

Electrical Consumer Goods



Husqvarna Tactical Campaign
io

Sponsored by

COMPANY PROFILE

io has been one of the fastest growing agencies in Ireland over the last 10 years. Given the international experience of the three principal directors we have always striven to deliver a fresh and future facing perspective that has allowed our clients to stay ahead of their competition.

We are very proud of the two things that our clients always say back to us. We always deliver powerful and well thought out creative solutions and nobody else gives them our levels of client service.

We have been responsible for some of the largest integrated campaigns in Ireland to date and The Digital Café campaign launched by io has been at the forefront of getting Irish Businesses to recognise the importance of digital channels.

We are driven, small, independent, opinionated and happy.

INTRODUCTION & BACKGROUND

Liffey Distributors distributes forestry, park and garden products to businesses across Ireland. The company is the exclusive importer and distributor of the Husqvarna brand, a world leader in forestry, park, garden and construction products.

Typically, Liffey Distributors runs seasonal advertising in the spring and autumn across national and local press and radio. This supports the 78 main dealers nationwide who stock and sell Husqvarna products.

In spring 2010 sales were considerably down year on year, and advertising was urgently needed to push specific products and drive footfall.

78 individual tactical campaign proposals had been made at local level, but none had been confirmed and Liffey Distributors instructed their agency, io, to take immediate action to stimulate interest in key products.

The interesting challenge was how to drive both retailer uptake and consumer demand.

MARKETING OBJECTIVES

The objectives were threefold

- Increase sales on five specific products
- Demonstrate the value on offer in local Husqvarna dealerships, thereby driving mid-season traffic
- Focus local agents

In May 2010, Liffey Distributors urgently needed to kick-start consumer spending. Their trade agents were doing nothing and the poor weather was doing terrible damage to the sales of forest and garden products.

Liffey Distributors asked their advertising agency, io, to design a campaign that would shift stocks of tractors and lawnmowers in particular - since stocks were disproportionately high compared with sales.

As traditionally slow sellers (the specific tractor producing sales of 30 units annually, and the lawnmower selling 25 pieces year on year), Liffey Distributors felt they had enough stock of both to last two to three years.

A sales volume target was set for the campaign.

Liffey Distributors had 63 units of the specific tractor model in stock and 82 units of the specific lawnmower model, and hoped to clear these stocks.

The 3 most popular products were mixed in with these to encourage local dealer support, since all products were being supplied with additional discount

and dealers would only commit if there were an immediate opportunity for them. Liffey Distributors would have been happy to clear existing stocks of tractors and lawnmowers and lose margin on popular items to do so. They were also anxious to have local and national awareness for the brand across their product portfolio.

THE TASK

The customer-facing task was to communicate the value on offer relating to five specific products:

1. LT151 Tractor
2. R145SV Lawnmower
3. 133R Brushcutter
4. 450 Chainsaw
5. 123HD60 Hedgetrimmer

While tractors and lawnmowers were slow shifters, turnover of other products was steady. Liffey Distributors' advertising regularly featured popular sellers - hedge trimmers, brush cutters and chainsaws.

So the products selected for promotion were a mixture of niche equipment and products with mass appeal, which would interest both professional and hobbyist gardeners.

The campaign also had to appeal to dealers, as the cost was being evenly split between Liffey Distributors and the local dealers themselves. Aside from the shared cost, the campaign also had to instill confidence in the brand and motivate individual dealers to promote Husqvarna products locally.

THE STRATEGY

The strategy was to create a clear and concise messaging, powerfully conveying the pricing of the products. The pricing strategy and communication of the price to both retailers and consumers was key.

Husqvarna's product range has an excellent reputation amongst consumers. We knew that coupling this quality international brand with excellent value was a recipe for success.

This was supported by a good retailer discount to drive dealer participation. Large sales of the units were not expected, so dealers were encouraged to sell up. We decided the selling price of each unit and dealer margin and all were happy to participate and each dealer contributed to the overall cost of the campaign.

io designated a different weekend for each of the products, which were selected from five key categories. The campaign ran for 10 weeks, with one-day sales every two weeks, available on a Saturday only.

Saturday, March 20 = Tractor,
Saturday, April 3 = Lawnmower,
Saturday, April 17 = Brushcutter,
Saturday, May 1 = Hedgetrimmer
Saturday, May 15 = Chainsaw

We used both national and local media to market these offers. It was important that the dealers were able to support the national marketing spend in their local publications. Over 30 of the 78 dealers chose to run local advertising. They were provided with personalised versions of the creative placed in national press.

The Idea & Communication Activity (134/700words)

The campaign ran for 10 weeks, with one-day sales every two weeks, available on that Saturday only.

Posters and press ads were designed. Each ad included the date of the sale, all sale days were Saturday at end of week and all ads listed “The Husqvarna Centres” nationwide. Strong PR supported the press and magazine advertising.

The overall budget was €5,142.95. €5,000 was spent on full-page ads in the Irish Farmers Journal. This listed all dealers and all got a spin off. The remainder was spread across the local dealers.

We did not expect dealers to overstock, but advised that a certain amount of each unit was made available on the shop floor, the week prior to sale date. Dealers had the opportunity to order necessary stocks on the Monday after each sale.




THE HUSQVARNA 123HD60
NOW €1500
FOR 1 DAY ONLY SATURDAY 1ST MAY

Real pulling power with attractive features.

Dependable 22cc 2-stroke engine meets the demands of a task of various kinds, with the 123HD60 hedge trimmer offering a wide range of features to suit your needs. The gear and clutch and 2-SP Cutting System.

www.husqvarna.ie

Bronze Award - Husqvarna Tactical Campaign

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THE HUSQVARNA 123HD60
NOW €300
FOR 1 DAY ONLY SATURDAY 1ST MAY

Husqvarna®

A trimmer with all the trimmings.

Husqvarna's 123HD60 is a robust, lightweight hedge trimmer, perfect for home owners and professional gardeners alike. With a 22cc easy starting engine and a Smart Start® recoil system, the 123HD60 also features an air purge pump and strong double sided cutter bar.

Husqvarna
Centre New Ross

Ballyrue, New Ross, Wexford.
T 051 420562 M 087 979 2452

www.husqvarna.ie

THE RESULTS

The results were unprecedented, far exceeding expectations and actually causing supply problems due to a run on products.

Tractor sales for the day were 418 pieces versus normally 30 units annually.

Lawnmower sales for the day were 433 pieces versus normally 25 units annually.

Hedgetrimmer sales for the day were 278 pieces despite hedgetrimmers never selling as early as April and we are still showing a 47% growth on the same unit.

Brushcutters sales for the day were 275 pieces and unit sales are still showing a growth of 38%.

Chainsaw sales for the day were 484 pieces. This is particularly noteworthy as the Chainsaw season traditional starts in September and this ad went out in May.

On average there was an increase of over 400%+ in sales across the chosen product range.

€1,170,500 was generated as a result of these five Saturdays, We sold out additional products to the tune of €240,000 and in Ireland in 2010 Husqvarna will be remembered for starting the Forest and Garden Season.

Liffey Distributors had to bring stocks in from Spain, Italy, Croatia, America, France, UK and Sweden to meet the demand

The concept and structure of this campaign has been distributed to Husqvarna offices all over the world.

Next year, the campaign will be imitated in over 40 countries globally.

IMPACT ON BEHAVOURIAL ATTITUDE & PAYBACK

Sales were made to the total of €1,410,500
The overall spend was €35,142.95

Therefore, ROI = 4,013.6%

Net profit = profit from the campaign – marketing spend:

$$€152,024.37 - €35,142.95 = €116,881.42$$

ROMI: Incremental sales revenue is difficult to measure as virtually no sales were being made prior to the campaign.

The forest and garden market in Ireland is down 35% in 2010.

Liffey Distributors at the end of July were showing a growth of 22.39% across the board.