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Grupo Familia: Monetizing a Digital Marketing Campaign in Colombia

Lucas Lopez Lince, director of the Family Care business unit of Colombian consumer goods company Grupo Familia, faced a challenge. Responding to the need to rework the marketing budget in the face of economic headwinds, Lopez Lince had deepened previous cuts to traditional television advertising and in-store promotions of Familia Brand® products. At the same time he increased the budget for digital marketing, as he felt strongly about Familia Play, the digital marketing campaign that had been launched by his predecessor in 2015. Familia Play built out Familia Brand's digital presence by offering free on-demand videos on the company's website, posting videos exclusive to Familia Brand's YouTube channel, and increasing the company's Facebook presence by regularly posting things like lifestyle tips, raffles, and promotions. By August 2016, Lopez Lince was seeing an increase in micro conversions, activity-driven performance measures such as page views and video downloads, while sales were beginning to rise again as well.*

His questions now were twofold: Could he be confident that the digital efforts were well structured and that the rising sales were indeed related to them? And how could he continue to strengthen the company's digital initiative and amplify its impact on bottom-line results? Many ideas—like expanding free content, adding premium content, and developing a loyalty program—came to mind, but how could he evaluate which would be best to do next?

* The information in this case was collected from Grupo Familia proprietary records and 2016 interviews with Lucas Lopez Lince.

Grupo Familia

Grupo Familia specialized in consumer goods products for baby care, family care, pet care, feminine care, and adult care. Founded in the 1960s in Medellín, Colombia, the company had a history of continuous expansion. It established a presence throughout Colombia in the 1970s, and from the 1980s into the 2010s it steadily expanded throughout several Central and South American and Caribbean countries. By 2015, it had several number-one brands in different categories in Colombia, Ecuador, and other Latin American countries and was in a strong competitive position.

In early 2015, Familia Brand's sales suffered from economic turbulence in Central and South America. Oil production was critical to the economies of many countries in which the company operated. Falling prices for oil and gas resulted in sluggish economic growth across the region, and consumers had less disposable income. Fluctuating exchange rates also affected Familia Brand negatively. As the value of the Colombian peso fell relative to the U.S. dollar, the company's costs for raw goods increased, and its profits decreased.

The Marketing Status Quo

Historically, Familia Brand's marketing strategy had focused on what it considered its core customer base: middle-age mothers in relatively affluent households. Familia Brand relied on a customer persona it had developed, named Patricia, to represent and target its core customers (see **Exhibit 1**). Patricia was married with children in their late teens. She was a good cook, shopped in local supermarkets, and took pride in her housekeeping. She used the Internet only occasionally and checked her Facebook account once or twice a week.

Familia Brand's marketing efforts consisted largely of television ads, along with in-store promotions in supermarket chains, geared toward Patricia. It invested little in digital marketing and expected little return on that investment. The company's main online activities centered on providing customers with more information about Familia Brand's products. Its website offered grooming and home-care tips as well as user groups that allowed customers to engage with each other.

The Leap into Digital Marketing

The company had created a portal on Familia Brand's website designed for housewives personified by Patricia. It housed a library of video content, but there was no attempt to monetize it and only limited attempts to build it out. A new initiative to restructure digital efforts was launched in 2014, starting with a process of social listening, as well as collecting and analyzing activity on the company's social networks. Based on that data, the company discovered that the majority of its customers were quite different from Patricia. Familia Brand created a new persona, named Cindy, to represent them (see **Exhibit 2**).

Cindy, who was 24 years old, her husband, and their young daughter lived with her husband's parents. Despite the family's limited income, Cindy had high hopes for the future. She dreamed of

traveling and moving up the social ladder, into a world of glamour and adventure, and she wanted to send her young daughter to college. At the same time, she worried about things that might go wrong: losing her husband, falling into poverty, or being a victim of violence. In the present, Cindy was focused on providing good care to her family. She wanted to take care of the basics, like making healthy meals and taking care of the home, and she wanted to find ways for the family to have fun. Unlike Patricia, Cindy shopped primarily in small mom-and-pop shops, buying small items frequently rather than in bulk. Value for money was important to her, and she preferred traditional brands and high-quality products. She had a smartphone, which she used constantly to browse websites and connect with friends through social media.

In 2015, the company developed and launched the Familia Play campaign with Cindy in mind. The campaign focused on increasing its social media presence (see **Exhibits 3** and **4**) and further developing the Familia Brand website with free on-demand video content like instructional videos with tips on grooming and housekeeping; entertainment such as movies, popular television shows, and sporting events; and a children's section with entertainment and educational videos. Customers could access Familia Play for free by registering with their e-mail addresses (see **Exhibit 5**). Once they logged into the Familia Brand website, they could view videos and easily link back to Facebook to share and comment on the videos they were viewing.

At the end of 2015, Lopez Lince became the Family Care business unit director. The company had already begun shifting marketing resources away from traditional outlets to the Familia Play campaign, but after the review of the marketing budget, given economic circumstances, Lopez Lince needed to go further. The amount budgeted for television advertising fell by 30 percent from 2015 to 2016, and the budget for digital marketing doubled. He decided to shift as much money as possible to the digital campaign geared toward Cindy.

What Next?

Familia Brand's Facebook likes had increased from about 34,000 in April 2014 to 540,000 in July 2016. In the same time frame, the total video plays on its YouTube channel increased from about 121,000 to more than 8 million. The campaign's success in generating micro conversions told Lopez Lince that the Familia Brand was on the right track (see **Exhibit 6**). The digital campaign was building loyalty.

Now he needed to build a stronger link between the digital campaign and increasing sales. Micro conversions were encouraging, but they weren't enough. What elements could he add to the digital campaign that would build the connection from micro conversions to the macro conversions that would really impact Familia Brand's bottom line?

Exhibit I: Patricia Velez Persona

- Married with two children in their late teens
- Upper middle class
- A proud housekeeper and a good cook
- Watches television (especially *novelas*)
- Shops in local supermarkets
- Occasional Internet user; checks her Facebook account once or twice a week

Source: Grupo Familia

Exhibit 2: Cindy Jaramillo Persona



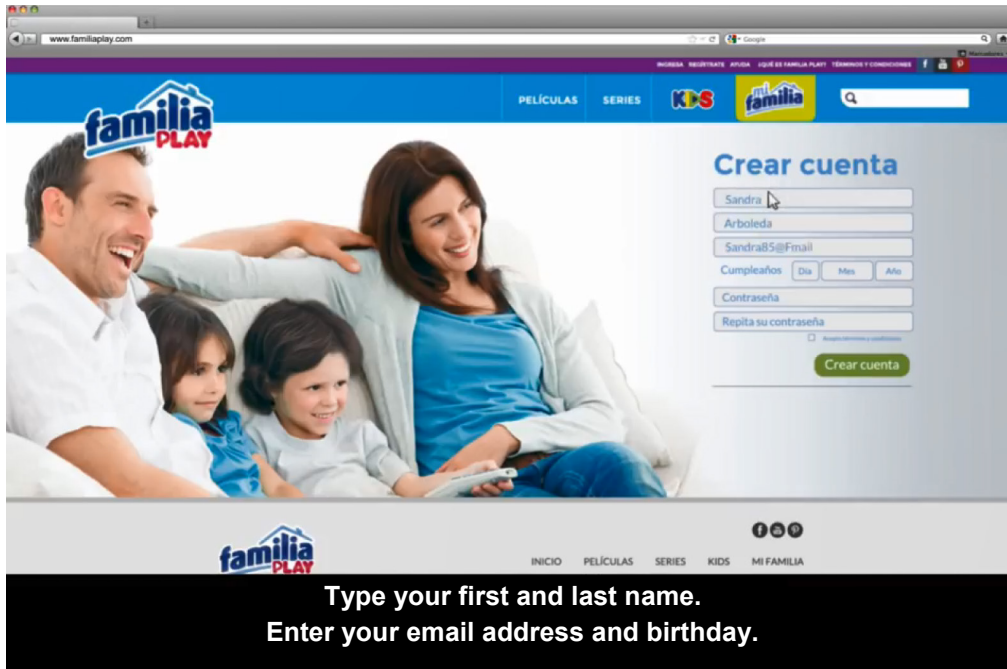
- 24 years old
- Native of Bogotá
- Married with one daughter, living with her husband's parents in a low-income neighborhood
- Limited household income
- 70 percent of Familia Brand's fans are similar to Cindy
- Dreams of a better life; hopes to send her daughter to a university
- Imagines a world of glamour and adventure
- Wants to provide the best care for her family
- Wants to have fun with her family right now
- Buys smaller packages more frequently; price/kg therefore higher
- Shops in neighborhood mom-and-pop stores
- Values traditional brands and better-quality products

Source: Grupo Familia

Exhibit 5: Familia Play User Interface



Exhibit 5 (continued)



Source: Grupo Familia

Exhibit 6: Familia Play Quick Facts, July 2016

with **FREE CONTENT** that is also safe
...
for the little ones.

familia®

wants to entertain the families WITH SUBJECTS OF INTEREST for all their members:

- MOVIES, SERIES AND TV SOAPS
- shows with CRAFT-MAKING TUTORIALS, HOUSEHOLD AND BEAUTY TIPS

for the ENTERTAINMENT OF THE COLOMBIAN FAMILIES

where they can find:

- TV SHOWS
- SERIES
- MOVIES

IS THE FIRST AND ONLY mass consumption brand IN THE WORLD

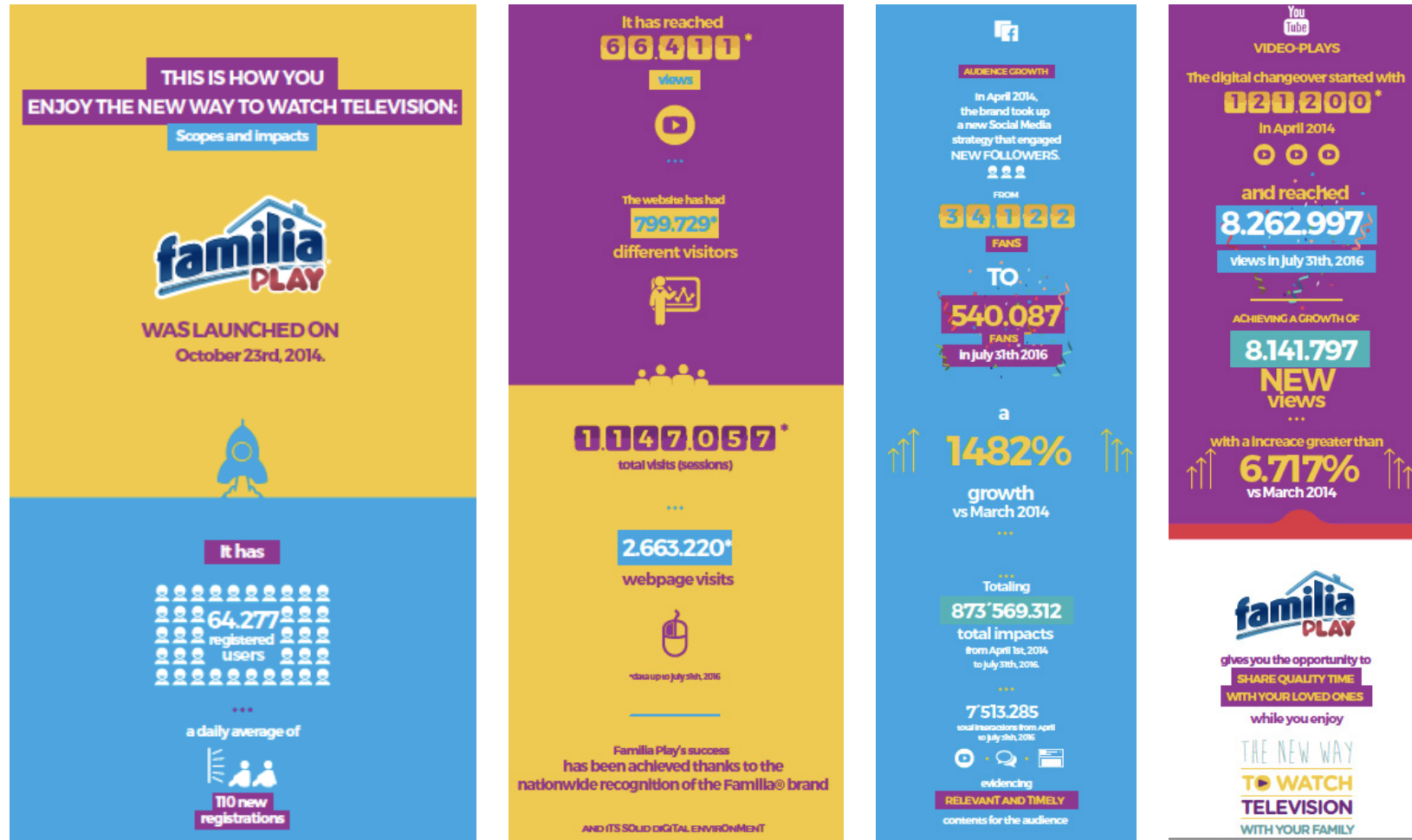
that has launched a free VoD service for building **LOYALTY AND INDULGING** its audience

by giving them the opportunity to enjoy the content **ANYWHERE**

logging in from a **COMPUTER, SMARTPHONE, TABLET OR SMART TV**

The website also has a **KIDS SECTION** where children can **HAVE FUN** while learning with **MOVIES** and animated series.

Exhibit 6 (continued)



Source: Grupo Familia