

# warne's solutions

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Integrated Communications — No.1

## Generating sales in a flat, low-interest market

**CLIENT:** ADT Security Systems

**PRODUCT/SERVICE:** Monitored security systems for small business

### SITUATION:

The commercial market for security systems was flat, and regarded as having limited growth potential. The logical prospects – jewelry stores – already had security systems. Other businesses were not likely to express any interest unless they, or a neighbouring business, had a break-in.

Price competition was strenuous on installation and monitoring costs. Competitors included minimum overhead companies who only installed equipment and sold monitoring contracts to third parties.

In this low-interest category, no single company had strong brand recognition.

### OBJECTIVE:

The primary objective was to gain dominance of small business markets by generating qualified leads from less-than-50 employee companies in retail, wholesale, manufacturing and professional markets. Additionally, to propel future sales by obtaining expiry dates of competitive monitoring contracts.

A secondary objective was to increase awareness and preference for ADT products with small business owners.

### STRATEGY:

As a low-interest category, the creative approach was particularly important. The US parent believed that the focus of the message should be “fear”, as this approach worked in their market.

Testing found that this approach was not successful in Canada. Telephone research conducted in the Canadian market was used to identify the key issues and concerns of this business segment, as well as identify the largest potential markets, by SIC, for ADT products and services.

Creative was developed, incorporating issues identified during research, and tested to gauge the best response from the target group. Focus would be on ADT *service excellence* as a differentiating factor in communications. The communications tactics required response mechanisms to collect specific information about the prospects' current monitoring in order to plan follow-up programs.

### TACTICS:

An integrated communications program was developed, incorporating time-limited discount offers to increase response and stimulate sales and to promote ADT security system benefits rather than equipment. The standard incentive was a \$100 discount on a basic burglar alarm system.

The program included:

- Advertising inserts in selected business publications;
- Direct mailers with personalized covering letters incorporating a fax-back response on reverse side, and a savings coupon;
- Telemarketing to the mailing lists on a continuing basis.

### RESULTS:

Response rates averaged 3.5%. This was 2.25 times greater than programs in the U.S., where concerns over business, and home security had been much greater than in Canada. Lead **conversions to sales were a staggering 57.2%** for basic burglar alarm and add-on systems.

In the first year \$2,875,500 of immediate sales were generated, and this level was maintained in subsequent years.

