

**CIPR PRIDE Awards**

11. Integrated campaign

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**Synergy**

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### Caterpillar Rubber Tracks campaign

The rubber tracks undercarriage business is highly competitive and the hardest product segment for Caterpillar and its dealers to enter. It does however have the highest growth opportunity of the entire undercarriage family.

Caterpillar dealers were struggling to reach this customer segment, requiring them to make a significant investment in time and resources.

Caterpillar needed to provide a competitive product solution that attracted customers.

Unlike the machinery segment, Caterpillar was a small player in the very competitively priced rubber tracks industry.

Caterpillar applied a new market based pricing strategy to focus on growing the business and combatting competition whilst still remaining profitable.

### Brief & objectives

Our brief was to devise a marketing campaign that would help increase both its profile and its market share in Europe, Africa and Middle East (EAME), with the aim of turning it into the dominant player of the rubber tracks market.

#### Objectives

1. Raise awareness and position Caterpillar as a major player in the rubber track industry.
2. Drive customer purchase and increase EAME sales by 50% in 2013 by winning customers prepared to pay less for tracks.
3. Aggressively combat competition through price decreases and product versatility, and through the creation of a strong 12 month promotional campaign.

### Strategy & tactics

**1. Research.** Through dealer and customer research, we discovered the factors affecting purchasing decisions in the market. This included Caterpillar workshops with 6 key EAME dealers to help understand their needs.

**2. Creative.** Our research indicated that a strong, simple price-led creative concept would appeal to Caterpillar's potential customers. This followed an internal price review and new lower pricing strategy - this was unique as Caterpillar had not previously competed with a price-led message

We would also emphasise the idea of buying genuine, high-quality Caterpillar parts for Caterpillar machines.

**3. Concept.** Our creative concept 'prices to make you smile' was eye catching, playful and a different approach for Caterpillar to help achieve stand-out.

**4. We created a marketing toolkit for dealers.** Caterpillar dealers are the influencers/contacts for customer purchase, so we provided them with the tools and support they needed to heavily promote rubber tracks - including a promotional toolkit encompassing print and online materials that they could download.

**5. We gave dealers a 12-month promotional campaign plan and online guide.** This included recommended month-by-month actions and activities, which were easy to understand and implement (such as a three phase email campaign). The online guide included step-by-step guidance on how to deploy activity (such as SEO, paid advertising and social media ideas).

**6. Sales incentives.** In addition to this communication strategy, Caterpillar encouraged the dealers to focus on sales, using sales force incentives. They also closely monitored campaign responses and dealer activity, providing face-to-face briefings and ongoing support.

**7. Dealer participation.** Caterpillar engaged the dealers to select the final campaign creative, ensuring their early buy-in. The customer-facing dealer was therefore the one that selected the creative execution - a well considered strategy to encourage dealer commitment.

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### Implementation

Caterpillar had committed to a very quick launch date for all dealers, which gave us one month to complete all activity.

#### Preparation – one month

Firstly, we focused on customer research, to find out what customers were really interested in, and what influenced their decision to purchase one brand of rubber track in preference to another. The two main areas of interest were best price and product quality.

Secondly, we undertook competitor research, studying the content of their online messages and the way they were written, as well as their SEO. We found that the key messages in their online ads were a) low running costs; b) fast delivery; and c) warranties. There was a heavy focus on product and technical messaging rather than benefits-led messages.

We provided creative concepts incorporating price-led messages with an emphasis on quality parts - the right balance of this message was imperative. Dealers selected the 'prices to make you smile' concept with a smile visual formed by the tread of a mini HEX rubber track.

We provided Caterpillar dealers with a toolkit containing on and off line materials, clear instructions and guidance for use, and a year-long marketing plan, with month-by-month activities for them to follow.

**Offline materials included:** series of trade adverts, event and point of sale displays, direct mail and email templates with three phases of messages and strong calls to action.

**Online tools included:** campaign landing pages for dealer websites, animated web banner ads, and an online promotional guide covering display ads, pay-per-click, google display network, social media and online public relations. We chose to animate the rubber track 'smile' to attract attention and make the campaign memorable.

All material was uploaded to a secure online system where dealers could log-in and download all materials with the ability to customise and adapt for local needs.

We supplemented this with tactical promotional ideas for dealers to execute locally at low cost, such as Facebook competitions and 'driver of the year' competitions.

### Integrated activity

The entire campaign, from start to finish, followed a well thought-through, strategically focused and carefully structured plan. It incorporated a range of customisable media in order to appeal to a wide EAME audience, and provided marketing tools, guides and plans for an audience that were not necessarily marketing savvy.

The fantastic results speak for themselves in terms of sales and use of the tools provided.

The creative concept was good, simple and well liked, and was chosen by its intended audience.

The campaign messaging, creative and activities were led at all times by strong research insight.

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### Measurement & evaluation

The campaign was devised and delivered in the space of a single month, and came in on time and within budget.

As a result of the campaign, Caterpillar experienced a **137% increase in rubber track sales** YTD September, meaning that the company is currently greatly exceeding the sales target of 50% increase.

Dealers met or exceeded sales targets within the first 6 months of the campaign. In the first month of launch, they experienced an average of 58% new website visitors and 27% of campaign email opens.

Caterpillar collected positive feedback from Caterpillar dealers during the campaign deployment. It is key to note that this was the first time such an extended campaign and support has been provided to dealers in the Product Support area.

“Dealers are very satisfied with marketing assets delivered and leveraged them. They like the main visual of the campaign and find it smart, positive and efficient. The campaign messages are simple but impactful and easy to get. Recently, two dealers stated that they expected the same support from Caterpillar for other parts products in 2014, so this campaign and its success are now considered as reference for Caterpillar and dealers.”

Caterpillar Manager

### Budget

The campaign was delivered for £30,800.