



2018 APAC Effie® Awards Gold Winner

"Electrolux - Fashion Care"

Category: Brand Revitalisation

Product/Service Classification: Household and Domestic

Brand: Electrolux

Client: Electrolux S.E.A. Lead

Agency: Ogilvy & Mather Singapore

Edited Version

Executive Summary

This is a story about Electrolux, a laundry appliance brand in Australia that had long positioned itself based on its heritage: "Trusted in Europe for over 100 years". Amidst radical category-wide disruption and pricing wars, we were not able to stand out and were losing our edge. So, we took a bold stand that while any brand could wash clothes, only Electrolux can be trusted with fashion. We reframed the value benefit of our products and what we stood for as a brand. Within just 2 quarters, we increased our market share drastically and became an industry showstopper.

Market Background

1. Crowded and fragmented space

In Australia, the home laundry appliance market is a whirlpool of over 20 players (1), each claiming to produce the best washing machines in town. For years, no single brand has been able to emerge as the market leader (1), making advertising a crucial brand differentiator.

2. The green rush

The Australian government mandates that every home laundry brand displays its energy rating levels so consumers can compare the efficiency of different appliances (1). This has spurred a new wave of purchases, with consumers looking to save money on their bills and reduce environmental impact. This has set off a race amongst brands to innovate and aggressively market their products' efficiency (1).

State of the Marketplace & Brand's Business/Strategic Communication Challenge

Statistically, Australians are more likely to change their partners before they change their washing machines. Winning as a business meant a constant fight to enlist new customers by differentiating the brand from competitors. However, this was proving challenging for Electrolux.

- Radical innovation and disruption:

In the last 5 years, the laundry industry has evolved radically. Every few months, we hear of a high tech, ground-breaking, top-end, state-of-art, ergonomic, smart and IoT-connected washing machine being born in the market. While this new breed of washing machine is designed to take a load off consumers, it is now an increasingly harder job for marketers to sell them because, frankly, every brand is innovating.

Energy efficiency regulations have further resulted in companies emphasising how efficient- and costsaving- their machines are because of X, Y, Z patented technology. Every machine also has a consumer award label slapped on it that reads "Best Eco-Washing Machine Brand 2016" to lend brands a fig-leaf of credibility in the eyes of quality- and efficiency-conscious consumers.

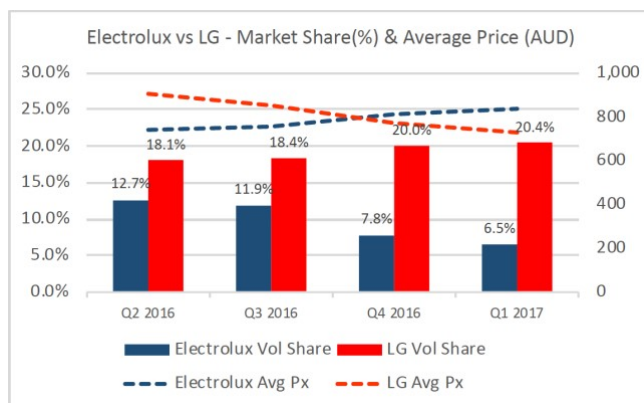
For a brand that had long positioned itself as "Trusted in Europe for over 100 years", we were losing our edge amongst competitors.

- Pricing tango:

The home laundry appliance category is also highly price sensitive. In mid 2016, LG, our biggest competitor, began slashing its prices at a time when we had to increase our pricing margin. We became relatively pricier, and the impact on our market share was immediate and dramatic as it declined by half from 12.7% in Q2 of 2016 to 6.5% in Q1 of 2017. Our share collapsed drastically by 48% and in just 3 quarters, our market share gap with LG had almost tripled (2).

- Make a splash or risk fading away:

We had to improve our market share but we couldn't afford to get caught up in a price war and a margin sapping race to the bottom. We had to re-establish a truly differentiated benefit that is worth paying for. More importantly, we had to be quick about it, and we had to achieve this despite a reduced marketing budget due to the drastic decline in market share.



Audience

With consumers changing their washing machines only once every 14 years (2), there were two ways to grow the market. For immediate market share increase in the short term, we knew we were racing for millennials - compared to older audiences, they were more likely to be moving into new homes and requiring washing machines. In the long run however, the only way to grow is by accelerating the purchase cycle of current machine owners.

Even though both men and women have a say in long-term household decisions, realistically women were still more likely to be the main decision makers when it comes to buying washing machines (4). And that defined our key target audience - women.

Primary audience:

Women between the ages of 25 to 35 who were likely to move into new homes.

Secondary audience:

The broader population of women in Australia, who may already be existing machine owners.

Objectives & KPIs

Business objectives:

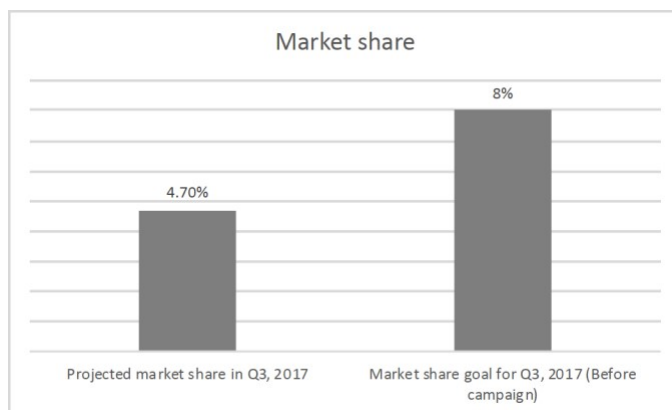
(1) Increase sales and market share

If our performance had continued in the same trajectory as 2016, our projected market share in Q3 of 2017 would have been an alarming 4.7%. Hence, our objective was to avoid the further decline of market share of 4.7% (Projected) and increase market share to 8% in Q3 2017. This would help Electrolux spring back to its market share in Q4 of 2016, and stem its decline.

(2) Reduce market share gap with LG

Brand objective: Increase consumers' purchase intent

Communication objective: Differentiate Electrolux by establishing a new added benefit worth paying for. This objective would be measured by the awareness of the differentiated benefit, as well as improved product ratings and reviews.



Sourcing: Section 1

1. Home Laundry Appliances in Australia (February 2017) by Euromonitor
2. Client data, 2017
3. The expected lifespans of washing machines by SF Gate - <https://tinyurl.com/y79hcudf>
4. GlobalWebIndex

Insight

To stand out from our competitors, it wasn't sustainable to simply slash our prices or innovate how we spoke about our innovation. Instead, we had to highlight the real value our products' play in our consumers' lives and excite them - in a country that spends the most on clothes compared to anywhere else in the world, it was quite clear what mattered (1).

Fashion matters:

For Australian women, clothes are more than just pieces of fabric. 1 in 2 women feel that clothes communicate who you are as a person (2), and see it as a form of self-expression and self-confidence. However, we found out that while consumers were willing to spend on clothes, this doesn't extend to spending on the right washing machine to preserve those clothes. Why? Because women do not trust their washing machines to protect and preserve their favourite clothes (3). Instead, they rely on painstakingly handwashing or dry cleaning them. Some even resort to not wearing the clothes too often. Hence,

the irony ensues - the clothes that make them feel good about themselves are the ones they cherish by keeping at the back of the closet so they will not get knackered.

It was through this simple insight that we saw an opportunity to regain the interest and trust of women by being the first washing machine to associate itself directly with the fashion industry. Instead of selling cold mechanical washing machines, we decided to sell women the freedom to finally wear their favourite clothes whenever they please.

The Big Idea

"A machine that loves fashion as much as you" - we took a bold stand that while any brand can wash clothes, only Electrolux can be trusted with fashion.

Sourcing: Section 2

1. Australians spend more money on clothes than anyone else in the world by Vogue Australia - <https://tinyurl.com/nzftjlk>
2. Kantar Futures data
3. Client data, 2017

Bringing the Idea to Life

Overarching brand platform:

When buying a washing machine, consumers go through a long tedious decision-making process because they know they are married to the machine for years. Hence, we had to deploy ads that target women at every stage, ranging from Inspiration, Discovery, Selection and Purchase, to remain top-of-mind. However, in order to deliver a consistent and comprehensive 360 consumer journey, we needed an overarching brand message that Electrolux cares for your clothes, including even the most delicate and expensive ones that you love. Hence, we conceptualised: Electrolux Fashion Care. It was a simple brand platform to educate consumers on how our machines care for fabric with our Ultramix™ technology, promising deeper cleaning and vibrancy while protecting even the trickiest materials such as wool.

Content:

In order to be taken seriously as a brand that cares about fashion, we couldn't just talk about it but also had to look the part. We developed a creative concept that was fresh, daring and enticing, and looked like it belonged in the high-end fashion apparels category. We steered away from featuring the stereotypical mom/ wife/ housewife characters in our ads and designed it to intrigue the curiosity of our audience - our machines were featured right at the centre of a fashion shoot with models, highend clothes, upbeat music, and bold colours. By doing so, not only were we able to arrest the attention of our audience, but we also gave women the license to go after what they personally care about: fashion. In an industry that portrays women primarily as a dutiful family member who is always serving others first, this was a rarity. All in all, we broke the category norms and rather than how a washing machine or white goods brand normally would, we spoke to our fashion-conscious consumers the way a fashion brand would.

Content Platform: We placed these ads where our target audience would be, such as fashion magazines (E.g. Vogue & Harper's Bazaar), and home magazines (E.g. Belle, Home Beautiful & Australian House & Garden). Going beyond ads, we also partnered with these publications to promote Electrolux as an aspirational tool that every fashionista should have on her wash list (pun intended).

We amplified the message on digital platforms by getting online publications such as Elle and Marie Claire to create native content on caring for your favourite clothes while subtly slipping in Electrolux's Fashion Care messaging. We served video pre-rolls at contextually relevant moments, such as when audience were watching home or fashion videos on YouTube.

We also created a series of interactive, thumb-stopping Facebook and Instagram posts in the form of GIFs, Canvas and videos. To effectively get her mind space in her cluttered newsfeed, we made every inch of her mobile space count by creating posts in vertical formats. This was based on a simple insight that audiences view or watch posts in vertical orientation, and rarely rotate their phones.

For the first time, we also partnered with AOL (Appliances Online), Australia's largest online appliance retailer, and used our content to drive awareness, consideration and trial.

Results

Communications objectives:

- Recap of communication objective: Differentiate Electrolux by establishing a new added benefit worth paying for. This objective would be measured by the awareness of the differentiated benefit, as well as improved product ratings and reviews.
- Communication results: We achieved a brand recall of 90% (2), and 65% of consumers who were exposed to the campaign materials were able to clearly identify and articulate that Electrolux is a brand that cares for clothes/fashion (3). As a spillover from the campaign, we witnessed an improved machine rating of 4.62 out of 5 this year vs 4.00 out of 5 last year. The number of reviews on our machines also increased by 5x (1).

Brand objectives:

- Recap of brand objective: Increase consumers' purchase intent
- Brand results: We managed to increase purchase intent by 20%, when the norm for advertising in the category is only 6% (2).

Business objectives:

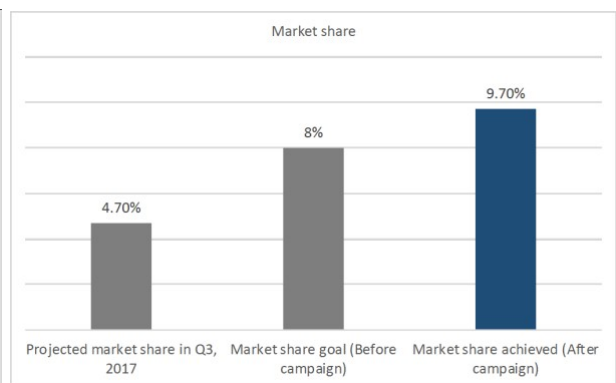
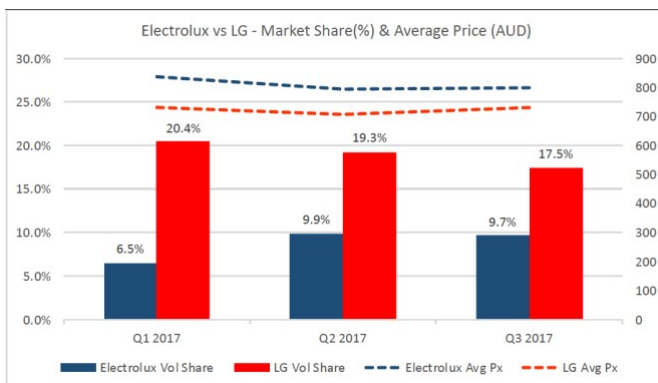
- Recap of business objectives:

(1) Increase sales and market share

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(2) Reduce market share gap with LG

- Business results: Despite maintaining a higher price point compared to LG and many of our competitors, we avoided plunging down to the projected 4.7% market share. Instead, we increased our market share from 6.5% in Q1 2017 to 9.7% in Q3 2017 (1). In just 2 quarters, we also managed to reduce market share gap with LG by 44% (1).



Additional Marketing Components

<input type="checkbox"/> Couponing	<input type="checkbox"/> Other marketing for the brand, running at the same time as this effort
<input type="checkbox"/> CRM/Loyalty Programmes	<input checked="" type="checkbox"/> Pricing Changes
<input type="checkbox"/> Economic Factors	<input type="checkbox"/> Weather
<input type="checkbox"/> Giveaways/Sampling	<input type="checkbox"/> None
<input type="checkbox"/> Leveraging Distribution	<input type="checkbox"/> Other:

Other Contributing Factors

1. Yes, we reduced our pricing marginally by 2.4%, but we were still priced higher than LG and many of our competitors. Our growth outweighs the price decrease.
2. There were no other key communication campaigns during this period

Sourcing: Section 4

1. Client sales data, 2017
2. Real Eyes - post campaign evaluation, 2017
3. Post campaign research, 2017

MEDIA ADDENDUM

Paid Media Expenditures

***Data has been removed as it contains confidential information*

Current Year: 2017		Year Prior: 2016	
<input type="checkbox"/> Under \$100K	<input type="checkbox"/> \$1M - under \$5M	<input type="checkbox"/> Not Applicable	
<input type="checkbox"/> \$100K - under \$250K	<input type="checkbox"/> \$5M - under \$10M	<input type="checkbox"/> Under \$100K	<input type="checkbox"/> \$1M - under \$5M
<input type="checkbox"/> \$250K - under \$500K	<input type="checkbox"/> \$10M - under \$20M	<input type="checkbox"/> \$100K - under \$250K	<input type="checkbox"/> \$5M - under \$10M
<input type="checkbox"/> \$500K - under \$1M	<input type="checkbox"/> \$20M and over	<input type="checkbox"/> \$250K - under \$500K	<input type="checkbox"/> \$10M - under \$20M
		<input type="checkbox"/> \$500K - under \$1M	<input type="checkbox"/> \$20M and over

Compared to other competitors in this category, this budget is:

Less About the same More

Compared to overall spend on the brand in prior year, the budget this year is:

Less About the same More Not Applicable

***Data has been removed as it contains confidential information*

Owned Media

The most integral owned communication channel for this campaign was Electrolux's social media channels, specifically Facebook and Instagram, which housed the campaign hero video as well as social content meant to build awareness and sustain engagement.

Other than the social media channels, we also created a campaign page on Electrolux's website as a communication channel for the audience to learn more about how Electrolux's products protect and preserve fashion.

Sponsorships

NA

Communication Touch Points

<input type="checkbox"/> Branded Content	<input type="checkbox"/> Mobile/Tablet	<input type="checkbox"/> Product Design
<input type="checkbox"/> Cinema	<input type="checkbox"/> App	<input type="checkbox"/> Professional Engagement
<input type="checkbox"/> Consumer Involvement/ User Generated	<input type="checkbox"/> Display Ad	<input type="checkbox"/> Closed Loop Marketing (CLM)
<input type="checkbox"/> Consumer Generated	<input type="checkbox"/> In-App or In-Game Ad	<input type="checkbox"/> Congresses
<input type="checkbox"/> Viral	<input type="checkbox"/> Location-based Communications/Real Time Marketing	<input type="checkbox"/> Continuing Engagement
<input type="checkbox"/> WOM	<input type="checkbox"/> Messaging/Editorial/Content	<input type="checkbox"/> Detail/E-Detail/Interactive Visual Aids (IVAs)
<input type="checkbox"/> Direct	<input type="checkbox"/> Other	<input type="checkbox"/> Informational/Documentary Video
Email	<input type="checkbox"/> OOH	<input type="checkbox"/> In-Office
<input type="checkbox"/> Mail	<input type="checkbox"/> Airport	<input type="checkbox"/> Radio
<input type="checkbox"/> Ecommerce	<input type="checkbox"/> Billboard	<input type="checkbox"/> Merchandising
<input type="checkbox"/> Events	<input type="checkbox"/> Place-Based	<input type="checkbox"/> Program/Content
<input type="checkbox"/> Guerilla	<input type="checkbox"/> Transit	<input type="checkbox"/> Spots
<input type="checkbox"/> Ambient Media	<input type="checkbox"/> Other	<input type="checkbox"/> Retail Experience
<input type="checkbox"/> Buzz Marketing	<input type="checkbox"/> Packaging	In-Store Merchandising
<input type="checkbox"/> Sampling/Trial	<input type="checkbox"/> Point of Care (POC)	<input type="checkbox"/> In-Store Video
<input type="checkbox"/> Street Teams	<input type="checkbox"/> Brochures	<input type="checkbox"/> Pharmacy
<input type="checkbox"/> Tagging	<input type="checkbox"/> Coverwraps	<input type="checkbox"/> POP
<input type="checkbox"/> Wraps	<input type="checkbox"/> Electronic Check-In	<input type="checkbox"/> Retailtainment
<input type="checkbox"/> Interactive/Online	<input type="checkbox"/> Video (HAN, Accent Health)	<input type="checkbox"/> Store within a Store
Brand Website/Microsite	<input type="checkbox"/> Wallboards	<input type="checkbox"/> Other
<input type="checkbox"/> Contests	<input type="checkbox"/> Other	<input type="checkbox"/> Sales Promotion
<input checked="" type="checkbox"/> Digital Video	<input type="checkbox"/> PR	<input checked="" type="checkbox"/> Search Engine Marketing (SEM/SEO)
Display Ads	<input type="checkbox"/> Print	Social Media
<input type="checkbox"/> Gaming	<input type="checkbox"/> Custom Publication	<input type="checkbox"/> Sponsorship
<input type="checkbox"/> Geo-based Ads	Magazine - Digital	<input type="checkbox"/> Trade Shows
<input type="checkbox"/> Mobile/Tablet Optimised Website	<input checked="" type="checkbox"/> Magazine - Print	<input type="checkbox"/> TV
<input type="checkbox"/> Podcasts	<input type="checkbox"/> Newspaper - Digital	<input type="checkbox"/> Branded Content
<input type="checkbox"/> Video Skins/Bugs	<input type="checkbox"/> Newspaper - Print	<input type="checkbox"/> Interactive TV/Video on Demand
<input type="checkbox"/> Other	<input type="checkbox"/> Trade/Professional	<input type="checkbox"/> Product Placement
<input type="checkbox"/> Internal Marketing		<input type="checkbox"/> Sponsorship
		<input type="checkbox"/> Spots
<input type="checkbox"/> Other:		