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Case Study

Everest: The IDM Business Performance Awards 2009 Award winner campaign: Reinvigorating Everest's brand

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Abstract

Everest's brand reinvigoration campaign succeeded in increasing the value of its core business's sales by 8 per cent. This is an even more impressive achievement when viewed against the 20 per cent year-on-year decline experienced by the whole UK home improvement sector that same year. The campaign also increased sales revenue across the Everest group by several million pounds, equating to an uplift of 3.24 per cent. These significant results were achieved through a combination of tried and tested direct marketing approaches and a brave decision to return to brand advertising in broadcast media, albeit very carefully targeted, at a time when many companies were slashing their marketing budgets and concentrating on well-proven media and techniques.

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Introduction

Everest is, in many ways, a traditional sales-driven business. One of its marketing department's main aims is to generate good quality sales leads for its salesforce. At the time this campaign was conceived, Everest urgently needed to reinvigorate its business and increase sales by relaunching the brand and its new product range to a new generation of consumers and existing customers. Despite the fact that Everest offered consumers an impressive product range, experienced salesforce and website, the brand had traded for far too long on the brand awareness created by its hard-hitting 1980s TV advertising campaign. As a result, new generations of consumers were hardly aware of Everest. The campaign had to address this key issue in order to achieve the large uplift in sales revenue that Everest needed.

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Everest worked closely with a number of agencies on this campaign, reflecting the rich media mix; MBA, Mindshare, Drayton Bird, The Leaflet Company, Equimedia and Data Lateral. To support the campaign, Everest had already amassed an impressive body of knowledge and insight about its customers and marketing communication as a result of a test-learn-adjust approach in all aspects of its marketing communication planning.

Everest recognized that it urgently needed to change key elements in its communication strategy. With its core direct marketing approach largely optimized, a radical rethink was needed to re-establish and re-position its brand in the minds of a new generation of consumers and existing customers. Against a backdrop of a declining market and static sales, Everest decided to make a considerable investment in new targeting techniques and a finely judged return to brand advertising in broadcast media.

Market background

By mid-2007, it was clear that the UK home improvement market was declining and that this trend was likely to continue for years to come. The UK recession had a direct and negative impact on home improvement retailers. Responding to the collapse in UK house prices, many homeowners immediately curtailed their spending on home improvements, fearing they would never recover their investment. In 2008, UK consumers were still consolidating their finances and waiting for signs that the UK economy was recovering and that house prices were bouncing back. Nearly every leading home improvement retailer saw its 2008 profits fall dramatically. B&Q's profits declined by 20 per cent and Homebase announced a half-yearly loss of £437m in Autumn 2008. MFI, hard hit by the falling demand for 'big ticket' goods, went into liquidation in November 2008.

'Fit the best'

Everest desperately needed a campaign to reinvigorate its brand at this difficult time. Everest was not just suffering as a result of the tough economic conditions. It also had to overcome a lack of investment in its brand spanning nearly three decades. Thanks to a highly memorable 1980s TV advertising campaign, Everest's brand had been firmly established in the UK as synonymous with double-glazed windows. By 2008, any brand recognition that remained was largely attributable to the enduring power of the 1980s TV adverts featuring Britain's highest pub, the Tan Hill Inn, and Ted Moulton, a celebrity Derbyshire farmer and 'Brain of Britain' winner. In the advert, Ted stands outside the Peak District pub in a howling gale; he watches a feather fall gently to the ground inside the pub behind a new Everest double-glazed window. Ted then utters the famous catchphrase, still familiar today to anyone who saw the original advert;

You only fit double glazing once, so fit the best, fit Everest.

A lack of brand saliency and consumer misconceptions

Unsurprisingly, Everest's 2008 consumer research showed its brand awareness had dramatically declined amongst UK consumers and that the brand lacked saliency.¹ A whole new generation of consumers and a rapidly changing marketplace meant that the 1980s campaign had finally faded from public consciousness. The original brand messaging was also outdated, no longer reflecting what the brand offered consumers.

In addition to tackling its low brand awareness, Everest's brand reinvigoration campaign had to address two other issues critical to Everest's future success. It was important that the campaign communicated the breadth of Everest's new product range to both new and existing consumers. Everest's new product range employs a variety of developing technology to improve domestic energy efficiency and tap into alternative energy sources. By 2008, Everest could offer consumers a huge range of home improvement solutions, including solar and other heating systems, home security and garages, conservatories and kitchens in addition to its traditional double-glazing products and services. Everest's 2008 solar panelling launch was one of its most successful product launches ever. This launch success proved beyond a doubt that, even in a tough market, introducing relevant products and services is a great way for Everest to expand its business.

The third issue the campaign needed to tackle was the widely held UK consumer belief that many double-glazing companies are not to be trusted. Double-glazing companies are often viewed as employing aggressive and intrusive salesmen and sometimes adopting approaches that are less than scrupulous, occasionally amounting to sharp practice. It was vital that Everest's branding campaign distanced it from such strongly held negative associations, clearly differentiating Everest from other less reputable double-glazing providers and gaining consumer trust by establishing Everest as an honourable credible home improvement brand.

Test, learn, adjust

Everest's well-established strategic approach to marketing communication planning ensured that its 2008 campaign had a wealth of valuable insight to draw upon, about both communication planning and consumers. This insight came from the rigorous test-learn-adjust approach that Everest had long applied in its communication planning. Everest's marketing culture of continuous incremental improvement, based on a solid measurement platform, meant that both campaign successes and failures provided valuable learning points to improve results in subsequent campaigns. Over time, each campaign variable and combination of variables, including data collection and analysis, offers and creative, had been refined and optimized to maximize campaign revenue generation. The cumulative effect of these gradual changes over several years was a dramatic improvement in targeting, developing a mass marketing approach into a finely honed direct marketing programme.

A finely honed direct marketing programme

To further enhance its marketing effectiveness, Everest had introduced relevant data from regular macro and micro environmental scans into its communication planning approach. These outward

Incorporating environmental scanning

facing data added another dimension, ensuring that Everest's marketing remains fresh and relevant and that new elements are introduced to the mix in response to emerging consumer demands and social trends. The only downside of this rigorous direct marketing approach was that, by 2008, no improvement in any aspect of the existing campaign approach had the potential to deliver the huge sales uplift Everest wanted. Therefore, the new campaign had to look elsewhere for a more radical marketing communication solution capable of providing the necessary impetus to relaunch the brand, activate new consumers and overcome the inertia inherent in the market sector.

Business and marketing objectives

Objectives

The campaign's overall objective was to increase sales revenue as cost-effectively as possible. In order to achieve this, the campaign needed to meet several business and marketing objectives.

The campaign's main business objective, as expressed by Everest's management board and investors, was to create an immediate improvement in the business, expressed in terms of a revival of Everest's brand and an increase in the value of sales; the ultimate measure of success at Everest.

The main marketing objectives were twofold:

- To increase the number of salesforce appointments with consumers who offer the highest potential to convert to sales; the number of appointments directly correlates to the number of sales; and
- To raise awareness, saliency and desirability of the Everest brand with a view to increasing the breadth of Everest's potential client base; establishing a perception of Everest's brand as offering something more than a traditional double-glazing company; 'A modern, technologically advanced company with a raft of products to improve your home'.

Supporting the regional salesforce

Everest's regional sales teams are a vital part of its communication mix, sales generation and product and service delivery. Secondary marketing objectives were created to reflect the campaign's wider remit to provide support to the regional sales teams:

- To support and thus increase the effectiveness of local salesforce-driven marketing initiatives.
- To improve salesforce team motivation by ensuring the campaign is highly visible to the salesforce and that the campaign's objectives and integrated communication approach, particularly the objective to help generate high-quality appointments is clearly understood by the salesforce.

However, because accurate measurement of the campaign's impact on salesforce performance was problematic, any improvement in

salesforce results was not taken into account in the final campaign analysis.

Marketing strategy

The campaign had to maintain a balanced approach. It was important to continue to support Everest's well-established brand values and proposition, reinforcing brand recognition among many generations of customers. However, in order to produce a big increase in good quality sales leads, and relaunch the Everest brand to a new generation of consumers, the campaign also needed to introduce new elements into the communication plan.

Everest's brand reinvigoration campaign communication strategy included tried and tested direct media. Traditional direct marketing channels were already largely optimized and producing a good return on investment. The campaign plan made the usual minor adjustments to the direct media to achieve small improvements in revenue wherever possible.

To achieve the required large uplift in consumer recognition and revenue in the short and longer term, the campaign's communication planning took a much broader approach to online and offline media than in previous campaigns. Far reaching, hard-hitting broadcast media were introduced to deliver high-impact messages to a large number of new consumers and increase brand saliency and simultaneously boost direct channel response rates. Broadcast and direct response media were tightly integrated, using a refined segmentation and targeting approach to ensure the greatest possible impact was generated.

Targeting was central to the reinvigoration campaign's communication strategy and a critical factor in its ultimate success. Everest's initially broad target audience for the campaign included anyone who had both the desire and the means to improve their home by investing in quality products and services. To reach the best prospects in this huge target group as cost-effectively as possible, a meaningful segmentation had to be developed to inform the media selection. Target segments were first created using Everest's accurate historical data. The data were wholly reliable because they had been subject to continuous iterations of the test-learn-adjust cycle. As a follow-up to this first segmentation exercise, additional data collection and analysis was commissioned to enhance the attitude-defined segments and transform them into tighter more manageable target groups.

The campaign's targeting approach had three parallel strands. Communication planning focused on the digital channel in recognition of its growing importance among UK consumers and the cost-effective and wide-ranging communication opportunities it offers marketers. Therefore, search engine optimization and pay per click (PPC) marketing were allocated a vital role in the media mix. Secondly, the campaign expanded Everest's traditional target audience to include cold prospect segments with a lower propensity to buy but the potential to deliver a good return on investment. And, last but not least, the campaign needed to harness the unique power of

Balancing consistency and a new approach

Ongoing optimisation of traditional media

Introducing broadcast media for high impact

Targeting and media strategy

Developing meaningful segmentation

Integrating broadcast and direct response media

traditional broadcast media, TV and radio, to extend the brand's reach, create saliency and convince a new consumer audience to make a purchase decision. This return to television advertising after an absence of so many years was a bold move. The TV advertising aimed to create brand energy and also, most importantly, to boost direct response across all channels. The communication strategy was to capitalize on the considerable investment in TV advertising by ensuring that every interested consumer could find Everest's website, thanks to the carefully coordinated investment in PPC and search engine marketing.

Data analysis and predictive modelling identified six key variables

Campaign execution

A well-integrated, tightly targeted approach was employed over the 18 months the campaign ran, with continuous refinement to ensure direct channel response rates were optimized. Everest built an externally hosted data warehouse capable of handling multiple data feeds across all direct response channels, including call centre, website and direct mail. Holding all customer and prospect data in one location allowed Everest to create a complete in-depth view of its customers and prospects through data analysis and predictive modelling. A sample of 100,000 prospects was randomly selected from the target universe for more detailed analysis. More than 300 variables were rigorously tested using univariate and multivariate techniques. The analysis identified the six key variables that most powerfully predicted a prospect's likelihood of purchasing from Everest in the future. These variables were used to refine direct mail and digital targeting as the campaign progressed during 2008–2009.

Radio test and TV targeting

Carefully placed radio and TV adverts were timed to provide support for the direct response media, following some good results from a radio test prior to the main campaign launch. The test showed that integrating radio with direct response media produced a powerful uplift in response rate. On the basis of this result, and the long-lasting impact of the 1980s TV ad campaign, it was decided to reintroduce TV to the media mix. Everest and its agency, MBA, defined the TV target audience using a unique planning tool that combined lifestyle and attitudinal questions. To ensure that TV ads were placed with maximum efficiency, the planning tool was used to identify the programming attracting the most viewers with the highest propensity to purchase Everest's products (Figure 1).

Refining door-drop targeting

To improve door-drop targeting to cold prospects, postcodes from households in which Everest had made a sale during 2006–2007 were correlated with census data to identify predictive variables and ascertain the postcode sectors most likely to contain the highest concentration of potential customers. Prior to roll-out, promising postcode sectors were tested against a control group consisting of previously successful postcode sectors in 2008.

Figure 1: Tan Hill Pub — TV still

**Improved visibility
in online search was
crucial to campaign
success**

In the UK, it is normal for consumers to research home improvement brands and products online prior to making a final purchase decision. Ensuring that all potential customers, wanting to find out more about Everest as a result of TV, radio, door-drop and direct mail communications, could easily find the website was crucial to the campaign's success. Day-to-day digital marketing communication management concentrated on attaining a top, or near top, search engine listing position for all key phrase searches related to Everest's product range; for example, home improvement, double-glazing and solar panels. A combination of search engine optimization and paid search techniques gave Everest a prime position in the major search listings.

Website optimization processes made sure visitors' onsite experiences were satisfactory. Direct marketing techniques were also used to design website content that overcame potential objections, presenting information in the most compelling way to encourage a purchase decision.

Results

Against a market sector decline of 20.8 per cent,² this campaign's success in increasing Everest's window and door sales by 8 per cent is a great achievement. The overall sales revenue uplift of 3.24 per cent delivered by the campaign is equally impressive. Profit from these incremental sales was disproportionately high due to Everest's mainly fixed cost base.

Specific results included:

- The largest sales uplift of 7,900 attributed appointments came from the direct channels.
- The digital channel delivered the greatest improvement to marketing effectiveness, with PPC marketing providing the greatest impact. Appointment generation through the digital channel increased by 47.5 per cent at an increased marketing cost of only 33 per cent.

**Digital media
produced the
best ROI**

PPC marketing contributed to a further reduction in the average cost per appointment; a reduction totalling £6.19 since the digital media strategy was first implemented in 2005–2006.

- New targeting techniques made a significant contribution to the campaign's overall success, uplifting response rates across all channels; for example, the new targeting approach increased door-drop-generated appointments by around 18 per cent.
- Pre- and post-campaign quantitative evaluation revealed an encouraging short- and long-term effect from the campaign's advertising. The campaign advertising aired in May 2008, and a December evaluation revealed that consumer awareness of the campaign remained twice that of pre-campaign consumers. Similar research results revealed that a much higher proportion of consumers would 'definitely consider' Everest after the campaign.
- This campaign has given Everest's brand and sales a significant boost that will support ongoing growth in 2009 and beyond. The campaign's successful departure from tried and tested techniques and media has contributed valuable knowledge and a fresh set of techniques that can now be employed to ever greater effect in its future marketing communication strategy. Everest will continue to invest in digital and direct channels, optimizing results through the test, learn and refine discipline. The digital channel, in particular, has demonstrated its ability to improve campaign efficiency, and promises significant sales in the future. The importance of investment in the brand has been recognized, as has TV's ability to drive incremental sales appointments through other channels as part of a well-targeted integrated marketing communication plan.

Lessons learnt

This campaign demonstrates, that you cannot ignore the ability of traditional direct marketing techniques to deliver improved sales revenue and optimized marketing budgets. In this case, Everest had sufficient confidence in its marketing communication planning, as a result of its adherence to the marketing discipline of test-learn-adjust, to embark on a cold and mass media campaign in defiance of the most unpromising market conditions.

Everest's venture into unfamiliar and potentially expensive media was rendered much less risky by its adoption of some extremely advanced targeting techniques, applied rigorously to carefully collected data using consumer and marketing insight accumulated over many years of practice. Meaningful segmentation and advanced targeting is the main driver of this campaign's success. Painstaking campaign planning and implementation and Everest's dedication to optimizing every aspect of its marketing communication planning, meant that communication integration continued to be refined over the 18 months the campaign ran. The return to brand advertising in broadcast media provided the necessary boost to response through direct channels, translating directly to improving the bottom line.

Everest demonstrated great determination, and some courage, in creating a new and sustainable marketing approach at a challenging time for its whole business sector. This approach transformed a disastrous year for the home improvement industry into one that was an unmitigated success for Everest.

Notes

1. Spontaneous brand recognition.
2. FENSA (Jan 2009 v Jan 2008) double glazing.