning of Christmas: a time for giving, caring and sharing. This allows us to craft highly emotive creative work that the public adores. There are no explicit selling messages, and few references to the store or its products. Instead, we give the people of Britain a “Christmas present” each year: a moving story about thoughtful giving.
Strategy

Each Christmas, although the stories of ‘Thoughtful gifting’ change, every campaign adheres to the same ‘principles’ which maintain consistency year on year and ensure the advertising is unmistakably John Lewis. Whilst this consistency may not sound revolutionary, we can see through econometrics that this approach helps the John Lewis Christmas campaign grow in effectiveness each year. Part of the effectiveness ‘magic’ of John Lewis Christmas is understanding what elements must stay consistent and what elements can be adapted to be more topical and relevant every year.

John Lewis Christmas Principles

Be Emotional and Heart Warming

Be Understated

Be Populist

Be Surprising

Be Original

Yet the campaign is adapted to suit the mood of the nation. Sensing 2016 was to be an annus horribilis, with celebrity deaths and a turbulent political climate creating a negative mood across Britain, we decided to adopt a more uplifting, playful tone with the story of a little girl called Bridget, her dog Buster and a series of garden animals. As part our more joyful creative approach, we embraced new media platforms which allowed people to have fun with our playful campaign. It would prove to be our most integrated and progressive campaign to date.

The Big Idea

Thoughtful gifts from John Lewis can bring happiness to all

Sourcing:


Bringing the Idea to Life

Our Christmas campaign centered around the story of a little girl who loves bouncing and is given a trampoline for Christmas. We see a series of garden animals enjoying the trampoline on Christmas Eve, unbeknown to the family. Then, in a heart-warming and surprising twist, it’s Buster the dog who manages to get to enjoy the trampoline first on Christmas morning.

We started by teasing the natation

The launch of the John Lewis Christmas ad has become a National ‘Event’, a moment that is anticipated and speculated across the country. We played into this excitement with teaser videos on social media, that featured Buster watching Bridget bounce around her house, with the enigmatic hashtag #bouncebounce.

Then we launched with impact

The campaign officially launched online and on TV. In addition, we partnered with Sky to become the first ever brand to integrate our advert into the Sky TV electronic programming guide (EPG) allowing viewers to download the advert and experience that ‘first watch moment’ through their Sky+ planner.

TV gave us mass exposure
Despite our organic, ‘viral’ reach, TV advertising still had the power to deliver fame, emotion and fuel subsequent ‘earned media’.

We prioritized 120", 90" and 60" assets, broadcasting them in the best seasonal programming, introducing Buster and friends to 40% of ABC1 adults in the first weekend and 67% in just 11 days.

**Suppliers got involved**

We leveraged the high-profile nature of our campaign to attract investment from suppliers for a second wave of advertising.

Supplier activity was creatively linked to the brand ad, featuring products being sniffled by our furry ‘stars’ including the UK’s only trained badger, a hedgehog and a fox. Running in print, on TV and online, they delivered an additional 457 TVRs, reaching almost 80% of ABC1. That’s 300m extra impacts at zero cost to John Lewis.

The combination of brand TV, supplier-funded ads and online amplification gave us huge exposure at very low cost. We got more than 3/4 billion impressions in the UK, in a few short weeks.

**Huge exposure at low cost**

<table>
<thead>
<tr>
<th>Xmas</th>
<th>TV views</th>
<th>Online Views</th>
<th>Total views</th>
<th>John Lewis spend</th>
<th>Cost per view</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>705m</td>
<td>64m</td>
<td>771m</td>
<td>£4.0m</td>
<td>0.5 pence</td>
</tr>
</tbody>
</table>

All adult views for Christmas video advertising. Source: BARB, YouTube, Facebook, Twitter, Media Agency. TV views include supplier-funded ads.

**We sustained interested by immersing customers in our story**

The campaign extended into playful new channels, such as a branded Snapchat lens, Twitter stickers, a VR trampoline experience in our flagship store and a 360 video on Google Cardboard which allowed people to join in with the fun. For campaign fans, we created official ‘Buster’ merchandise, in-store activations and behind-the-scenes films.

**Media Touchpoints**

<table>
<thead>
<tr>
<th>RETAIL EXPERIENCE</th>
<th>PAID MEDIA EXPENDITURES</th>
<th>OWNED MEDIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-Store Merchandising</td>
<td>Current Year: October 2016 - December 2017: £3,000,000 - £5,000,000</td>
<td>Windows, in store signage, in store activation and comms on the John Lewis website and social media channels</td>
</tr>
<tr>
<td>SOCIAL MEDIA</td>
<td>Prior Year: October 2015 - December 2016: £3,000,000 - £5,000,000</td>
<td>OTHER MARKETING COMPONENTS</td>
</tr>
<tr>
<td>TV</td>
<td>2016 TV: 90% £3,612k, Social: 8% £330k, Mobile: 2% £85k</td>
<td>About the same as previous year’s budget</td>
</tr>
</tbody>
</table>
Results

This was our most effective Christmas campaign ever.

Summary of effects

- Most watched, loved and talked about Christmas ad
- Brand salience and emotional affinity increased
- More customers, spending more
- Sales and market share hit record levels

Teasers had over 6 million views on social, a 375% increase YoY. The launch was the biggest social launch day in John Lewis history. Within 50 minutes of launch, #busterteboxer trended #1 globally on Twitter, higher than #TrumpProtest, one day after Trump’s election. The advert became #1 trending YouTube video, #1 trending content on Facebook.
People searching online for our ad broke all records, leading to 64.36 million views. It became the most shared UK Christmas ad ever with 1.3m shares. 1,674 press articles created 108m free exposures [9].

Our Sky partnership drove 721k downloads in the first 24 hours. For context, the biggest download in Sky’s history had 75k downloads. TV built further scale, by Christmas 81% of adults had seen the advert.

Buster was our most famous campaign yet:
Our most famous campaign ever

<table>
<thead>
<tr>
<th>Performance Metric</th>
<th>Nov/Dec 2015</th>
<th>Nov/Dec 2016</th>
<th>% Change</th>
<th>Comment</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ad recognition</td>
<td>80%</td>
<td>80%</td>
<td>-</td>
<td>Highest ever</td>
<td>John Lewis Tracker</td>
</tr>
<tr>
<td>Google search index for “John Lewis ad”</td>
<td>120</td>
<td>167</td>
<td>+39%</td>
<td>Highest ever</td>
<td>Google Trends</td>
</tr>
<tr>
<td>Mentions of John Lewis in social media</td>
<td>206k</td>
<td>357k</td>
<td>+31%</td>
<td>Highest ever</td>
<td>Crimson Hexagon</td>
</tr>
<tr>
<td>Articles about John Lewis ads in press</td>
<td>1,443</td>
<td>1,674</td>
<td>+16%</td>
<td>Highest ever</td>
<td>Talkworks</td>
</tr>
<tr>
<td>Number of online shares</td>
<td>2,672,646</td>
<td>3,049,387</td>
<td>+17%</td>
<td>Most shared UK Christmas ad ever</td>
<td>Unily</td>
</tr>
<tr>
<td>Total online views</td>
<td>35,111,300</td>
<td>64,36m</td>
<td>+83%</td>
<td>Highest ever</td>
<td>Media Agency</td>
</tr>
</tbody>
</table>

The public voted our advert The Best British Christmas advert and The Best Liked Christmas Ad

Our ad received 33% higher ad recognition than the UK retail norm [10] and higher awareness than any competitor:

YouGov voted us Britain’s Most Talked About Retailer. Against every brand health metric, we performed higher than the UK norm:
We drove a record breaking number of customers, instore and online:

Like-for-like sales rose by 2.7%. [11] Total sales increased 4.9% YOY to £998.1m, over £2.9m from Buster merchandise. [12] This contributed to John Lewis’ highest ever year-end sales figure [13]. John Lewis outperformed the market by 44% and their market share increased to 30.3%, its highest ever. [14]

Every £1 of adspend generated £11.23 of incremental profit, a 9.3% increase YOY, making Buster our most effective campaign ever.

The campaign paid for itself more than 10 times over, generating £165m extra sales and £51m extra profit. That’s
over £11 profit for every £1 spent on advertising.

<table>
<thead>
<tr>
<th></th>
<th>2013 Bear and Hare</th>
<th>2014 Monty the Penguin</th>
<th>2015 Man on the Moon</th>
<th>2016 Buster the Boxer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Christmas ad spend</td>
<td>£5.8m</td>
<td>£5.9m</td>
<td>£5.9m</td>
<td>£5.4m</td>
</tr>
<tr>
<td>Incremental revenue generated (inc VAT)</td>
<td>£132.0m</td>
<td>£132.0m</td>
<td>£141.4m</td>
<td>£165.2m</td>
</tr>
<tr>
<td>Revenue generated per £1 spend</td>
<td>£22.83</td>
<td>£22.55</td>
<td>£24.10</td>
<td>£30.60</td>
</tr>
<tr>
<td>Incremental profit (before deducting adspend)</td>
<td>£53.4m</td>
<td>£53.2m</td>
<td>£56.9m</td>
<td>£66.0m</td>
</tr>
<tr>
<td>Net profit (after deducting adspend)</td>
<td>£47.6m</td>
<td>£47.3m</td>
<td>£51.0m</td>
<td>£60.6m</td>
</tr>
<tr>
<td>Net profit per £1 spent</td>
<td>£8.16</td>
<td>£8.07</td>
<td>£10.27*</td>
<td>£11.23*</td>
</tr>
<tr>
<td>Return On Marketing Investment (ROMI)</td>
<td>816%</td>
<td>807%</td>
<td>1027%*</td>
<td>1123%*</td>
</tr>
</tbody>
</table>

Source: Econometrics by MarketShare (2013-2016)
*Profit ROI calculation excludes Supplier spend

Other Contributing Factors

Econometrics shows Buster was the key factor that took sales to record levels. Advertising (“JL media”) was the main driver of growth, increasing sales by £139m that year:

Advertising was the biggest driver of online sales too

Econometrics shows advertising is a vital driver of John Lewis’s e-commerce business, accounting for 38% of all online sales. As the chart below shows, “Buster” gave John Lewis its highest online sales ever that Christmas and John Lewis’s online sales grew faster than internet shopping in general.
Market factors played a minor role

Economic growth and “Black Friday” helped, but John Lewis grew faster than the market. Market factors only boosted sales by £7m [16], whereas advertising effect (an extra £139m sales) was nearly 20 times more important.

New stores can’t explain the success

Store expansion increased sales by £65m according to the econometrics [17], but like-for-like sales grew strongly, so new stores were not the main driver. Advertising effects were more than twice as important as new store openings.

Other factors were working against us

Econometrics investigated the impact of other factors that might affect sales. [18]. Together these other factors had a negative effect, depressing underlying demand by £8m.

Sourcing: