

# Brand Case Study: Lego

Lego has strong brand heritage, but it also has its finger on the pulse of modern culture. No longer just for kids, the Danish toy manufacturer is innovating with sustainability, education and nostalgia

WGSN Insight Team | 11.03.20

9 minutes

Lego



# Analysis

**Lego has achieved decades of success thanks to its brand identity. With its countless collaborations and expansion into video games and cinema, it earned the title of world's most powerful brand in 2015 and its momentum for creativity and innovation remains strong five years on.**

Lego is perhaps more relevant today than ever before. The company was better prepared than its competition to address the needs of quarantined consumers, in part thanks to its timely Rebuild the World campaign and its adaptive use of social media. The Lego Group proved strategically agile during the pandemic, launching two specific global initiatives that mitigated the impact of quarantine on families and children. Going beyond product development, Lego's marketing has been centred exclusively on its audience. "We're orientated towards the audience that we serve – their passion points, how to connect with them and how to have a dialogue with them," said chief marketing officer Julia Goldin during the Festival of Marketing 2020.

Throughout Q1 and Q2 2020, despite store closures in most cities, the company reported a 14% sales increase, with revenue nearing \$2.5bn, while visitors to the brand's e-commerce platform doubled to more than 100m people in the first half of 2020. Additionally, its Let's Build Together campaign was well received, with the brand reporting it reached an estimated 83m people worldwide, resulting in a combined 40% increase in engagement across its various social platforms.



Mood

## Building longevity

The toy manufacturer provides global audiences with an opportunity to indulge in play and escape reality while also doing right by the planet.

Embedded in the company's mission of producing durable products, sustainability has continued to be a big part of Lego's pledge to 'build a better planet for future generations'. Its commitment began in 2018 when Lego started producing plant-based bio-plastic bricks sourced from sugar cane to produce the Plants from Plants sets. More recently, it announced that by 2030 oil-based plastics currently used in packaging and products would be replaced with sustainable materials. Investing \$400m over the next three years, Lego aims to transition towards carbon-neutral operations and evolve into a more circular business model.

In September 2020, the brand began using Forest Stewardship Council-certified paper to package bricks, phasing out single-use plastic bags. Planning to make most packaging sustainable by 2025, Lego has also reduced the size of its boxes by 14%. Building a strategy around the longevity of its products, the group joined the Ellen MacArthur Foundation in August 2020 as part of its commitment to become a circular business. In September, the brand stepped up its efforts by expanding Lego Replay into Canada. The programme, which enables people to donate their Lego products to children's non-profits by printing a free FedEx shipping label from the company's site, is in partnership with several domestic organisations including Right to Play and True North Aid. The initiative was successfully tested in the US in late 2019 in collaboration with Give Back Box and Teach for America, where 30,000 families donated over 100 tonnes of bricks.



## Repair & restore

**Creatives and designers are turning to the brand to develop design concepts that breathe new life into interior design and architecture.**

As early as 2010, German artist Jan Vormann became known for using Lego in his creative adoption of the traditional Japanese aesthetics of wabi-sabi, roughly defined as a 'minimalist approach to life with a conscious choice'. Vormann has travelled the world using Lego blocks to repair and complement dilapidated architecture. Another example of wabi-sabi in creativity is the art of kintsugi, where cracked pottery is filled with lacquer dusted in precious metals to showcase the beauty of the object's imperfection and age.

Lego's Singapore office launched the Lego-Tsugi collection in September 2020 as part of its long-running Rebuild the World campaign. Driven by the Japanese technique and injecting new life into its product, the collection was fronted by three videos featuring restored broken home objects using Lego elements, ranging from flower pots to lamps and tables. In addition to using its YouTube platform, Lego created an image gallery on Pinterest and encouraged organic Lego-Tsugi content to be shared on Facebook and Instagram.

Further exploring home solutions, Lego collaborated with Ikea to produce the Bygglek collection. Released in August 2020, the four-product range includes a set of Ikea exclusive bricks and a line of storage boxes that double as toys. Fitted with Lego studs, the boxes allow owners to build directly on to the surfaces.





# From analogue to digital

Lego has adapted to the rapidly growing digital education environment. As it continues to accelerate its digital transformation, 2020 marks the start of new technological achievements.



## Super Mario Lego

This product, which took four years to develop with Nintendo, was announced in March 2020 through a [video](#) on Lego's YouTube channel, which garnered close to 16m views. Featuring built-in LEDs, sound effects and colour sensors, the Bluetooth-enabled interactive experience also includes a tracking app.



## Lego 'microgame'

Working with [Unity](#), a cross-platform game engine, the brand released a free mini-game in October 2020. Incorporating a community element and personalisation component, players can design 3D Lego worlds without having any past coding knowledge. The interface also includes an Asset Store, where themes can be unlocked as the project progresses.



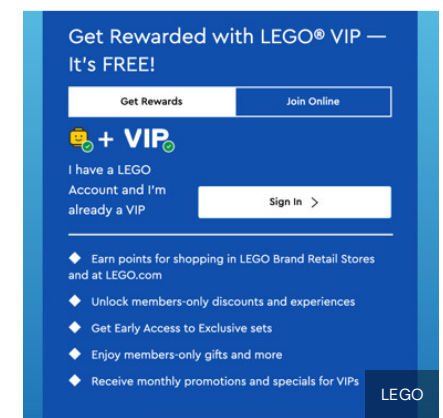
## Interactive Lego billboard

Unveiled in October 2020, the immersive experience is part of the brand's omnichannel Rebuild the World campaign. It gives shoppers at London's Westfield Stratford mall the opportunity to build digital creations by using hand gestures to control virtual bricks.



## Mindstorms Robot Inventor

Promoting coding and creative building, the brand's recent offering is designed to explore technology and robotics. The likes of inventor Simone Giertz, who recently constructed a [robot-powered dog selfie booth](#) using the Mindstorms set, are popularising tech and play.



## On-site digital tools

Lego has been updating its site as part of its digital transformation. For example, its VIP Account gives members access to all digital experiences and the company is currently developing AI-enhanced tools for users.

## Developing Gen Alpha

**Lego is stepping up to become a helpful resource that can support children during this difficult time. The brand is prioritising learning experiences for kids and fostering creativity, which will help them grow during isolation.**

As the pandemic continues to impact the education and social wellbeing of children, Lego is positioning itself as a way for kids to develop skills and learn in creative ways. In March 2020, as millions of families around the world quarantined, The Lego Group and Lego Foundation partnered on two major initiatives addressing children's critical needs. It donated \$50m to several organisations, including Education Cannot Wait, which provides learning opportunities to families in vulnerable situations. A second initiative, called the [#Let'sBuildTogether campaign](#), saw the brand assemble creatives, STEM specialists and education experts to develop play-based learning for kids and parents stuck indoors during lockdown. The campaign was launched across its social channels, including a robust [Pinterest experience](#) and resources on [its website](#).

In June 2020, the company encouraged children to care for the planet, launching the [Explore the World campaign](#) in partnership with National Geographic. Along with a site dedicated to educational content about animal conservation, which featured stories of several National Geographic Explorers, the brand released new sets of fauna- and flora-themed Lego City and Lego Friends. The brand is also developing a new suite of products that will allow children to express themselves through music. Set to be released in 2021, the company is developing a new music-based Lego line in partnership with Universal Music.





## Fashionable partnerships

**Lego has set its sights on new arenas, expanding its product range into apparel design. The toy brand has teamed with a number of industry leaders, including adidas and Levi's, to create new co-branded products.**

In September 2020, adidas offered a revisited limited-edition version of its ZX 8000 shoe in partnership with Lego – part of a series of collaborations with various brands. The shoe, which was adorned with interchangeable elements that looked like Lego bricks and had six different colours of shoelaces, sold out within weeks of its release. Shortly after, the two brands announced their plans to follow up with a multi-year collaboration that will also cover apparel and hardware, referencing themes from Lego's history.

For its partnership with Levi's, which launched in October 2020, the Danish brand included its new Lego Dots product, introduced in early 2020, in the form of wristbands for kids. Exclusive to the collection, the offering – which included a vintage trucker jacket, 501s, hoodies and jumpers – featured a flexible silicone baseplate on to which Dots can be snapped in, allowing the wearer to customise the clothing. Announced on Lego's Instagram account, the post garnered close to 600k likes within days.



# Tapping into nostalgia

Lego has cross-generational appeal – meeting the needs of the youth while also tapping into the memories of adults. While Lego is timeless, the brand stays relevant by licensing classic cultural references.



## 123 Sesame Street

Designed by fan Ivan Guerrero as part of his Lego Ideas submission, the collection will be released in November 2020. It includes Elmo's bedroom, Big Bird's nest and Oscar the Grouch's trash.



## Disney Classics

The brand has released several sets based on the licensed property, including Cinderella's 4,000-piece castle from Walt Disney World. More recently, Mickey and Minnie Mouse received the Lego treatment in 2019.



## Lego Star Wars

Partnering with the Lucasfilm franchise since 1999, Lego has since introduced the best-selling Star Wars Mindstorms and Technic line, the Ultimate Collector's Series, and is scheduled to release a Star Wars Lego-themed action-adventure game in 2021.



## Rebuild the World

The brand's first campaign in 30 years included an adventure film, which garnered close to 6m views on its YouTube channel. The video features nods to the long history of the Lego brands and features visual 'Easter eggs' spanning generations.



## Harry Potter

As part of its ongoing successful Lego Harry Potter sets, the upcoming Wizarding World offering – four textbooks themed around a different Hogwarts house – will be released in January 2021.



## Adaptive social media

**By encouraging social engagement, Lego has collected huge amounts of user-generated content, helping the brand design its future.**

Lego has found success through social media marketing, delivering content across Twitter, Instagram, YouTube and Facebook. The brand has adapted to networks' age restrictions – such as those imposed by Facebook – while staying relevant to older demographics at the same time. It's done so by producing content tailored to its multiple social channels, such as creating specific campaigns for its 7m YouTube subscribers.

The brand's core focus is to foster engagement from the estimated 50m fans and followers it reaches monthly. To reinforce this strategy, Lego segmented channels to thematically narrow its audience, improving communication and analysis in the process. It manages several Twitter accounts, including [@LEGO\\_Group](#) and [@LEGOMarvelGame](#), and also owns several Facebook pages.

Lego Ideas is a user-generated platform where fans from around the world can submit their own Lego set concepts. Following a democratic process, if any submission independently gains support from 10k users the company considers producing the proposal. In this way, Lego gains access to thousands of designs free of cost while also benefiting from the social media promotion created by aspiring 'designer fans'. A record-breaking 35 product ideas qualified for Lego's second ideas review for 2020, including Animal Crossing, Night at the Museum and Vincent van Gogh's The Starry Night.



## Action points

# 1

### Identify timely opportunities

Lego is a historic brand known for its toys for children, but during the disruption of pandemic the brand stepped up to support kids with their educational needs. During difficult times, customers will remember brands that make their lives easier and allow them to grow despite the stagnation around them

# 2

### Follow the customer's life journey

While Lego is a toy manufacturer, the brand's ability to expand its offerings and product categories has helped it support customers across many different stages of their lives. Rather than settle for ageing out, brands should innovate and iterate on products and experiences so they make sense and add value across different stages of a customer's life journey

# 3

### Launch culturally relevant partnerships and experiences

Lego has teamed up with cultural icons in the past, but these partnerships make more sense now, during lockdown, than ever before. Nostalgia has crept in over the last few months, captivating people's preferences and behaviours as they long for simpler times and entertainment experiences from the past. Look to the brand's pending 2021 releases associated with Star Wars and Harry Potter

# 4

### Turn to audiences for more than sales

Encourage audience engagement and create ways for them to contribute to the future success of the brand. Take inspiration from the Lego Ideas initiative, which tasks audiences with developing and sharing potential ideas. Brands can start to experiment with this type of initiative using the polling feature and question stickers on social media to gauge audience interest in a product and help steer design



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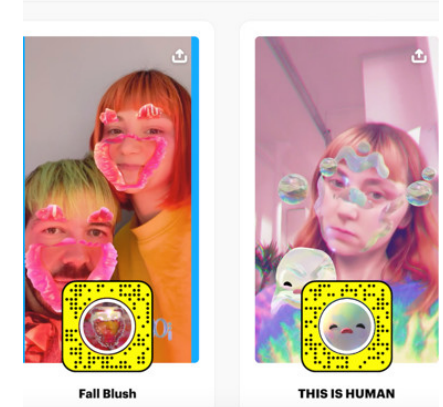
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