



WINNER

Two more winners from last year's awards: from More Th>n in the *Most effective public relations campaign* category; and the AA entry for *Most effective integrated campaign*.

MORE TH>N JUST ANOTHER INDEX

Category: Most Effective Public Relations Campaign

Business challenge

More Th>n believes under-insurance to be a growing problem as average earnings increase faster than prices of household goods, leading to a big increase in consumer spending. To protect its customers from being under-insured, More Th>n enhanced its home contents cover level from £40,000 to £60,000. The PR team was asked to develop a strategy to exploit this product development.

Specific objectives were to:

- Create awareness of under-insurance amongst consumers, media and the insurance industry.
- Encourage consumers to re-assess the value of their homes' contents.
- Position More Th>n as an expert commentator on home insurance issues.
- Raise the profile of key More Th>n spokespeople, and move company coverage from the personal finance sections to the news and property pages of the national press and consumer publications.
- Help meet the home insurance sales target and fill the promotional gap left by withdrawal of planned TV advertising support.

Strategy

As a nation we are obsessed with house prices, and many indexes are produced that track them, but no one had looked inside the houses to demonstrate that the contents were worth much more than was imagined and that insurance cover was not keeping pace.

To address this, we decided to create the UK's first home contents index, to measure the value of our possessions on an annual basis. This would be supported by a series of associated stories, all highlighting the issue of under-insurance, to maintain brand exposure over a prolonged period of time.

Execution

The under-insurance campaign was based heavily on consumer research.

- Analysis of home insurance claims indicated that contents values were increasing.
- To prove the growth in replacement value of home contents and explain the factors that have contributed to this trend, the Centre for Economics and Business Research developed an authoritative report covering 1994 to the present day, using information from the National Statistics Office, *The Green Consumer Guide* and trade associations.
- To appeal to females and consumer media, research was done on iVillage.com into the value of a woman's wardrobe. This approach also enabled More Th>n to capture data for future on-line marketing.
- Continuing the campaign, a story was released advising homeowners to insure January sales bargains for their full value, not their sale price, using research into the total amount spent in the sales as the "news hook".
- Most recently, an Internet survey was used to find out how much people spend on their homes to "keep up with the Joneses". This story was given as an exclusive to the *Evening Standard* in March 2004, and then issued widely.

The campaign was executed using a mix of tailored press releases targeted at different media segments, backed up with telephone and face-to-face briefings. Steve Kingshott, More Th>n's Home Insurance Manager, was interviewed about the launch of the *Home Contents Index* for *BBC News 24* and *BBC Radio*, and the team developed a case-study package for *BBC Breakfast News* to use live on the day of the launch.

Over three days, Steve briefed key personal finance journalists and carried out seventeen radio interviews.

Measures

A mixture of business and PR measures were used to assess the campaign's effectiveness.

Business objectives were to increase brand awareness to over 45%; and to meet premium income targets.

PR targets were to generate at least ten items of national press and twenty items of broadcast coverage; and to have a More Th>n spokesperson quoted in at least of third of all coverage, and the brand mentioned in over 90% of all coverage.

In-house post-campaign research was conducted and all coverage was fed into our overall media measurement programme – conducted by the independent evaluation consultancy, Mediatrack.

Results

For a budget of £25,000, this campaign has more than exceeded its objectives already. Under-insurance is firmly established on the consumer, media and competitor agenda. Indeed, four direct competitors have subsequently issued under-insurance stories, three of them quoting our original statistics.

The campaign has had broad and long-lasting media appeal. Coverage has been achieved across all targeted sectors of the media, including national and regional broadcast, news, personal finance, lifestyle and on-line media.

There have been 182 pieces of coverage, including fourteen national press articles and thirty-nine broadcast items, with a combined audience of over 42m. At least one of our key messages has been mentioned in 180 articles, a named More Th>n spokesperson featured in 58% of all coverage, and More Th>n is mentioned in 97% of all items. Quotes in the press from Steve Kingshott have increased from an average of twice a month before the campaign to ten times a month subsequently.

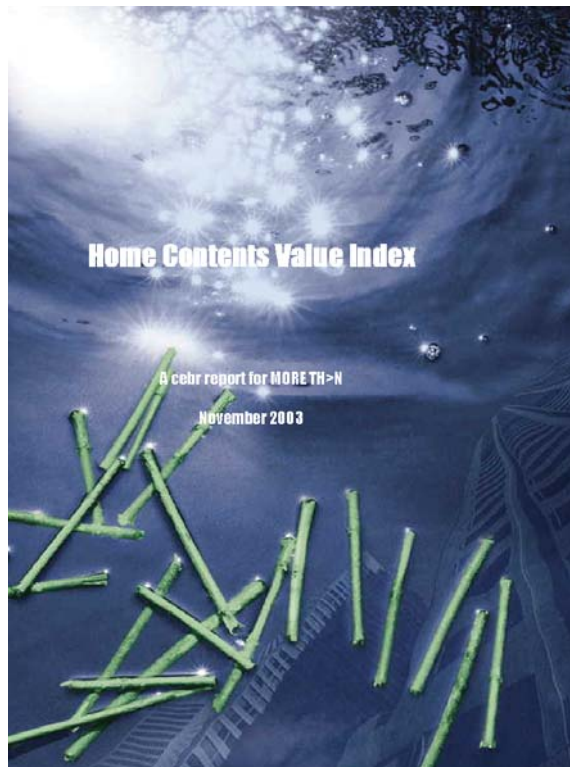
Added value

During 2003, More Th>n's brand awareness rose from 36% to 51%. Awareness of More Th>n as a provider of home insurance increased from 23% to 26%. Consideration levels (a measure of whether people would consider buying home insurance from More Th>n) rose from 4.5% to 8.5%.

Crucially, More Th>n exceeded its home insurance premium income target by 5% in 2003, despite the removal of all TV advertising for this product in March – a planned media spend of approximately £2m. This proved that we were attracting new customers on the basis of improved cover levels rather than purely on price.

Findings from the *Home Contents Index* have also

been used by More Th>n beyond just PR purposes. Call-centre staff use the issue of under-insurance as a sales aid, and the research has influenced the creative approach used in above-the-line advertising for home insurance in 2004.



Judges comments

More Th>n showed that it is possible to get a good return from a modest investment in PR. They took a subject that is inherently of very little interest to most people and created a lot of interest around it. In terms of financial effectiveness, it was pretty compelling.

They got a neat story, found a good way of getting the idea across to the media, and presented the evidence clearly and logically in their entry.



WINNER

AUTOMOBILE ASSOCIATION

Category: Most effective integrated campaign

The challenge

In September 1999, Centrica bought the Automobile Association (AA), and the new owner and its shareholders demanded increased profits and revenues. With both breakdown and insurance under increasing competitive pressure, other sources of profit and revenue were needed.

One of the products assessed was the AA's loans business, which then focused solely on providing general loans to AA breakdown members through a 50–50 joint venture with Capital Bank (now HBOS) that had operated since 1984. The challenge was to treble loans market share and double profits within five years.

Marketing solution

To grow this quickly and profitably, AA Loans needed to make a significant change to its marketing strategy. The decision was made to target consumers outside the current AA membership base with a differentiated car loans proposition, with the ultimate aim of becoming the number one car loans provider in the UK.

Consumer/market insight

AA consumer research consistently showed the AA was truly the motorist's brand. 98% of members and 76% of non-members trusted the brand enough for the AA to offer them financial services.¹ This insight, linked with market research showing that 48% of all AA loans were used for car purchases², offered a significant market opportunity.

Again, consumer understanding led to the development of the proposition. Qualitative and quantitative research³ confirmed three hygiene factors for market entry:

- The loan should be unsecured.
- Interest rates should be highly competitive and fixed.
- Application should be quick and easy.

However, research indicated that the AA brand increased consumer expectations, and this led to the inclusion of "24-hour cheque delivery" within the core offer. Further consumer research was commissioned to find a motoring-centric incentive that would differentiate

the AA from other loan providers, leveraging its brand credentials to make it stand out in a very competitive market place.

A number of potential AA incentives and product bundled offers were explored, but the AA car inspection had most appeal.³ The inspection was ideally placed to maximize the significant market opportunity from 7.4m used-car buyers in the UK.⁴

The marketing strategy

The AA and HBOS decided that their ambitions would be best achieved through organic growth rather than a big-bang approach. The first stage was a programme of print testing, which when proved and optimized led to the next logical step, testing direct response TV (DRTV)

Following consumer research, the first TV execution, *Bank manager*, was developed to highlight the AA's credentials in car loans compared to the banks. The commercial featured the free car inspection incentive, and also introduced the creative strap-line of *car loans from car people*. A rigorous testing programme was used for the campaign, which was heavily biased towards DRTV slots in daytime and satellite schedules.

The campaign was incredibly successful, raising spontaneous awareness of the AA as a car loans supplier from zero to 24%⁵ and generating £5.7m worth of car loan advances.⁶ An on-line direct channel was also introduced, generating £41m in 2001.⁷

In May 2002, the AA re-launched its brand under the new Just AA sk umbrella. AA car loans were to form a key part of this new integrated campaign, developing a new *Clown* DRTV execution and poster campaign whilst integrating all existing channels. This brought to life the potential risks of buying a poor quality car and generated advances worth £23m.⁸

As a result of new business modelling, the AA shifted from DRTV to brand response TV (BRTV), sacrificing some short-term value in order to increase long-term value.

Prime time slots dominated the first burst of BRTV, which raised spontaneous awareness of AA Car Loans by 60%⁹, contributed £6.7m in advances¹⁰, and also increased the response level in all other direct channels.

By the end of this period, consumer awareness of the

free car inspection had increased to 58%.⁵ Following this success, a new TV execution was developed, this time deliberately with BRTV in mind.

Seeing double, featuring the new “Kev and Bev” characters, targeted prime customer segments, focused on the latest low rates from the AA, and highlighted how an AA car loan could allow consumers to get “more car for their money”.

Econometric analysis demonstrated that the shift from DRTV to BRTV increased the return on advertising spend by 41%, from £2.09 to £2.95 for every strategy pound spent.¹¹ Further analysis demonstrated a significant halo from this activity across all AA car loan acquisition channels – for example, since 2001 sales through internal direct channels had grown by 76%, through the motoring press by 71%, and via the Internet by 230%.¹²

Measuring effectiveness

Three key performance indicators (KPIs) were used as controls to measure the success of each channel and campaign – response rate, cost per acquisition and profit per deal. These KPIs enabled key learnings from the accurate analysis of the various tests.

Spontaneous brand and consideration awareness tracking was used to measure the overall effectiveness of the TV campaigns. There was an enormous increase in spontaneous awareness, with 44% of all UK drivers aged 25–54 knowing in November 2003 that the AA could provide them with finance to buy their car, compared with 24% in 2001 and 34% in 2002.⁵

And in terms of spontaneous consideration (Figure 1), the AA ranked joint second in the market. This growth in awareness had a halo effect on all channels, increasing response and sales.

Value added to the business

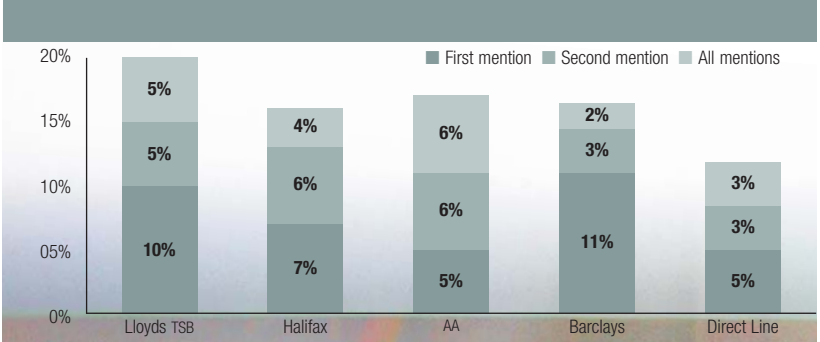
AA Loans needed to become a major financial services brand quickly in a commoditized market. Between 1999 and 2003, it used product differentiation to develop a strong position in the UK loans market, growing share over the period from 0.4% to 1.38%.¹³

The organic marketing approach that generated this success has identified and maximized efficiencies for a number of channels, so that each of these now form part of a formidable direct marketing mix (Figure 2).

Through channel integration, investing in consumer research and their firm belief in testing and evaluation, the AA and HBOS have developed incredibly efficient advertising campaigns, paying back £2.95 for every pound spent on loan communications.¹⁴

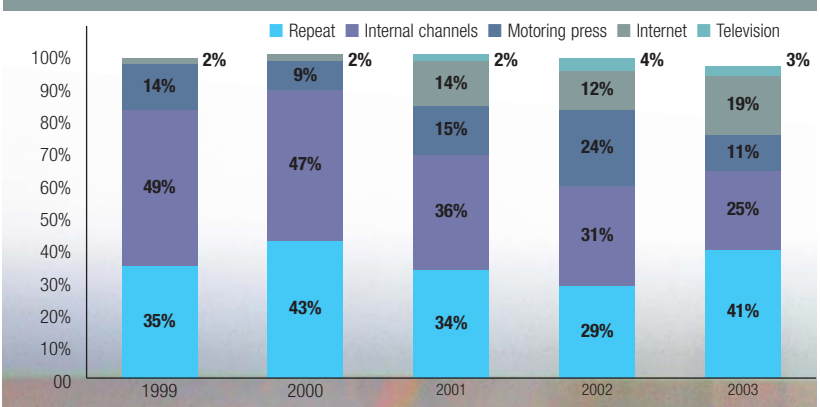
Whilst facing competition from some of the biggest financial organizations in the country, AA Loans managed to carve its own niche within the unsecured loans market. In business terms, AA loan advances have increased by 330% since 1999, with outstanding balances of £941m in 2003.¹⁵ Profit derived from the loans business has

FIGURE 1: SPONTANEOUS CONSIDERATIONS



Source: NFO Europe Tracker November 2003 Base: 25-54 ABC₁C₂ Adults

FIGURE 2: CHANNEL GROWTH AND MIX



Source: CPFL Monthly accounts December 2003

grown by 92% in the same four-year period.¹²

Only a few short years ago, when drivers found themselves stranded in their broken-down car on the hard shoulder in the middle of nowhere, they would only have wanted the AA to fix the car. Now, in the same situation, they increasingly want the AA to help them buy a better one as well.

- ¹ Qualitative image survey, *Added Value*, December 2000
- ² *NOP Financial* – Financial Research Survey GB, 1999
- ³ Whiteburn Research car buying research, November 1999
- ⁴ The Used Car Market Report, *BCA Europe*, December 1999
- ⁵ NFO Europe Tracker, November 2003
- ⁶ CPFL Weekly call statistics 2001
- ⁷ CPFL Monthly Accounts December 2001
- ⁸ CPFL Monthly Accounts December 2002
- ⁹ NFO Europe Tracker November 2003
- ¹⁰ CPFL Monthly Phasing and CPFL Monthly Accounts December 2003
- ¹¹ AA Loans/Manning Gottlieb OMD Econometrics 2003
- ¹² CPFL Monthly Accounts December 2003
- ¹³ FLA Monthly Statistics December 2003
- ¹⁴ AA Loans/Manning Gottlieb OMD Econometrics 2003
- ¹⁵ CPFL Monthly Accounts 1999 -2003

Judges comments

They set themselves a big challenge to increase their market share by 200% in a tough market – and achieved that with a well-thought-through campaign that also shifted customer’s perceptions about the brand.