

Samsung Defends Market Leadership With Co-branded Marketing Campaign On MSN

Although a leader in the Korean credit card market, Samsung found that regular TV and advertising no longer had a significant impact on brand building, while intensive promotions by rivals was driving up the cost of winning new clients.

To stand out from the competition the company joined with MSN to create a joint marketing campaign with a fresh new approach - in a style that its young audience would appreciate. The campaign also serves to significantly reduce the cost of new customer acquisition in an over-heated market.

Winning new customers - at below market cost

With customers increasingly mobile and paying less attention to brand names, Samsung needed to find a better way to encourage new users to sign up. The key to this was brand reinforcement, improved services and more effective marketing communication to the company's target market.

Today credit card companies need to aggressively recruit new members - but still cap rising promotional costs that had led customer acquisition costs up to around US\$50 - \$60 per new card.

With its wide coverage of the Korean market, strong local content and a tradition of wide ranging cost-effective promotions, MSN is able to match these goals.

"The co-branded promotion with MSN has helped Samsung stand out from our competitors - and significantly reduced the cost of new customer acquisition"

*Ki Sun Nam
Senior Manager, Samsung Card
Network Cooperation Team*



Target

- Current Samsung's card holders: 25-35 year olds
- 23-27 age group of recent graduates

Goals

- Strengthen branding and become less reliant on expensive promotions for new client recruitment
- Sign up new card holders and retain them with a sustained marketing campaign
- Control increasing costs of user acquisition
- Increase card holder spending through joint promotional activities

Building new market share

Two MSN-Samsung co-branded credit cards have been created: one for men and one for women, each has a distinctive design

MSN's strong reach to the computer-literate younger generation has kept users coming back to its website and the ongoing campaign has driven a steady stream of additional traffic to Samsung websites

The lower cost of marketing online compared with TV and print advertising allows Samsung to achieve a significantly lower customer acquisition cost - encouraging the company to extend its co-branding activities with MSN into other product areas



"MSN has proved a powerful resource in attracting new customers for the Samsung credit card"

The MSN Advantage

MSN was able to offer Samsung an unrivalled combination of localized content, quality services and tremendous reach to exactly the right age group for Samsung.

By partnering with a leading international brand name like MSN, Samsung had a ready means of differentiation from their competition. MSN's broad experience customising online and offline promotions on behalf of clients allowed Samsung to maximise the campaign impact. MSN also had the experience to prepare online content and promotions to attract new credit card sign-ups for Samsung.

MSN's extensive experience of co-branded marketing - ranging from Starbucks to Unilever - enabled the company to swiftly package a comprehensive campaign integrating both online and offline elements, including: co-branded



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