

Integrated Marketing Communications Plan for Converse Chuck Taylor All Stars

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SITUATIONAL ANALYSIS

History/Background: mission, vision, values

1. Started in 1908 in Malden, Massachusetts. Originally made only rubber galoshes and work shoes
2. Designed and produced first basketball shoe in 1917
3. Famous basketball player, Chuck Taylor, promoted the shoes and helped develop them
4. Classic white high top introduced for 1936 Olympics, patriotic look
5. Official sneaker of US Armed Forces during WWII
6. 1950s- high tops dominated shoe market
7. 1957 introduction of low cut Chuck Taylor was a turning point in how we use Converse
8. Death of Chuck Taylor & new competitors led to falling athletic sales
9. 1980s- shoe of fashion, music, and counterculture
10. 2001- filed for bankruptcy, but brand is too adored to go away
11. Bought by Nike, moved all production to Asia

(Chucks Connections)

Financials/Growth

Total Revenue: \$66,822,000	Net Income: \$8,629,000
Total Assets: \$121,098,000	Total Liabilities: \$45,655,000
Stockholders' Equity: \$75,443,000	

Converse contributed about 6% of Nike's fiscal 2014 revenue.

Converse has sold around 750 million pairs of shoes.

Converse's revenue rose about 16% in fiscal 2014

In 2002, the flailing Converse company reported just \$205 million in revenue. Since, Nike has transformed the brand into a \$1.4 billion business. Nike acquired Converse for just \$305 million back in July 2003. After 12 years under Nike's wing, Converse's sales grew an impressive 28% in Q1 of 2015 to \$538 million.

(NASDAQ)
(Vault)
(Quartz)
(CNN)

Reputation

Converse wanted to be known as a basketball/athletic shoe. In 1920, Converse renamed their canvas basketball sneaker the "All Star." The name stuck. What didn't stick was their intention. Converse made them to sink jump shots on the court. You, however, saw them as something more... and started wearing Converse sneakers to do whatever you wanted. You played music, made art, skated the streets and kicked back. You wore them as fashion. You wore them to work. You customized them with your personal style. You did everything to them, and in them. You saw the sneakers' unlimited potential.

Established in 1908, the Converse brand has built a reputation as "America's Original Sports Company" and has been associated with a rich heritage of legendary shoes such as the Chuck Taylor All Star shoe, the Jack Purcell shoe and the One Star shoe.

According to Lacy Pica, Converse Press contact, and Kelly Ricci HL Group- The Converse Chuck Taylor All Star, once the premiere shoe of elite basketball players now became the shoe of the counter-culture and of baby boomers who refused to stop wearing their favorite pairs of Chucks. The shoes became very popular with rock musicians, and younger generations wore them for their distinctive looks, colors, and comfort and as an alternative to the high priced high performance shoes made by Nike and other companies. They're considered a leisure shoe and are now purchased because they are fashionable.

Artists and musicians helped rocket Chuck Taylors to popularity in the 1980s. Even today, leaders in the arts are still great representatives of the brand. Converse just released an Andy Warhol inspired line a few months ago. Naturally, the Chuck II ads will be designed to appeal to Converse's core creative audience. Converse Chuck Taylor All Stars are one of those brands that spans multiple generations and all kinds of demographics. So, this isn't the kind of product we're going to target against one particular demographic.

(Converse)

Innovation

1. 2014: marbled bottoms; A Whole New Sole: Converse re-wrote 100 years of tradition in just 22 days to come up with the new design.
2. Marbleized rubber of its new Chuck Taylors. The secret? Open innovation.
3. Leather
4. Studs
5. 100% customizable
6. Working with Nike technology to improve comfort and breathability

(Converse)

(AdWeek)

Product and Competition Analysis

Hoovers.com tells us that Converse's biggest competitor is Vans, Inc. We also saw in the MRI+ data that Vans and Converse both share similar demographics. They are also both shoes that are considered "athletic," but not quite used for athletic purposes. They are used more for style and a more casual shoe.

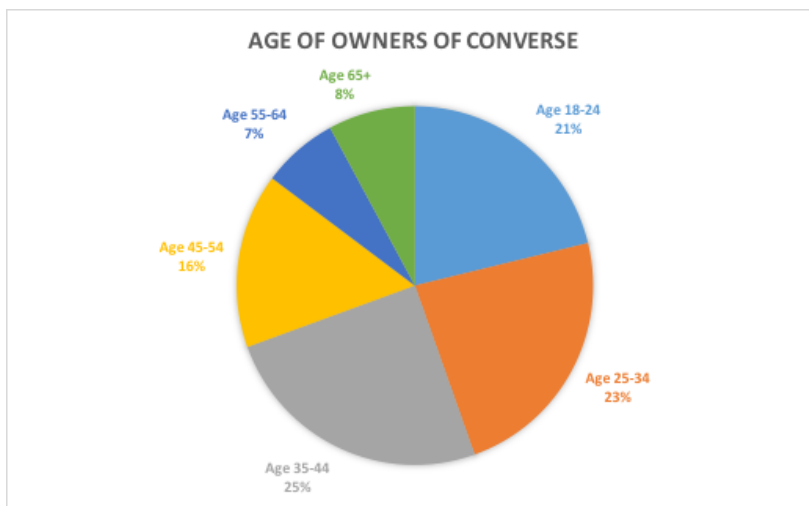
	<p>Converse Chuck Taylor All Stars</p> 	<p>Vans Authentic Shoes</p> 
Specific Product Features	<ul style="list-style-type: none"> - simple, **recognizable design - durable rubber soles - **customizable 	<ul style="list-style-type: none"> - Rubber soles - slip on - comfortable insoles - customizable
Specific Product Benefits	<ul style="list-style-type: none"> - fit any style - last a long time 	<ul style="list-style-type: none"> - better arch support
Brand Image/Personality	For everyone. Made popular by laid back, artsy, classically cool people	For Skaters Slightly more edgy
Advertising/Promotion	<p>2014: media advertising</p> <p>2015: 'Made by You' Campaign; 200 portraits of worn and customized Chucks from around the world. 360-degree video of shoes; taking over window displays at Foot Locker, Nordstrom's, and Journeys.</p> <p>2016: Valentine's Day collection</p>	<p>2014: Living off the Wall, documentary series</p> <p>Skate and Surf collections</p> <p>House of Vans Music Tour</p>
Overall	<ul style="list-style-type: none"> - dedicated to making a shoe for everyone and every style - iconic 	<ul style="list-style-type: none"> - more comfortable shoes - more narrowed target market

Converse has been around significantly longer than Vans, and when they came out they had a huge presence in the NBA. That quickly changed and they grew to a much larger and more diverse audience. They're much more customizable because each person wears them differently and makes them their own. The website also features a totally customizable option. It's extremely user friendly and you can pick out every aspect of the shoe to meet your wants.

Market Analysis/Quantitative

Spring 2014 Product/ Apparel, Accessories / Athletic Shoes - Brands Bought / Converse in last 12 months

Demographics	Projected (000)	% Down	Index
<u>Gender:</u> Men	2,399	52.1	108
<u>Education:</u> No College	2,190	47.5	111
<u>**+Age (narrow range):</u> 35-44	1,147	24.9	147
<u>Occupation:</u> Sales and Office	754	16.4	119
<u>HH Income:</u> \$75,000 - \$149,000	1,246	27.0	94
<u>Census Region:</u> South	2,109	45.8	122
<u>Marital status:</u> Now Married	2,064	44.8	84
<u>**Children Age:</u> 12-17	1,370	29.7	153
<u>Other (i.e. race, home value, child age):</u> White Owned	2,704 2,422	58.7 52.6	78 80



(GfK Mediamark MRI)

Consumer Analysis/Qualitative

Psychographics and psychological aspects of your product's consumers:

Our consumers look for an everyday, casual shoe that they can be moderately active in.

Our consumers can wear our shoes when they are running errands, going to class, having fun at tailgates, or going to a concert, etc.

Our consumers are motivated to buy our shoes when they go head back to school in the fall, as they're always trendy and can go with anything.

They are motivated in their daily lives through creative self expression, ready for anything, appreciate utility and durability, can come from any part of VALS

Relationship between product attributes and what the consumer values:

Shoes that are completely customizable; tailored by you to fit you (the individual); durability and longevity; people who value utility but also sentimentality.

SWOT Analysis

STRENGTHS (internal) -very recognizable brand -versatile style -broad market -less expensive	WEAKNESSES (internal) -poor arch support -not good athletic shoes -not an independent company -narrow shoes
OPPORTUNITIES (external) -their trend is coming back in style -partnership with another brand to create a line of shoes and create hype -loyal consumers across generations -bring manufacturing back to the U.S.	THREATS (external) -Vans and their younger consumers -Knockoffs are very common -growing competition -rising costs of materials

Creative Brief

Advertising Objective:

To reinforce the positive attitude associated with our product and show how our product, Converse Chuck Taylor All Stars, and its features, are beneficial for people who are modern, creative, and individualistic.

Marketing Objective:

To increase non-mobile Web traffic by 10% in three months.

Brand Promise:

As soon as you put your Chuck Taylors on, they become a symbol for your personality and a way of self-expression.

Brand Personality:

Classic, creative, casual.

The Opportunity Is:

To use celebrity endorsements to make the trend more popular and bring Chuck Taylors back in style.

To These People:

Both male and female, creative, laid back, youthful, artistic, with appreciation for the classics of the past. According to MRI, the largest group of Converse owners is males ages 35-44. However, we believe Chuck Taylors appeal to a much larger audience because they are so classic and customizable. Chuck Taylors bring feelings of nostalgia to older audiences, and they are a form of self-expression for younger audiences, so we are targeting by psychographics.

Target photo, name and profile of one person:



Right: Lily Aldridge is a very popular supermodel. She is styling her Chuck Taylors in a very trendy/fashion forward way, while it still looks casual.

Left: Garth and Wayne wear their Chucks in a very relaxed and more edgy way. They're not trying to make any sort of statement wearing them, they just like to rock out and chill in them.

Our Proposition Is:

Make the shoes your own. Have your personality show through your Chuck Taylor All Stars.

And They Will Believe It Because:

The customization feature on the webpage allows the customer to make the Chuck Taylor shoes their own and have their personality show through the shoes.

Tonality:

Upbeat, current, and versatile.

Big (unifying) idea:

A photo/music montage of all different ways people wear their Chuck Taylor All Stars. With each image, a specific song to match that person (or personality of the person) wearing their Chucks. At the end all of the photos will come together in a mosaic creating one big picture.

Interactive kiosks in malls that allow you to design your Converse and order your customized shoes on the spot.

Campaign theme:

“Your Chucks. Your canvas.”

Positioning Statement:

Converse Chuck Taylor All Stars is the brand of athletic shoe that is completely unique to you. You decide what you want your shoes to say about yourself with our Custom Converse feature. Our brand personality is classic, creative, and casual. Turn Converse Chuck Taylors into your canvas.

National Media Assignment: Part 1

Media Objective: To reach 60% of target audience, 3 times, in the next two months.

Media Classes:

Your branded product										Your Names: Erin Supilowski, Samantha Biel, Nathan Lemberg		
National Media Schedule (Eight-Week Schedule)												
Medium	Vehicle/Program/Magazine	Size	Cost	HH Rtg.	Circ	# of Ads	GRP's	Gross Impressions	CPM	CPP	Total Cost	
Television	NBC - Sunday Night Football	:30	\$593,700.00	12.8	21,700,000	4	51.2	86800000	\$ 27.36	\$ 46,382.81	\$ 2,374,800.00	
Television	Weather Channel	:30	\$120,822.00	2.4	15,858,000	4	9.6	63432000	\$ 7.62	\$ 50,342.50	\$ 483,288.00	
Magazine	Rolling Stone	Full Pg 4c	\$337,400.00		1,459,154	1		1,459,154	\$ 231.23		\$337,400.00	
Magazine	People	Full Pg 4c	\$ 337,400.00		3,475,000	2	NA	6950000	\$ 97.09	NA	\$ 674,800.00	
Television	NCAA Basketball	:30	\$1,490,000.00	7.4	11,300,000	1	7.4	11,300,000	\$ 131.86	\$201,351.35	\$1,490,000.00	
Internet Display	weatherchannel.com	all pts roadblock	\$450,000.00		7,000,000	8	NA	56000000	\$ 64.29	NA	\$ 3,600,000.00	
Digital Ad	Spotify		\$80,000.00		400,000	4	NA	1600000	\$ 200.00	NA	\$ 320,000.00	
Social Media	Twitter Promoted Tweets	2 per click/\$3 per click	\$200,000.00		100,000	4	NA	400000	\$ 2,000.00	NA	\$ 800,000.00	
Magazine	Rolling Stone	Cover 4	\$455,500.00		1,459,154	1		1,459,154	\$ 312.17		\$ 455,500.00	
Social Media	Instagram Promoted Picture	ment/\$3 per con	\$200,000.00		100,000	4		400000	\$ 2,000.00		\$ 800,000.00	
Digital Ad	YouTube Homepage Takeover	Homepage	\$400,000.00		32,258,064	2		64516128	\$ 12.40		\$ 800,000.00	
Billboard	NYC	Mall	\$512,000.00		13,074,738	2		26149476	\$ 39.16		\$ 1,024,000.00	
Billboard	CHI	Mall	\$82,500.00		14,965,980	2		29931960	\$ 5.51		\$ 165,000.00	
Billboard	L.A.	Outdoor	\$165,600		27,623,040	2		55246080	\$ 5.99	\$821.00	\$ 331,200.00	
Social Media	Facebook	per click/\$3 per ac	\$200,000.00		100,000	4	NA	400000	\$ 2,000.00	NA	\$ 800,000.00	
Grand Totals:											\$ 14,455,988.00	

Media Rationale:

Medium	Proj (000)	% Down	Index
TV (total) Quintile I (Heavy)	1123	24.4	122
TV Show Types: Football - Pro Weekend	907	19.7	97
Cable Services: The Weather Channel	1229	26.7	85
Cable Services: CBS Sports Network	516	11.2	106
Magazines: Quintile III	1138	24.7	123
Magazines: People	1022	22.2	123
Magazines: Rolling Stone	444	9.6	187
Outdoor: Quintile IV	1158	25.1	126
Internet: Quintile III	1089	23.6	118
Websites: Spotify.com	286	6.2	172
Websites: weather.com	1142	24.8	84

(GfK Mediamark MRI)

This chart shows the MRI data that helped us choose how to spend our campaign budget. This campaign knew television could be a successful medium for us because 24.4% of Converse owners are heavy users of television. We were surprised to see that 26.7% of Converse owners watch the Weather Channel, but we saw the opportunity to reach lots of customers and we took it. Converse owners are not extremely big users of magazines, but we knew that magazine ads are necessary. We chose to advertise in magazines that match the values and feelings associated with our brand in hopes that it resonates with readers. Converse owners are moderate level internet users so we chose to get our name on Spotify where listeners have to hear our message before they can continue listening to music. We also want to amplify our internet reach by getting plenty of shares on social media.

TV: This campaign chose to advertise during basketball games because we are a nationally recognized brand with an iconic product, so we will not be completely ignored like many television ads are. Chuck Taylors started out as basketball shoes, so we can remind people of our rich history while showing how Chuck's current reputation was built entirely by its consumers. We will also advertise on the Weather Channel to appeal to a different, more eclectic audience who wants to know the weather before they decide upon their shoes for the day. We understand that television is the most cost effective way to reach a large audience, so we chose programs that will quickly reach many people.

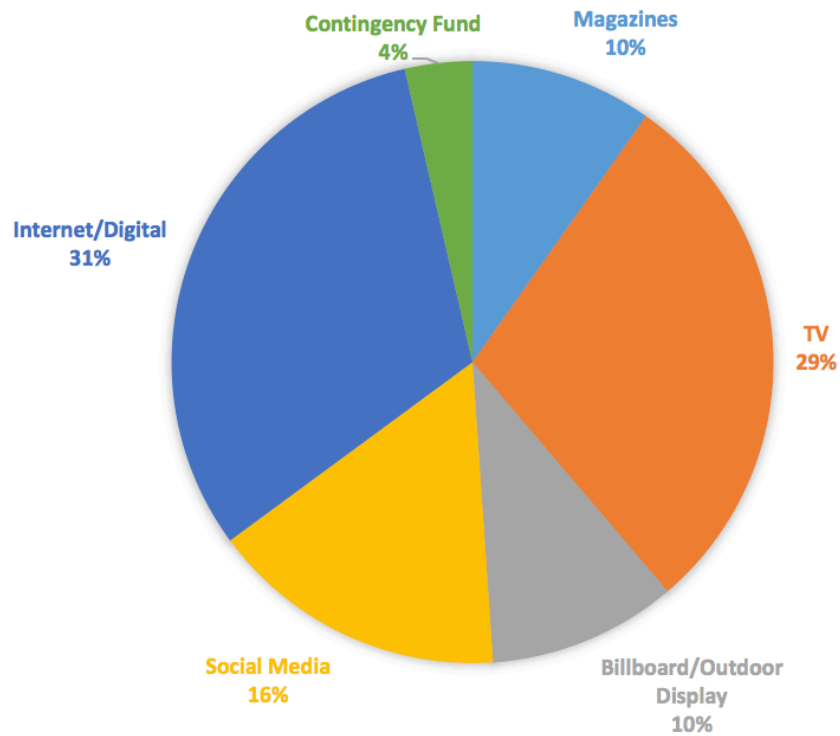
Magazines: This is a unique and upscale way to reach very specific audiences. Since magazines are targeted at narrow interest groups, we can choose which type of magazine we will advertise in and make sure none of our advertising is wasted on people who won't care about our product. People magazine appeals to both young and old readers who like to stay up to date with the lives of celebrity tastemakers. Chuck Taylors are always in style and will always be a top choice of celebrities. Rolling Stone magazine appeals to lovers of classic rock and up and coming alternative rock. Chuck Taylors became iconic during the era of classic rock and our product will always be associated with musicians. Readers of Rolling Stone have a very high index number and will likely take after their music idols by wearing Chucks.

Internet: Our marketing objective is to increase web traffic, so splashing our ads across social media and popular websites will certainly draw people to our website. Spotify and YouTube are hubs for creative people who will be drawn to the customizable features of Chuck Taylors. Social media is necessary in a modern ad campaign, and likes and shares will send significantly more people to our website.

Outdoor & Out-of-Home: Outdoor and out-of-home ads are growing in popularity because they allow room for lots of creativity and interactivity. Our campaign will have billboards on the busy highways of Los Angeles, because they drive the most of any large city in the country and citizens of Los Angeles are known for the laid back, fun feeling that Chuck Taylors are known for. In Chicago and New York, we will place interactive kiosks in malls that encourage creativity and will draw people to our website. Malls are very popular in the suburbs of Chicago and lots of young people spend time looking around the malls. Giving them an entertaining and unique experience in an environment they are comfortable in will stay in their memory and help them associate Chuck Taylors with fun.

Media Budget Summary:

National Media Budget	
Category	Amount Spent
Magazines	1,467,700
TV	4,348,088
Billboard/Outdoor Display	1,520,200
Social Media	2,400,000
Internet/Digital	4,720,000
Contingency Fund	544,012

NATIONAL MEDIA BUDGET PERCENTAGE SPENT

National Media Assignment: Part 2

Best Months

March and April. We chose these two months because they are the height of the college basketball season, with March Madness. Converse started out as a basketball shoe and using the basketball background to help promote during these months will help drive sales and web traffic. The Coachella music festival is also during this time of the year, and many people who go to Coachella own Converse shoes. This will be a good opportunity to sponsor a huge, widely publicized music festival.

Tactics Planned

Advertising	Public Relations	Consumer & Trade Promotions	Alternative
Television	Events sponsorship	Online & in-store sales	Develop a useful app
Magazine	Dispelling negative opinions with press releases	Performance incentives	
Digital Ad	Celebrity Endorsements		
Internet Display			
Social Media			
Billboards			

PR Explanation:

Event Sponsorship: Our campaign will help sponsor at the Coachella music festival. We'll be mentioned in the promotions for the festival on Spotify and YouTube. There will be a stage at the festival called the "Chuck Taylor Stage" and we will have a tent in the festival that will have games and prizes. There will be a contest running throughout the festival where people could go on our website and design a pair of Chuck Taylors that captures their experience at the festival. People who choose will be able to share their designs on social media with the hashtag #MyChucksMyCanvas, and the best designs would be up for sale on the Converse website for a limited time. After the festival, we will launch a contest nationally and invite artists to showcase their style on pairs of Chuck Taylors. We will feature our favorite designs on our social media and have people like or retweet their favorites. Then a selection of shoe designs will be featured on our website for the summer.

Dispelling Negative Opinions with Press Releases: A common negative opinion about Chuck Taylors is that they are uncomfortable. We will promote our Chuck Taylor II shoes and put them on sale to remind consumers that we are always working with Nike on making our shoes more comfortable and even more durable. We will send out visually exciting press releases on our Tumblr about how we are getting ready for spring and summer with new summer products and about how we are making our Chucks more customizable than ever. These press releases will be noticed by fashion bloggers and social media lifestyle experts who will lead their readers to our website. If we are going to promote the individuality of our consumers, then we should provide an environment that encourages self expression and comfort. We want to build relationships with our consumers by sharing their most creative designs on our blog and creating an employee help chat system for our website. We want our consumers to reach their creative potential, so we will be there to help every step of the way.

Celebrity Endorsements: We will hire a versatile, artistic celebrity to promote Chuck Taylors on their social media and to appear in some of our advertisements. As seen in our creative brief, Cara Delevingne is a model and actress who embodies the spontaneous and creative spirit of our campaign. She is elegant and classy, but she also has a silly and free-spirited side. She will mention her custom Chuck Taylors on her Instagram and show how seamlessly they fit into every aspect of her life.

Promotion Explanation:

Online & In-store Sales: We will have sales on Converse Chuck Taylor All Stars during the weeks of March Madness and the Coachella music festival. We will do the online and In-store sales separately. In-store sales will be a BOGO Free promotion to show that people own many pairs of Converse shoes and they can wear each pair of shoes with a different style or outfit. For the online sale, the campaign will give 30% off online orders. Since we want to endorse the customizable feature of our website more, we will offer free shipping for personal, customized Converse Chuck Taylors.

Performance incentives: We will use co-op advertising to help the different stores who sell our shoes advertise. To receive the incentive, each store would have to reach their specific goal of the number of shoes they sell. This will help because the stores would make a push to sell more shoes in order to get the advertising incentive. And when they do reach the goal, the money they get goes towards more advertising for our shoe.

Alternative Explanation:

Develop a useful app: Converse currently does not have an app that allows people to design Chuck Taylors on their phone. Since most people store their pictures and design ideas on their phone or tablet, we want to make it easier for people to transfer the art they have already created and put them on our shoes. We will promote the app in our ads and on our social media. This app will draw people online to our website and make it easier than ever to customize our Chucks.

Explanation of How This Will All Work Together

Converse will be one of the sponsors the Coachella Music and Arts Festival in California. This ties in perfectly because it's two weekends in April, and we have chosen March and April as our best months. People who stop into the tent can design a shoe. They may then enter their design into a contest, and the top 5 best designs will be featured on our website. In order for their design to be entered in the contest, they must post the design with the hashtag #MyChucksMyCanvas. We will also encourage anyone to post about how they use our shoes in their everyday lives with the same hashtag. We have also selected supermodel and actress Cara Delevingne to pose as our celebrity endorsement. While she has about 29 million Instagram followers so she can reach many different people. She is well liked and down to earth and that is one of the main reasons why we feel she will represent Chuck Taylors well. Her fashion choices are respected and most often copied. Our paid is going to help us meet our goal of increasing web traffic because this is where we will unveil the new designs and where the artists will check daily to see if they won. With the help of Cara Delevingne we will to reach 60% of target audience, with 3 posts throughout the course of 2 months.

Our owned media will include: a press release, a converse app, and our social media. The press release will enclose details about our revamped shoe. Which entails: a more comfortable, supportive and durable shoe that is also more customizable to you. Our app will make it easy to keep up with most news related information dealing with Converse Chuck Taylor All Stars and make online ordering easier than ever. And our social media will feature little updates, but mostly photos of the consumer wearing our products uniquely.

The earned media we will receive due to our campaign will come from shares of our social media posts, press releases, different media companies picking up our stories, and word of mouth & buzz marketing resulting from our sponsorships. We are doing events and choosing tactics that will eventually end up becoming positive earned media for the Chuck Taylor shoes. Anybody posting on social media is earned media, and our tactics work towards people posting and talking about our product.

Through all of our paid, owned, and earned media working together to become a unified integrated marketing campaign, our campaign will help us reach our advertising, marketing, and media objectives. These unique and appealing tactics will reinstate our upbeat, current, and versatile tone of the campaign. "Your chucks. Your canvas." will become a recognizable campaign slogan through our continued work with all of our planned tactics. Our classic, creative, and casual shoes will be well-known and loved, for their creativity and individuality, with a diverse group of people.

Evaluation

Objectives	Tactics	Evaluation
Advertising: to reinforce the positive attitude associated with our product and show how the Converse Chuck Taylor All Stars and its features are beneficial for people who are modern, creative, and individuals.	Make our campaign visually and aesthetically appealing to our target audience and their values and prove that we promote creativity through our events and interactions with the public	Run focus groups and surveys both before and after the campaign runs to see the attitudes toward our product. We want them to remain constant, so we can continue reinforcing our product's attitude and style.
Marketing: to increase non-mobile Web traffic by 10% in three months.	Create contests and experiences that attract people to our website, promote the website on celebrity social media and blogs, make website more user friendly and efficient	Concurrent and Behavioral effects: Monitor web traffic via Cookies, Hit Counters, etc.
Media: to reach 60% of target audience, 3 times, in the next two months.	TV, magazines, billboards, social media, digital ads	Monitor the number of likes and Converse related comments on Cara Delevingne's posts, look at ratings when our TV ads run, check the number of listens our Spotify ad gets on playlists that our target audience would likely listen to. We will also work with the media companies to see if our goals were achieved.

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