

Communication Campaign Proposal

H1 Industries Product Launch



Prepared by Marinda Bean

November 19, 2011

H1 Industries Employee Memo

TO: H1 Industries Employees
FROM: Marinda Bean, H1 Industries CEO
DATE: November 19, 2011
SUBJECT: Product Launch



We are very pleased to announce the successful completion of our R&D and test phases on our revolutionary hybrid converter. We must now begin preparations for our product launch, July 1, 2012.

This launch will include multiple advertising campaigns, public relations efforts, live and taped interviews and product demonstrations.

Please be sure that all media inquiries are directed to Marinda Bean, co-owner and official company spokeswoman. All information regarding this product and launch are still top-secret and fall under your non-disclosure agreement.

Our over-arching product launch approach will be a multi-pronged, media blitz, starting with strategic media outlets in Utah. Please see the Task List and Calendar in the accompanying Excel spreadsheet for a detailed order of events to come.

This is just the first step of many to our success and we are delighted to get started! Congratulations and thank you for the great team effort, now and into a bright future together.

Executive Summary

H1 Industries is a fledgling company developing a fuel converter to rival the fuel efficiency and technology of existing hybrid cars. Our goal is to design, manufacture and effectively sell a hybrid converter that will improve gas mileage and decrease emissions on any vehicle, saving our customers gas money, helping the environment and providing a modest profit to the growing company. H1 Industries intends to enter the market strong and build brand recognition to ensure strong initial sales and establish dominance in the market to beat out competition that may arise in the future. Since this is a completely revolutionary product, we expect resistance to new technology and must plan well to overcome it with an effective product launch.

Despite the variety of hybrid vehicle options available, hybrid vehicles only account for less than 3% of the cars on the road in the United States today. Research confirmed the biggest deterrent to hybrid purchase is the high initial purchase and limited model options/configurations as much smaller deterrents. Ultimately, we found that hybrid ownership or conversion is primarily a financial motivation with all other related issues being much less significant factors. Fortunately for H1 Industries, their emerging product will solve these objections to hybrid ownership, with the ability to convert a consumer's existing car at a low product purchase price.

H1 Industries is in an ideal position currently, with substantial research to aid in product development and marketing campaign design. Plus, with such a revolutionary product that has no downsides, a buzz worthy topic and no direct competition, it is an easy sell and is expected to be in high demand. It is also a fairly simple technology to explain which will help overcome potential customers' lack of awareness or understanding the technology.

Our objectives are to: Pre-sell the first 100 converters before the initial product launch to create scarcity and appeal to innovators and early adopters; Develop relationships with at least 3 Utah media people to test and promote product on air; Align product with 'green' community and products by getting at least three endorsements from eco-blogs or groups within first three months; Have 10% of each ad's audience going to the landing page and 10% of those actually buying, for a 1% conversion rate. For the KBULL radio audience, that would equate to more than 3,000 buyers. For billboards in Salt Lake City, that equates to more than 1,100 buyers; and, Promote brand recognition through Viral Video Competition. Get at least 25 participants to submit video of installations and whoever gets the most traffic to their video, wins prize.

H1 Industries initial Target Market will be Utah commuters, especially males. Males because they are more likely to quickly understand the new technology, its benefit to them, and not be intimidated to try it on their cars. Commuters because this technology is focused most on maximizing fuel efficiency and they are the audience who will get the most benefit from this product that increases gas mileage and engine performance.

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Introduction to H1 Industries Strategic Communications Plan

H1 Industries is a fledgling company developing a fuel converter to rival the fuel efficiency and technology of existing hybrid cars. Our goal is to design, manufacture and effectively sell a hybrid converter that will improve gas mileage and decrease emissions on any vehicle, saving our customers gas money, helping the environment and providing a modest profit to the growing company. H1 Industries intends to enter the market strong and build brand recognition to ensure strong initial sales and establish dominance in the market to beat out competition that may arise in the future. Since this is a completely revolutionary product, we expect resistance to new technology and must plan well to overcome it with an effective product launch.

Background

Despite the variety of hybrid vehicle options available, hybrid vehicles only account for less than 3% of the cars on the road in the United States today. With gas prices on the rise, increased awareness of air pollution's impact on the environment and the availability of hybrid cars that help solve both problems, research was conducted to determine why more people don't take advantage of the available hybrid-technology cars to correlate those potential deterrents to their interest in purchasing a hybrid converter. To help discover answers to this question, more than 100 participants were polled in focus group interviews and online surveys. Research confirmed the biggest deterrent to hybrid purchase is the high initial purchase and limited model options/configurations as much smaller deterrents. It found very little objection to negative stereotype of hybrid ownership, nor participant objections to altering their existing vehicles with a hybrid converter. Ultimately, we found that hybrid ownership or conversion is primarily a financial motivation with all other related issues being much less significant factors. Fortunately for H1 Industries, their emerging product will solve these objections to hybrid ownership, with the ability to convert a consumer's existing car at a low product purchase price. The only remaining obstacles may be consumer fear of modifying a vehicle without word-of-mouth references or lack of awareness of this alternative product since the product and technology is so new to the market.

H1 Industries is creating a product with a positive global impact, so it's audience will be vast in time. This campaign will address only the initial target audiences and future campaigns will address secondary and tertiary audiences:

Initial target audiences:

- Utah: Males ages 25-54:
 - Because they are more likely to quickly understand the technology, its benefit to them, and not be intimidated to try it
- Utah: All commuters:
 - Because this is the group that will get the most impactful initial benefit from this product which increases gas mileage and engine performance.

Secondary target audiences:

- United States: Males ages 25-54:
 - Because they are More likely to quickly understand the technology, its benefit to them, and not be intimidated to try it
- United States: All commuters:
 - Because this is the group that will get the most impactful initial benefit from this product which increases gas mileage and engine performance.
- United States: Fleet vehicles:

- Public and Private Sector fleet vehicles including police departments, garbage, utilities, school buses, etc. and any others with excessive driving
- United States: Environmental groups:
 - Proponents of the underlying premise of this product: reduce fuel use/emissions
- United States: General public:
 - Benefit from product that increases gas mileage and engine performance.

Tertiary Target Audiences:

- European and Asian markets' commuters, specifically:
 - Germany, France, England/UK, Japan, China

Other affected stakeholders will include:

- Car industry
- Oil industry
- General U.S. public through decreased emissions
- H1 Industries' Community where headquartered
- H1 Industries' customers, their families and communities
- H1 Industries' Employees (10-20 people in manufacturing, shipping and sales departments) and their families:
- H1 Industries' Shareholders
- Media
- Manufacturing suppliers

Situation Analysis

H1 Industries is in an ideal position currently, with substantial research to aid in product development and marketing campaign design. Plus, with such a revolutionary product that has no downsides, a buzz worthy topic and no direct competition, it is an easy sell and is expected to be in high demand. It is also a fairly simple technology to explain which will help overcome potential customers' lack of awareness or understanding the technology.

While there are plenty of reasons to be optimistic, there are several potential threats to hinder or halt the company's success altogether. The first and biggest threat to the success of this product is the fact that it is a brand new company, with limited capital and experience, in a very poor economy. The possibility of oil industry espionage, buy-outs, safety threats to owners and competing products is also a very real threat physically and financially. Finally, this product will have to overcome existing attitudes, good or bad, about existing hybrid technologies.

'SWOT' Analysis	
Strengths: <ul style="list-style-type: none"> Unique product/No direct competitors Financial benefits to consumers: save gas The element of surprise; time to develop powerful launch strategies Buzz worthy topic Better for the environment: reduces fossil fuel usage, reduces emissions 	Weaknesses: <ul style="list-style-type: none"> Hybrid cars already established market share Competition and reputation (good and bad) to overcome New company; limited experience/start-up budget
Opportunities: <ul style="list-style-type: none"> Easy-to-explain benefits/technology because hybrids already bridge knowledge gap 'Green' product is popular/easy sell: already have environmental-focused media to advertise 	Threats: <ul style="list-style-type: none"> Possibility of 'Big Oil' buy-out or sabotage Existing negative attitudes about hybrid technology to overcome Poor economy

Opportunity Statement

H1 Industries has a revolutionary fuel converter product that will make a tremendous positive global impact through reduced emissions and dependency on fossil fuels, but, as a new company starting up during turbulent economic times, this product must launch successfully to drive strong initial and on-going sales, preempt attempts at competition and dominate the market, build brand recognition that makes the product name synonymous with this new technology, align product with 'green' community and products, inform the public of new technology and associated political issues, and expand brand and sales internationally to ensure the safety of shareholders and the ultimate success of the company.

Goal Statement

H1 Industries' goal is to launch their new fuel converter product successfully in order to drive strong initial and on-going sales, preempt attempts at competition and dominate the market, build brand recognition that makes the product name synonymous with this new technology, align product with 'green' community and products, inform the public of new technology and associated political issues, and expand brand and sales internationally to ensure the safety of shareholders and the ultimate success of the company

Objectives

1. Pre-sell the first 100 converters before the initial product launch to create scarcity and appeal to innovators and early adopters.
2. Develop relationships with at least 3 Utah media people to test and promote product on air.
3. Align product with 'green' community and products by getting at least three endorsements from eco-blogs or groups within first three months.
4. Have 10% of each ad's audience going to the landing page and 10% of those actually buying, for a 1% conversion rate. For the KBULL radio audience, that would equate to more than 3,000 buyers. For billboards in Salt Lake City, that equates to more than 1,100 buyers.
5. Promote brand recognition through Viral Video Competition. Get at least 25 participants to submit video of installations and whoever gets the most traffic to their video, wins prize.

Target Audience

H1 Industries initial Target Market will be Utah commuters. We are focused on males first because they are more likely to quickly understand the new technology, its benefit to them, and not be intimidated to try it on their cars. We are focused on commuters because this technology is focused most on maximizing fuel efficiency and they are the audience who will get the most benefit from this product that increases gas mileage and engine performance. These are our early adopters.

Utah residents are generally better educated than other states and more environmentally conscious. There is a good variety of professional and trade jobs and lower-than-average unemployment rates. There is a relatively high cost of living so, people are willing to spend money on worthwhile products.

Utahns are very family-oriented and 'outdoorsy', so appeals to preserving the environment and air quality for their children's sake as well as opportunities to save money, are strong motivators that are sure to resonate with Utahns.

Since H1 Industries is a new company with a new product and technology, there is currently not an existing relationship between them and their target audience.

The third party influencers and opinion leaders H1 Industries wishes to employ are the media, especially the environmentally-oriented media, such as eco-blogs and groups.

The target audience will help drive sales and accomplish the primary objective of pre-sell the first 100 converters before the initial product launch and promoting the brand through the Viral Video Competition. The opinion leaders will help increase brand recognition and align product with 'green' community.

Messaging for Target Audience

Primary Message:

Keep the Muscle, add the Mileage.

Secondary Messages:

For just a few hundred dollars, you can convert your car or truck into a fuel-efficient hybrid, *without* losing any of the performance that you love.

- Get 30% better gas mileage
- Save money and time with fewer fill-ups
- Decrease emissions and increase your air quality
- Increase your power and performance

Strategies and Tactics

Strategy 1: Motivate Utah commuters to learn more about and purchase the hybrid converter for gas/money savings and environmental benefits.

This strategy will primarily appeal to Utah commuter's desires to save money by conserving gas. Since Utahns are very family oriented, it will also appeal to their desires to leave a better world to their children and have a cleaner, healthier environment for them in the meantime.

Channels: The channels we will use to reach our primary Target Market will be Radio and Billboard ads.

Radio—Radio has a vast reach (331,000 Utahns on KBULL radio station alone) and the ability to deliver informative, short, memorable messages that appeal to emotions. DJ endorsements also carry more credibility than ads alone. Our plan is to air messages promoting our converter's fuel savings during prime drive time (6-9am and 4-7pm) to reach our target audience of commuters and entice them to buy. We also plan to coordinate with radio station DJs for on-air interviews and on-location demonstrations.

"Studies show that radio ads create emotional reactions in listeners. In turn, consumers perceive the ads as more relevant to them personally, which can lead to increased market awareness and sales for businesses running ad schedules. Twenty-five percent of listeners say they're more interested in a product or business when they hear about it on their preferred station. Local DJs create a personal relationship with their listening audience, and that audience is more likely to trust what they say and respond to their message. Live endorsements are growing in popularity, as advertisers seek new means to reach consumers and cut through the surrounding clutter. Studies show that live reads have recall and response rates higher than the typical recorded spot. Perhaps because of the relationship listeners develop with their favorite station, twenty-six percent of listeners are more interested in a product or business when a DJ endorses it." [Reference Link](#)

Billboards—Billboards are an effective one-way medium that reach people from all demographics, psychographics, etc, but focuses most on daily commuters. Their biggest benefit is repetition. Over 6 (4-week) advertising cycles, a Salt Lake I-15 Bulletin will, on average, reach 781,000 adults 25 times. One I-15 bulletin in Salt Lake will on average reach 118,000 adults every day, which is 14% of Salt Lake's adult 18+ population. We will advertise fuel efficiency and increased car performance aimed at commuters and other heavy drivers. We will run on-going rotary billboard ads along major freeways in metropolitan areas for first year. We want all commuters to see our during daily commutes, remember them, get interested in the subject and go to our website and buy.

Alternative Channels: The alternative channels we will use to reach our primary Target Market will be Local News and Eco Blogs.

Local News—Local news has a broad reach to Utah commuters and is a credible, unbiased source of trusted information. Both of these media groups also allow for long-term relationships with the company and product, a variety of broadcasting options and endorsements.

Eco-blogs—Local and eco-focused blogs are good alternative channels for reaching our Target Audience because they already have a loyal audience who trusts them as a credible source of information. Eco-blogs have a niche following of more passionate and knowledgeable consumers who would be more likely to act and understand the environmental benefits associated with this product.

Tactics for reaching primary Target Market:

- Purchase and air 60-second radio ads during prime drive time while commuters are listening.
 - Write radio ad copy for DJs to read.
 - Negotiate live location event for DJs to install product on cars.
- Design and buy billboard space. Advertise fuel efficiency and increased car performance aimed at commuters and other heavy drivers
- Write fact sheet about product, test results, etc.
- Purchase easy-to-remember websites to refer people to buy product/evaluate ad efficacy
- Issue press releases to local media (under embargo until one week before launch date) with offer for live interviews/demonstrations. Include products to test for themselves.
 - TV News media: contact local and niche news sources first, then national. Video diary their experience for their results and endorsement.
 - Radio DJ endorsements: Audio/video testimonials to share their results and endorse product.
 - Eco-focused blogs, websites and magazines: Audio/video testimonials to share their results and endorse product.

Strategy 2: Motivate male Utah residents to learn more about and purchase the hybrid converter for gas/money savings and increased engine performance.

This strategy will appeal to the many men in Utah who drive large, gas-guzzling trucks who want to keep driving big trucks but need to save money in order to continue doing so. It will appeal to their male-ego of wanting a big, manly truck, while making it more financially feasible. Promoting the enhanced performance derived from the fuel-converter, will also appeal to their machismo.

Channels:

The channels we will use to target Utah males specifically, will be male-oriented Tradeshows, such as car shows, and Facebook Pay-Per-Click ads.

Tradeshows—Tradeshows will give men the opportunity to see and touch the product for themselves, get deeper information on the technology and how it works with their vehicle, plus the social interaction with marketing models and other prospective buyers will encourage a positive experience.

Facebook Targeted Pay-Per-Click Ads—Facebook pay-per-click ads can be designed to target only a very specific segment of your audience who will be most interested in your product. And, since it's pay-per-click, we only pay for the advertising we use, when men click on the ad, so it's very cost-effective. We can target our Facebook ads based on age, interests, education level, relationship status, and much more. In our case, we would target the 13,520 Utah male residents, ages 25-55, who are college grads and interested in Autos to get the best possible niche of men interested in and capable of improving their vehicles. Since we can choose the viewing time, we can deliver messages during leisure hours when they are more likely to spend time to learn more.

Alternative Channels: The channels we will use to target Utah males specifically will be male-oriented Email Marketing and Word-of-mouth programs, including an affiliate program and video contest.

Email Marketing—Email marketing is a good way to deliver a message to a very specific group, based on the list you have. You can buy lists that you can easily segment recipients into genders and other important criteria. In our case, we will sort emails by gender and deliver targeted messages to the males. Messages can be viewed at the recipient’s convenience. Can spend more time investigating message/product. Can include much more information via images/links than other media

Word-of-mouth—Affiliate Program and Video Contest. Word-of-mouth is a powerful motivator for any product, but especially for one that is brand new like ours. It gives assurance and confidence to potential buyers from a source they already trust. Our Affiliate Program and Video Contest not only give that assurance from trusted sources, but incentivizes them to promote the product.

Tactics for reaching Segmented Target Audience:

- Research, register and attend local Tradeshows: (specifically car and mens’ shows)
 - Rent booth space, tables, pipe/drape, TV, etc.
 - Hire marketing models to demonstrate product and man booth
 - Create and print collateral materials to distribute
 - Create demo video of install/technology to play at show
 - Create landing page specific for the event to direct and capture traffic
- Facebook Targeted Pay-Per-Click Ads:
 - Write ad copy and deploy on Facebook
 - Create landing page to direct and capture traffic

Evaluation Criteria and Tools

Project Objectives will be based on the following Evaluation Criteria:

- Pre-sell 100 converters to create scarcity and appeal to innovators and early adopters by the product launch date, July 1, 2012.

Evaluation Tool: Evaluation will be based on actual sales numbers completed by July 1, 2012. These sales will be completed online and traffic will be analyzed using Google Analytics to provide conversion rates.

- Achieve positive relationships with at least 3 Utah media people by their agreement to a 3-month product test/on-air demo by April 1, 2012 .

Evaluation Tool: Evaluation will be based on the airing of promotional segments by at least 3 Utah Media by August 1, 2012.

- Align product with ‘green’ community and products by getting at least three endorsements from eco-blogs or groups within first three months by September 30, 2012.

Evaluation Tool: Evaluation will be based on having at least three links to H1 Industries website with favorable comments/articles from eco-bloggers by September 30, 2012.

- Reach a 1% conversion rate for each media placement within one month of deployment.

Evaluation Tool: Conversion per media placement will be evaluated with a corresponding website for each ad. Traffic will be tracked using Google Analytics and compared to sales, to reach the conversion rate.

- Promote brand recognition through Viral Video Competition by having at least 25 participants submit promotional videos by November 1, 2012.

Evaluation Tool: Evaluation will be based on having at least 25 videos submitted and at least 50 votes per video on H1 Industries website (1,250+ visitors to company website) by end of 30-day contest, August 1, 2012.

Campaign Efficacy will be based on the following Evaluation Criteria:

- Strong Initial Sales of at least 100 units by launch date (July 1, 2012) and at least 50 units per month for first three months (July, August, September 2012).

Evaluation Tool: Evaluation will be based on actual sales numbers completed by October 1, 2012. These sales will be completed online and traffic will be analyzed using Google Analytics to provide conversion rates.

- Increase company and product publicity and name recognition by December 31, 2012.

Evaluation Tool: Evaluation will be based on gaining at least 1,000 visits to company website and at least 500 Facebook Fans by December 31, 2012.

- Make the product name synonymous with this new technology by January 1, 2013.

Evaluation Tool: To evaluate this movement trend, we will search the Internet on a monthly basis for references to the technology name and product name and log instances of both uses, then compare monthly rates for a consistent increase in product name references versus technology term.

- Establish a voice in the media through well-written and compelling press releases by December 31, 2012.

Evaluation Tool: Evaluation will be based on having each press release published in at least one media source within one week of each press release date.

Campaign Team and Implementation will be based on the following Evaluation Criteria:

- All parts of the Communication Plan deployed on time for an effective launch on July 1, 2012 and continuing through July 2013.

Evaluation Tool: Evaluation of this criteria will be based on the timeline provided in the Communication Plan.

- Prepare shareholders as industry experts by product launch date, July 1, 2012.

Evaluation Tool: Evaluation of this criteria will be based on the successful completion of the following trainings by each of the three co-owners by the product launch date (July 1, 2012):

- On-screen training—learn to successfully give on-air interviews
- In-Depth Technology training on Product, including reference materials for their use and to provide to media
- HazMat and Emergency Preparedness
- Crisis Communication Plan orientation and Execution

Conclusions and Recommendations

H1 Industries is in an ideal position and needs only to execute this communication plan for a successful and profitable product launch. This launch will help establish H1 Industries as the leader in an emerging and highly competitive field, will provide the capital necessary for further success, and ensure the long-term growth of the company. Not only will the success of this product launch ensure financial prosperity, but it will make a tremendous positive global impact through reduced emissions and dependency on fossil fuels.

Moving forward, similar campaigns should be deployed to expand sales and brand recognition throughout the United States, and then abroad, for ultimate success. In order to accomplish those goals, the company must expand advertising and public relations exponentially, with special attention given to developing strong relationships with media and eco-groups to gain their endorsements. Once the product has the support of the media and gains a reputation for effective fuel savings and good quality, there will be nothing to stop its success.