



Customer Case Study

Opel Hits Target Market and Achieves Increased Purchase Consideration



Global car manufacturer Opel wanted to better understand the importance of online channels so that it could enhance its brand image and generate greater vehicle sales. The organisation selected MSN and its long-term agency Modem Media to help it launch a cost-effective campaign that demonstrated the value of online advertising. MSN and Modem Media developed a pan-European program that aligned Opel with the 2005 Tokyo Motor Show. The campaign was rolled out across seven European markets.

Overview

Company Profile

Opel produces and sells vehicles worldwide. Founded in 1862 in Rüsselheim, Germany, it joined the General Motors family of cars and trucks in 1929. In 2004, some 1.6 million Opel and Vauxhall cars, commercial vehicles and component sets were produced in Western and Central Europe.

Client Objectives

Opel wanted to launch a strategic online campaign to generate brand awareness and attract a target group from within the online community. It also wanted to show measurable results that support the need for future online advertising.

MSN Solution

MSN designed a pan-European strategy that aligned Opel with the Tokyo Motor Show coverage on its dedicated MSN Auto pages. The seven-market deal targeted the United Kingdom, the Netherlands, France, Germany, Italy, Spain, and Belgium. Two strategies were employed: A creative campaign linking the company with the Zorro film to increase brand awareness and impact; a 'drop' campaign to drive purchase consideration.

Client Objectives

In recent years, the automotive industry has turned to the Web to draw attention to events such as motor shows and generate vehicle sales in conjunction with traditional print and television media.

International car manufacturer Opel understands that if the drivers of tomorrow are to recognise and value its brand above others, it has to consider innovative online strategies today. Founded in 1862 in Rüsselheim, Germany, it joined the General Motors family of cars and trucks in 1929. In 2004, some 1.6 million Opel and Vauxhall cars, commercial vehicles, and component sets were produced in six countries in Western and Central Europe.

Martin Sir, Manager, European Media Strategies, Opel, says: "For an international business like ours, online offers a more interactive experience than many other channels, and the potential for more powerful interaction between our company and consumers. It also offers a potentially higher rate of return compared with investment in other media."

The Internet plays a vital role in the purchasing decision process in virtually all automotive product and service categories, regardless of where the actual transaction takes place. Richard Trinder, Head of Automotive, MSN, says: "The Internet is not necessarily about purchasing the product directly online. It's about increasing the intent to purchase. This is especially true with private vehicles where customers use the Web to research deals, compare features, and consult blogs and consumer groups about their prospective purchase."

Opel met with MSN at the Geneva motor show in 2005. The organisation wanted to take advantage of MSN's huge audience reach to increase brand perception and generate even greater vehicle sales.

The car manufacturer was especially attracted by the potential of MSN's dedicated automotive pages, MSN Autos, to appeal to its customers. These pages:

- Receive more than 18 million unique users each month.
- Provide consumers with the most comprehensive content and services available online, making it a top choice for buying and maintaining a car.
- Use innovative technologies and marketing tools to reach consumers.
- Act as a dedicated automotive channel to MSN's 440 million unique users.
- Provide real-time coverage for all major international auto shows.

Motor show coverage was of particular interest to Opel. These events receive global attention from manufacturers and consumers several times a year and set the agenda for one of the most competitive industries in the world. At these events, ground-breaking deals are announced, innovative products are unveiled, and brands are established and displayed worldwide. A major motor show is a critical date in the calendar of a world-class motor vehicle organisation such as Opel.

MODEM MEDIA
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Campaign Results

The campaign was exceptionally close to hitting Opel's precise target audience in the UK:

- Awareness of the brand grew four percentage points.
- Spontaneous message association was seven times industry average.
- Positive brand perceptions grew by an average of 6 percentage points
- In the Netherlands:
 - Brand awareness increased by three percentage points.
- Awareness of the drop campaign was 80 per cent higher than the automotive average.
- In France:
 - Brand awareness was up six percentage points.
- Increases in campaign message standout was 2.4 time higher than the automotive industry norm.
- Increases in buying intent were 3 times higher than the average automotive campaign.

Opel wanted MSN and Modem Media to develop a cost-effective campaign strategy to prove the validity of online advertising in reaching its market. Trinder says: "Online has proven its value in terms of changing brand perceptions and we knew that with the right approach, we could generate a campaign to achieve the brand awareness that Opel required, especially when it came to campaigns running alongside major motor shows."

MSN/Modem Media Solution

MSN showed Opel how, by planning centrally and advertising locally, it could increase awareness and create bigger opportunities than ever before, in conjunction with print media.

Working closely with the online agency, MSN proposed a five-week campaign that included sponsorship of MSN's coverage of the Tokyo Motor Show—one of the four biggest motoring events of the year—through banner ads appearing on the MSN Auto pages.

Modem Media and MSN designed a pan-European strategy that aligned Opel with the motor show, scheduled for November 2005. "Motor shows are among the most important events for us. And research shows that car buyers are one of the most sophisticated Internet audiences, so this campaign was critical for our future online strategy," says Sir.

The seven-market deal targeted the United Kingdom, the Netherlands, France, Germany, Italy, Spain, and Belgium. In each market, MSN and Modem Media used their collective experience to examine Opel's position and existing audience perceptions of the brand. They translated these into a campaign that takes advantage of MSN's ability to customise individual promotions that integrate with existing subsidiary marketing efforts. As such, two different strategies were employed across the seven markets at Opel. The first was a creative campaign designed to increase brand awareness

and impact. The second was a 'drop' campaign, intended to drive purchase consideration.

MSN and Modem Media also ensured that Opel could understand the effectiveness of the campaign by engaging online marketing research agency MetrixLab to both measure campaign results and deliver research that could support Opel's future online initiatives. The MetrixLab report studied three key markets: the United Kingdom, France, and the Netherlands. It compiled information through consumer surveys that gathered information on the advertisement itself, as well as other car-related topics.

In the U.K., the online campaign was launched to raise awareness of Opel's U.K. brand Vauxhall and a joint promotion with the Hollywood film, Zorro, which was released in early November 2005 across Europe. Modem Media had developed a promotional website for the Zorro campaign, targeted at younger potential car buyers that combined the excitement around the launch of the movie "Zorro" and Opel's/Vauxhall's strong brand attributes. With this promotion, Vauxhall intended to increase audience brand awareness, enhance its brand image, and increase purchase intent.

The drop campaigns that featured across the remaining markets were linked with the price promotion of Opel products. The campaigns aimed to increase brand awareness, influence purchase consideration, and increase purchases.

MSN used banner ads developed by Modem Media for seven markets, which covered a large section of the Tokyo Motor Show pages in MSN Auto. The U.K. Zorro ads showed the image of a Vauxhall car on a cinematic background, interchanging with the legendary Zorro character and symbol. The drop campaigns in the remaining markets displayed eye-catching price promotions to attract the attention of potential buyers.

“It’s hard to target some groups, such as age, gender, or profession using Web site advertisements alone. Anyone that goes directly to MSN Auto, and navigates deeper into the automotive special around motor shows is obviously interested in cars. We can pretty much guarantee that our campaign is hitting Opel’s demographic.”

Richard Trinder,
Head of Automotive, MSN

MSN and Modem Media used their understanding of automotive advertising to identify Opel’s target demographic and relate this to the positions of the ads and advertising methods. “It’s hard to target some groups, such as age, gender, or profession using Web site advertisements alone,” says Trinder. “But anyone that goes directly to MSN Auto, and navigates deeper into the automotive special around motor shows is obviously interested in cars. We can pretty much guarantee that our campaign is hitting Opel’s demographic.”

“In online advertising it is essential to develop the creative custom made to the channel you are using”, says Stephan Grossmann, Vice President/Director, Modem Media. Grossman continues; “and it is a unique advantage of the online world. Instead of using one creative strategy for all consumer targets, our ability to track results and make instant changes where necessary, massively adds to the effectiveness of our campaigns. Marketers are increasingly using online opportunities such as advertising and Search Engine marketing because of the high return on investment in these areas. Also, the world has changed. Prospective clients today are more knowledgeable and demanding when it comes to companies talking to them. They clearly want to see the value exchange and the relevance in the message they receive. Opel are clearly on the forefront of this new marketing world.”

Campaign Results

The results speak for themselves. The MetrixLab report produced after the five weeks of sponsorship helped Opel to understand traditional branding metrics, such as brand awareness, image perception, and purchase intent, in the context of the online campaign. Anita Turvey, Market Insight Manager for EMEA, MSN, says: “The results in the U.K., France and the Netherlands highlight the value of using online advertising and MSN. By taking advantage of our audience

reach, and customer demographic, Opel can quickly target consumers who respond most effectively to an online campaign such as this.”

Target the Right Market

Online advertising can target traditionally fragmented audiences through clearly-defined channels, such as search engines and communities. The broad range of channels available at MSN, enable campaigns to target specific audiences. By advertising on MSN Auto, Opel honed in on the target market it most hoped to influence.

The results of the Vauxhall campaign in the U.K. showed that 82 per cent of the audience reached was male, with 35 per cent aged between 26 and 45, drawing exceptionally close to Opel’s key market: 77 per cent male, 44 per cent between the ages of 25 and 44.

“With more time and more investment, a campaign like this could be even more specific, targeting groups of consumers through additional channels such as MSN Hotmail and MSN Messenger,” says Trinder.

Enhanced Brand Awareness

The U.K. campaign successfully raised awareness of Vauxhall’s joint promotion with the Zorro film. “Traditionally, automotive brand awareness is already high, especially within a target audience. As a result, uplifts in awareness usually average around one percentage point,” says Turvey.

But the results of the MSN campaign are four times higher than MetrixLab’s automotive online benchmarks. Brand awareness grew four percentage points, from 93 per cent to 97 per cent, thanks to Vauxhall’s online affiliation with the film.

The Zorro campaign obviously made an impression among consumers, who were asked which car brand they associated with the film. Spontaneous message

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association between Vauxhall and Zorro was 21 percentage points higher among consumers who had seen the online campaign, than those who were unexposed to online advertising. “This figure is seven times higher than the industry average for an online campaign,” says Turvey.

Boosting the Company Image

MetrixLab divided its research audience into equal numbers of consumers who had seen the online campaign and those that hadn't. Of the group which had seen the online campaign, 16 per cent more stated the opinion that Vauxhall cars offer a flexible interior design. Vauxhall's new online brand showed creativity, excitement, and individuality, and its image perception increased by an average of 6 percentage points amongst these brand image metrics. “Linking to the Zorro films actually creates a personality for the brand and generates excitement in line with the film's release,” says Grossmann.

The campaign also significantly increased buying intent. Most motor vehicle campaigns have a low impact due to the high value of the product. The typical increase as a result of online campaigns is usually only one percentage point.

The Zorro campaign, however, increased purchase intent of Vauxhall products by four percentage points. “Even though it was more of a branding campaign to influence image perceptions through the link with Zorro, the campaign has exceeded our expectations in shifting the purchase curve within our brand,” says Sir.

Drop-in-Price Promotion

The ‘drop’ campaigns that targeted the French and Netherlands markets achieved equally impressive results. These advertisements were associated with price promotion, and aimed to increase brand awareness, influence purchase consideration, and increase purchasing across both markets.

Netherlands Success

Online advertising helps businesses to gain greater knowledge and understanding of customers, while delivering persuasive messages about products and brand. As in the U.K., market awareness of Opel products in the Netherlands was already very high. But despite this, the advertising campaign increased awareness by three percentage points, making it three times higher than the average automotive sector results.

When reviewing the results of the Netherlands drop campaign, MetrixLab also noted that the message standout of the campaign was high- its 9 percentage point increase in awareness was 80 per cent higher than the average automotive campaign.

As a direct result of Opel's online advertising campaign on MSN Auto, purchase consideration in the Netherlands increased five percentage points, two-thirds higher than the average increase in the auto sector.

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Extending Reach in the French Market

The campaign in France achieved similar results. Awareness of the brand was up six percentage points. Again, an impressive result compared to the average one percentage point increase of automotive campaigns.

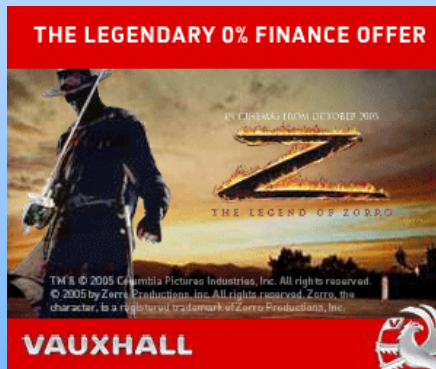
The campaign also successfully increased aided message association. When asked about current drop campaigns, the percentage of people who recalled Opel was almost double those who were only exposed to traditional advertising. These results were 2.4 times higher than automotive averages in this scenario.

Overall, Opel's objectives of increasing purchase consideration and purchase intent exceeded expectations. Purchase consideration of Opel products increased by four percentage points and buying intent increased by three percentage points, this is three times higher than the average automotive results. Turvey says: "Opel used this campaign to test the response to online advertising and managed to achieve these results. Imagine what could be done with a truly integrated campaign."

Above all, the campaign proves to Opel that online advertising is the way to properly target and influence the buying decisions of a new, mass audience of young, affluent people—precisely the audience automotive companies aim to attract. Sir says: "Not only did the campaign deliver the results we hoped for, but these excellent standards of measurement, which are not available in traditional methods of advertising, have given us the incentive to examine new methods of online advertising in future."



1 UK portal advertisement
Sponsoring of the Tokyo Motor Show on the UK MSN portal



2 Creative link with Zorro
To increase brand awareness and impact the campaign was linked with the release of Zorro

FACTS AND FIGURES

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| Brand awareness: | Increased by 6 percentage points |
| Buying intent: | Increase of 4 percentage points |
| Message association between Vauxhall and Zorro | Increase of 21 percentage points |
| Specific targeting | 82 per cent male audience reached |
| Increased aided message association | 2.4 times above industry average |