

Case studies



We continue our coverage of the best of the case histories from the 2004 Financial Services Forum Awards for Marketing Effectiveness with the entries from Euronext.liffe and Virgin Money.

COMMENDED

EURONEXT.LIFFE - LAUNCH CAMPAIGN FOR THE EURODOLLAR

Categories: MOST EFFECTIVE NEW PRODUCT, SERVICE OR INNOVATION

Euronext.liffe is a financial derivatives exchange market. Between December 2003 and March 2004, Whorrell Rogers created and implemented a marketing campaign for Euronext.liffe to promote a new product, a completely electronically-traded eurodollar futures and options contract suite.

The Chicago Mercantile Exchange (CME) already listed a very successful eurodollar contract suite, but this was primarily floor-traded at the time of the Euronext.liffe launch. The key difference with the Euronext.liffe product is that it can be traded completely electronically from over two dozen countries worldwide, bringing the product to a much larger audience and reducing significantly the cost of trading for many market participants.

The campaign built upon the headline *Coming to a screen near you!*, to parallel the launch of a new product for on-screen trading with the release of a blockbuster for the cinema screen.

We took the idea forward into a campaign of visual and verbal puns that built upon the language of film.

We communicated this difference with an exciting campaign that ran through print, electronic media, events and exhibitions. This strategy encouraged potential customers to find out more about the product and to begin trading eurodollars with Euronext.liffe.

Project overview

Historically, the eurodollar has mainly been sold on the trading floor in America, which has 95% of the worldwide market. The biggest exchange is the CME, which has offered this product via the traditional trading floor for twenty years from what many people regarded as an unassailable monopoly position. Euronext.liffe

wished to offer a better alternative to this system via its electronic trading platform, Liffe Connect®.

It cannot be ignored that the target audience, traders, are notoriously cynical and sceptical of any new products. There had been a minimal number of successful new product launches during the previous five years. The traders are typically male, mid-20s, quite aggressive, with short attention spans. They have very demanding jobs, work at speed, and thus have very little spare time to find out about new products. Hence, the project brief demanded that any deliverables be direct, entertaining, and appropriate to the target audience.

Business objectives

1. Introduce the product to the target audience (traders), in clear and unambiguous terms.
2. Get the traders interested in the forthcoming product launch, and generate excitement about the date of the launch and what it could mean for them.
3. Encourage the target audience to find out further information about the product by requesting information packs, signing up for and receiving e-mail newsletters, and visiting the Euronext.liffe eurodollar website.
4. From launch date, get traders to trade eurodollars electronically with Euronext.liffe.

Marketing plan

We introduced and implemented a marketing plan that called for a three-month campaign utilizing direct mail, advertising, e-mail marketing/newsletters, a website, promotional gift items, an exhibition and a launch party.

In order to retain interest and momentum, the



Coming to a screen near you! concept needed to introduce, intrigue and evolve, to reveal more information during the three-month lifetime of the launch campaign.

The next stages of advertising, direct mail and promotional items featured the headlines: *Digitally mastered in widescreen*, *The countdown has started*, and *Now showing at a screen near you*.

As America had 95% of the market share, we also suggested a specialized, focused advertising campaign for American floor traders (who still stand up to trade), featuring headlines such as *Sit back, relax and enjoy the trading* and *From the best seat in the house*.

Business objectives met

Whorrell Rogers has achieved what we first believed was unachievable. It introduced and implemented a marketing plan and a highly creative campaign that achieved 100% awareness of our new product. The whole of our target audience is now aware of the product.

Amanda Sudworth, Director, Euronext.liffe

It is the fastest growing contract that Euronext.liffe has ever launched, and its awareness is in no small measure the result of the work produced by Whorrell Rogers ... it's brilliant.

Lance Close, Marketing Manager, Euronext.liffe

Market research and analysis by Liffe also reveals that:

- The eurodollar had averaged more than 25,000 trades a day, with a cumulative total (at 10 Jan 2005) in excess of five million contracts traded, representing a nominal traded value of \$5,000 billion (each contract has a nominal value of \$1m).
- The linked trade and newspaper advertisements and direct leaflets for each phase of the campaign all had direct response mechanisms built into them, and these

generated a high level of target audience response, significantly above industry-average levels.

- Over 2,000 market participants signed up to receive Euronext.liffe's eurodollar e-newsletter, a phenomenal response given the characteristics of the target audience and their limited numbers.
- Over 3,750 Eurodollar information packs were mailed out following newspaper and direct mail activity.

Competitor activity

The Chicago Mercantile Exchange, the current market leader in the eurodollar market, has reacted very strongly to Euronext.liffe's high-profile, successful product launch, by:

- Significant reductions in transaction charges.
- Accelerating the adoption of electronic trading.
- Significantly increased advertising and marketing activity to support their own market.

The CME has also adopted similar promotional activities and "style" of communication as Euronext.liffe. Imitation is the highest form of flattery!

Judges comments

Although the eurodollar is an old product, launching a new way of accessing it was a good competitive tactic – and this was done very efficiently and effectively, as witnessed by the competitive response.

Euronext used a very good range of activity on a relatively small budget, and succeeded in countering what was almost total market dominance by another party. A job well-done and – in the context of the awards entry – a case well-made.



WINNER

VIRGIN MONEY

Category: MOST EFFECTIVE INTERNAL MARKETING CAMPAIGN

The challenge

Virgin moved into financial services in 1995 with the aim of giving customers a better deal. Since launching with just a handful of staff and only one product, the company has grown into an international business employing approximately four hundred people.

Originally manufacturing its own products, it decided two years ago to move to a partnership model. Although this has proved successful for the business, there was a need to get staff more aligned to products that were sold and serviced elsewhere.

In 2004, Virgin entered the general insurance market by launching home, motor, pet and travel insurance. The challenge was to get staff excited about the launch. It was also important for them to embrace the new partners, UKI, based two hundred miles away, and which 70% of Virgin staff were not familiar with.

The company also wanted UKI staff to feel part of this exciting new venture and to embrace Virgin Money and its new range of products.

The solution

Given the challenge, the approach was based around three E's: **E**ducate, **E**ngage and **E**ntertain.

As a number of products were being introduced, it was decided to spread the internal launch over four days, with a series of "all staff" sessions on the first day, with specific product themes on the following three days. Parallel launch events were planned for UKI's various offices.

Our insight

Product launches are a speciality for any Virgin company, and we have gained a great deal of experience from previous colourful launches.

We like to include our staff in decision processes, as this helps them to "buy in" to new initiatives. We formed

a staff opinion group, whose view was that the launch should be spread over a few days.

We used this same opinion group and the PR and communications team to "brainstorm" ideas for the launch. In our mind were three questions:

- What had worked in the past?
- How could we do something different?
- How could we get more people involved?

Launching with a new partner threw up a list of additional questions:

- How would they work with us?
- What was their previous experience with partner launches?
- Which parts of the UKI business should we concentrate on?

UKI's head office is in Leeds and, although no Virgin Money calls would be directed there, it was felt that "a noise should be made" at this venue. Events were planned at call-centres taking Virgin calls, and also a company-wide event so that all UKI staff would know about the launch.

The strategy

The launch week started with "all-staff" briefing sessions on the general insurance market and each of our products. We used them as an opportunity to tell staff about UKI, the market potential, and each of the new products.

The company intranet played a pivotal role in the launch with:

- Staff competitions and dedicated intranet web pages for product information.
- PR launch coverage and marketing creatives.
- Sales results from launch day.



We used eye-catching product posters throughout the business, and attention-grabbing PowerPoint presentations in the reception area.

The first day was dedicated to motor insurance, linking to the *Starsky & Hutch* theme used externally. We played the TV series on the big screen in the canteen, and had a “Staff Car Show” with around twenty unusual cars on display. A retro 1970s fancy dress competition and the Gran Torino parked outside reception completed festivities.

The following couple of days included themed lunches, a “Shorts and Shades” day for travel insurance, “Guess the Destination” competition and a cocktail party. There was also a best staff pet competition, and prizes over the week included holidays, vouchers and Virgin Experiences. Our most successful competition was a spoof of *Through the Keyhole*, promoting home insurance.

We gave UKI staff the Virgin treatment. They had a Virgin “Red Day”, and were encouraged to dress accordingly. We covered its Bristol call-centre with Virgin balloons and marketing materials, and Virgin staff were in attendance to keep the momentum going.

Our controls

Getting staff to apply for a product during a previous launch had proved incredibly enlightening. We wanted to improve on the 7% of staff calling for a quote this time.

We felt having more participation in competition entries and “dressing up” would give an increase in those engaged in the launch. We gave ourselves a target to exceed 54% of staff entering competitions and 13½% of them “dressing up” – our previous best.

We also wanted to increase the number of UKI staff actively participating in the launch celebrations compared with our last partnership launch, where around 70% of call-centre staff joined in. Another important target was to increase the overall volume of entries received by UKI for a new partner competition – its previous best was 220.

Effectiveness

After the launch, staff familiarity with UKI had increased from 30% to 100%.

We also doubled, to 14%, the proportion of staff calling for a quote; 80% took part in the competitions and 56% in the “dressing up”.

We increased the number of UKI staff actively participating in the launch celebration by 10%, to 80%. UKI also had its biggest-ever volume of entries for an internal competition – 41% more than any previous event, with 310 entries.

Value added

- We received 96 applications from Virgin Money staff for our new general insurance products.
- The feedback we received from staff taking quotes was invaluable in ironing out early teething troubles and improving the call experience for customers.
- Our front-line staff gained the confidence to engage customers in talking about our new products and then transferring them when appropriate to UKI – 145 transfers were made in the first week!
- There was a great buzz around the business – everyone talked about the great week they’d had!
- Overall, it left both companies with a feeling of integration, which will be moved on with further events.

The week proved a huge success, and helped to crystallize the excellent working relationship that now exists between the two companies.

Judges comments

The drive, energy and enthusiasm really jumps off the page, and characterizes the brand. An effective internally-driven model (educate, engage and entertain) was used from the beginning, and underpinned the solution very neatly.

The involvement of the top team, including Richard Branson, demonstrated real commitment and showed staff that they were “getting the full treatment”.