



A Tata Steel Enterprise

CAMPAIGN - 'STICK WITH ORANGE'

A new product campaign that delivered a 3.85 ROMI through Direct Mail

Background

Fibreglass Drywall joint tape is now the preferred method for plasterers and dryliners for finishing plasterboard joints in both dry and wet plaster applications. The general product group had become synonymous with poor performance, leading to little brand preference and poor product reputation.

Recognising a gap in its own plastering accessories range, Catnic set out a series of objectives, driven by a marketing team determined to demonstrate to the wider business where marketing spend can directly impact on the bottom line. The challenge was to place the product at high end quality and price-points, offering incremental sales and margin opportunity to builders merchants by generating end-user 'pull through' demand.

The product to launch was distinctive in a bright orange colour and with a higher product performance than current market offering.

For future marketing, Catnic also wanted to test brand engagement where we would measure how more responsive a prospect would be depending on the perceived value of a 'giveaway' item.

Product launch overview

Research conducted prior to launch concluded that direct mail by major brands was limited to the tradesman, partly because it is perceived as expensive when compared with email and other digital delivery methods and partly because campaigns are better targeted. This provided Catnic with a vacuum and an opportunity to consider direct mail to the right people at the right time as the preferred mechanism to deliver the campaign message, linked with storytelling via social media.

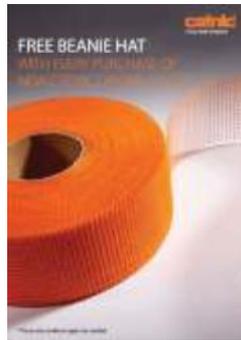
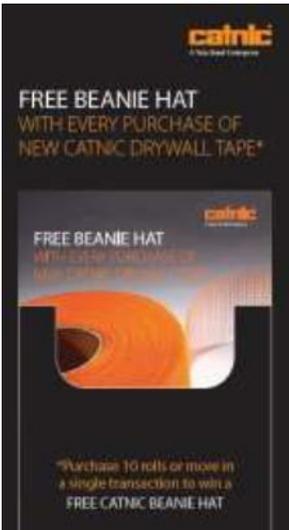
Over 4000 end-users received free merchandise if they bought in multiple quantities through the campaign period using the line "Stick With Orange.....and we'll stick a hat on you". This offer was redeemed through stockists that received the offer preview to aid in securing a new stockist prior to the campaign launch.

Objective

Through a 3 month campaign, the objectives of the campaign were to increase the number of new stockists, capture end user data for future marketing and understand promotion metrics for customers engaging with the brand.

Marketing plan activity

- Offer preview to merchants through presentation roadshow prior to launch
- Introductory product flyer for Sales Reps to leverage stockist interest
- Sales Reps targeted with 10 new stockist per region (total 100 new stockists)
- Free counter top POS for stocking branches
- Direct mail campaign to 4000 UK plasterers advertising new product and introductory promotion
- 3 month advertising campaign in trade press promoting product offer
- Microsite to capture end users details and purchase history



Supporting stockists

Counter top dispensers were provided to stockists to advertise the Catnic product promotion to end-users. These contained product cards with simple instructions on how to register their purchase online and receive a free Beanie Hat if they bought 10 rolls or more, driving up average transaction values for the merchants.

Product cards directed customers to a unique microsite (www.catnic.com/stickwithorange) with data capture so that entries can be monitored effectively from this activity channel.

Front

Direct mail to 4000 end-users
Over 4,000 plasterers around the UK received an A5 direct mail piece advertising our new product, its unique benefits and how they can enter our product promotion. The DM directed individuals online to a unique URL with a data capture form and the option to rate the product for use in social media endorsement.



Reverse

End-users were eligible to enter the promotion if they have purchased 10 or more rolls of drywall tape in a single transaction.



National awareness

The promotion was supported by national advertising throughout the campaign in the Professional Builder magazine, the preferred printed medium for the target users.

Cost / Results / Learnings

Campaign Cost

▪ Merchant POS support	£1,239
▪ Direct mail campaign	£4135
▪ Supporting the DM with social media	£3,200
▪ Prize fund	£1,730
▪ Printed medias spend	£6,440
Total	£16,744

Results

Metric	Target	Achieved	Variance	
1. Number of new stockists	100	228	+128%	↑
2. Sales revenue in launch period (3 months)	£165k	£353k	+114%	↑
3. Positive social media comments (sentiment)	50	69	+38%	↑
4. Campaign cost per stockist acquisition	£167	£73	-56%	↑
5. ROMI ratio reported to the Catnic Board of Directors*	1.63	3.85	+136%	↑

Learnings

- Highly professional Direct Mail is a valuable medium for campaigns in the building products sector
- Physical mail is a novelty that made the campaign stand out and get read
- Supporting the Direct Mail with product rating through social media proved to be a lead generating tool for future case studies
- We understand the 'pull' effect through brand engagement with our stockists and end-users and will help define KPI's in future campaigns – i.e. the average uplift in sales vale per SKU for the new stockists was 27%
- We have secured unpredicted future brand loyalty as the new stockists are encouraging Catnic to create new campaigns to emulate the success
- The Board of Directors have increased marketing spend within the current budget period on an evidence-basis based on the success of the ROMI ratio

*ROMI is stated as $[\text{£GPM} - \text{campaign investment}] / \text{campaign investment}$

Further information

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