

Cassies 2008 Cases

Brand/Case: Toyota Highlander Re-launch

**Winner: Off to a Good Start—Silver
Best Use of Media—Silver**

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Crossover Notes: All winning cases contain lessons that cross over from one case to another. David Rutherford has been identifying these as Crossover Notes since Cassies 1997. The full set for Cassies 2008 can be downloaded from the Case Library section at www.cassies.ca

- Crossover Note 2. Brand Truths.
- Crossover Note 6. Should the product be improved?
- Crossover Note 18. Keeping it Simple.
- Crossover Note 28. Media Learning.
- Crossover Note 33. Changing the Target Audience.

To see creative, go to the Case Library Index and click on the additional links beside the case.

EXECUTIVE SUMMARY

Business Results Period (Consecutive Months): August 2007 – June 2008 (11 months)
Start of Advertising/Communication Effort: August 2007
Base Period for Comparison: September 2006 to July 2007

What exactly is a Crossover vehicle?

Intermediate SUVs had enjoyed a long period of growth in Canada as people discovered the fun of a vehicle that could serve practical family needs and provide go-anywhere versatility. Products had morphed from basic trucks with passenger seating to versatile, comfortable passenger vehicles. Toyota had been at the forefront with the early success of the Toyota 4Runner, followed by the fun RAV4, and ultimately the first crossover vehicle, the Highlander (a crossover vehicle is an SUV built on a passenger car platform rather than a truck platform, giving a more car-like driving experience). The Highlander introduced a vehicle that provided the go-anywhere capability of the first SUVs combined with a smooth, comfortable driving experience. [Crossover Note 6](#).

The re-launch of the Highlander in 2007 introduced a product more for the new crossover segment, which now accounts for all growth in SUVs. The target includes people who have owned SUVs before and are interested in a less truck-like experience, along with people who are moving from a minivan, or who want to avoid minivans altogether.

What do you drive after your “minivan years”?

Crossover buyers in this price segment are well past the minivan years. Children are now taller than their parents – no need to worry about car-seats and strollers, or car-pooling and soccer practice, as Junior is more likely to ask for the keys than to ask for a ride. People in this life-stage are just beginning to enjoy the fruits of their labour as parents with a wide variety of activities involving family and friends dominating their time.

Our marketing program for the re-launch recognized this and included media and creative innovations designed to find these people where they live. [Crossover Note 33](#).

A TV campaign with very little TV, but a lot of video screens everywhere.

The launch was scheduled for August, and this timing was a challenge. It’s a slow season (sales typically index around 90), and the target is hard to reach, because they are highly active outside the home and office. Furthermore, the prototype vehicle would not be available for advertising, so we would have to produce creative without an actual vehicle.

Doubled sales, market share, consumer opinion scores, and purchase intent.

Sales over the first 11 months beat the previous 11 months by 257%. Highlander share of segment went from below 5% to consistently near 10%. And on-going tracking by Millward Brown shows that advertising caused immediate improvement in all relevant measures.

This shift in attitude and sales was accomplished with a marketing budget that was at best ordinary – the Highlander enjoyed only the #4 segment share-of-voice during the launch.

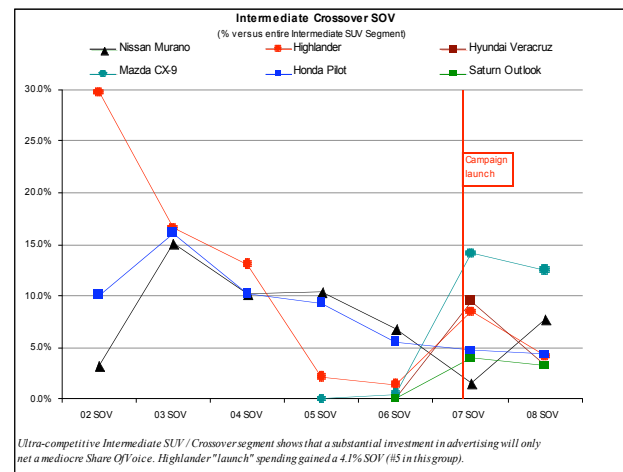
SITUATION ANALYSIS

a) Overall Assessment

At the beginning of 2007 the Intermediate SUV segment was enjoying sales increases every month as a result of consumers eschewing minivans and larger SUVs. SUVs were being re-designed to be more car-like and efficient, giving rise to the Crossover vehicle. This was good news for the Toyota Highlander as it was effectively the first Crossover vehicle when it was introduced in 2001. However, while the Highlander had earned a reputation as a reliable, well designed vehicle, it lacked personality and emotional appeal.

Many new competitors had targeted consumers looking for a new-style, more urban SUV, and Highlander's market share eroded to a low of just 2.5% prior to re-launch. While the growth in the 90s was fuelled by consumers moving from smaller to larger vehicles, consumers were now also moving down from minivans and full-size SUVs.

However, Highlander was to launch in August, a notoriously slow season, when the target group is difficult to reach. Further, the advertising budget would require creativity on the part of the media planners. The share of voice graph shows Highlander achieved #4 SOV in the segment during launch. But the innovative creative and media plan that we will discuss yielded an immediate consumer response to the advertising.



b) Resulting Business Objectives

Highlander had to regain a dominant share in the Intermediate SUV segment, and surpass Honda Pilot and Nissan Murano. This meant more than doubling market share.

A related objective was to carve out a niche so that Highlander would not cannibalize other Toyota SUV products. This required careful study of where growth in the Intermediate SUV segment was coming from.

STRATEGY & INSIGHT

The out-going Highlander in 2007 was bland, dull, uninspiring. The new Highlander was an evolution of the design, not a revolution, and therefore we could not expect it to survive on its good looks or vivacious personality. And it would need to compete with sexy new offerings from Nissan and Mazda – even Ford's new Edge promised a more inviting automotive experience.

Analysis of the market revealed that the minivan segment was shrinking rapidly – in fact it had lost almost half its market share in the past few years. This led to the observation that baby boomers, who had created the minivan market out of simple need, no longer needed them.

And of course no one liked driving those things in the first place.

These consumers were now at a point in their lives where they didn't need a minivan, even if they were still in parental mode, because their kids were mostly grown. Plus, time and a conservative lifestyle ultimately bring affluence, which is what this group of people were about to begin enjoying. We saw our target group going to dinner at nice restaurants with their adult children, or maybe going on an adventure vacation, again with their kids. It seemed a desirable place to be.

So, Highlander was dull and boring and our target was about to begin the most enjoyable stage in their life. It needed a personality transplant. **Crossover Note 2.**

We needed to show that we understood this, and this was an opportunity for communication that was different and vibrant. But we would also have to communicate the usual car stuff.

We knew we would need TV, or some form of video, to inject personality into the Highlander. But August is not the best time to use television, and our budget was not sufficient to dominate that medium. Our solution was to use TV creative, but to show it in as many non-TV media as we could find. Elevator advertising was familiar to us, but investigation revealed that TV creative could be used at airports, on GO trains, in TTC subway stations, in golf carts, at gas pumps, and even on the hundreds of TV screens you see in Future Shop. **Crossover Note 28.**

CREATIVE EXECUTION

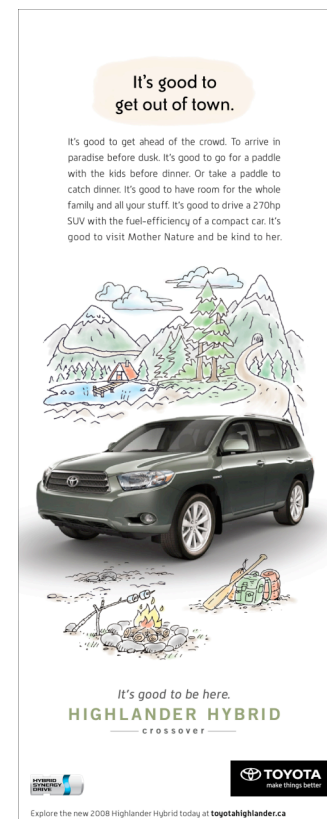
At the beginning of development there were two constraints placed on creative: 1) If it was to be TV, it had to work without sound and be a flexible length so we could use it in all the weird and wonderful video locations we had discovered; and 2) we would not have access to an actual vehicle during production.

Toyota Canada was not able to secure a prototype from Japan prior to launch. Instead, the agency invested in building CGI capability. All of the Highlander print, web and TV creative was produced without access to an actual vehicle.

Creatively, the use of New Yorker-style animation offered a synergistic backdrop to the CGI vehicles. It also allowed the creative to develop a friendly personality. The campaign theme-line "It's good to be here" was a nod to the life-stage our target is in.

Many of the executions use typical SUV themes – getting out of town, going to exciting or exotic locations, carrying all your stuff with you – but the personality presented by the simple animation eliminates the tough-guy/SUV caricature.

The television/video creative is inspired in its simplicity. Each of ten executions deals with a singular aspect of the Highlander or the target. This eliminated the tendency to jam a lot of info into one commercial. **Crossover Note 18.**



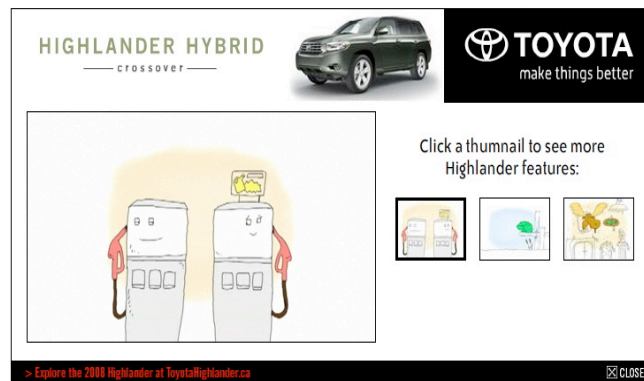
Because there were so many different commercials they needed to share an “easy to get” look and feel. The video commercials follow a simple and effective format that allows all to work together to form a message in the consumers mind.

There were executions about towing, 4-wheel-drive, comfortable seating, 7-passenger seating, high horsepower & handling, luxury accommodations, and hybrid power. All were considered important subjects by the target group in Toyota’s Millward Brown tracking study. So rather than cram all of that into one commercial we had the luxury of creating separate executions for each (albeit short ones).



All ten :15 second video commercials followed this format: simple humour showing need, CGI vehicle with suggestion of feature/benefit in use, “It’s good to be here”, Toyota logo. Simple as that! Many of the executions worked just as well without sound and therefore were excellent for use in alternative video media situations.

All of the web-based advertising made use of the print and TV materials. There were also web-specific executions created to make use of the web’s unique strengths.



MEDIA EXECUTION

Target Consumer:

The Highlander and Highlander Hybrid target is adults 38-46, primarily men, with older (8-18) children. They are successful, accomplished, confident and strong. While time with their family is extremely important, their children are becoming more independent. As a result, the target has more free time than they’ve had in recent years. They are entering a life-stage that feels great, and thanks to some financial success, they feel that they have the opportunity to do more and expect more.

The Highlander consumer is crossing over from a life of total responsibility into a life with more freedom. While they still get a kick from the time they spend with friends and family, they also get a charge out of the stuff they can do with their newly-found free time. This insight resulted in the tag line: “It’s Good to Be Here.”

Media Insights and Strategy:

We recognized that we could not rely on the power of video delivered simply through the traditional channel of broadcast TV. These are busy people, as likely to be commuting to and from the office, driving to and from their summer/winter homes, travelling to visit their kids at school, or travelling on business.

We needed to *connect* with them, infiltrating their daily lives with smart media choices. We had to *exploit* their interests, daily routines/habits, and leisure time. We had to *engage* them through custom tailored creative. And we had to *interact* with them.

The Plan:

We created a national video strategy to deliver national penetration and immediate reach with visual and emotional dynamism.

We ran 15 second Highlander messages during the work week and leisure time.

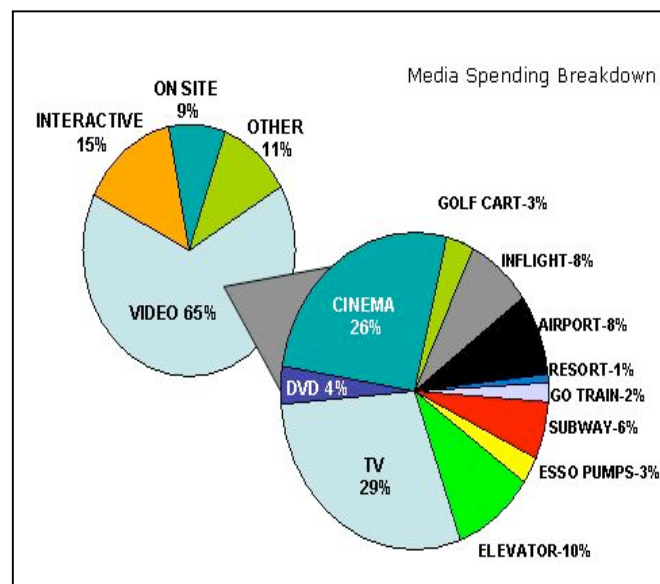
Ten different video spots ran on digital golf screens, resort television, DVD's, airport screens, in-flight videos, gas station video screens and office tower elevator screens.

We targeted weekday commuters on Go Train TV and TTC video screens. And we spoke to them on the weekends in Cinema.

This “out of home” video was supported with a minimal TV Event/Sports strategy, using specialty channel programming of interest to the suburban family man—home and garden, travel, and outdoor leisure.

The online campaign was an extension of the video campaign. We had a domination strategy using sponsorships and exclusive content—such as Golf, Weather, News and Business. To ensure effective and targeted reach, we also used behavioural targeting—driving thousands of prospects to the micro-site and further delivering a positive Highlander experience.

The objective in print media was to extend reach and message continuity in targeted media. We used Magazines and Metro Newspapers. Titles included Canadian Geographic, EnRoute (travel and business commuters), Golf Canada E/F, Outdoor Canada, Cottage Life/Mon Chalet (leisure), Renovation/Bricolage, Canadian House and Home, and Canadian Gardening.

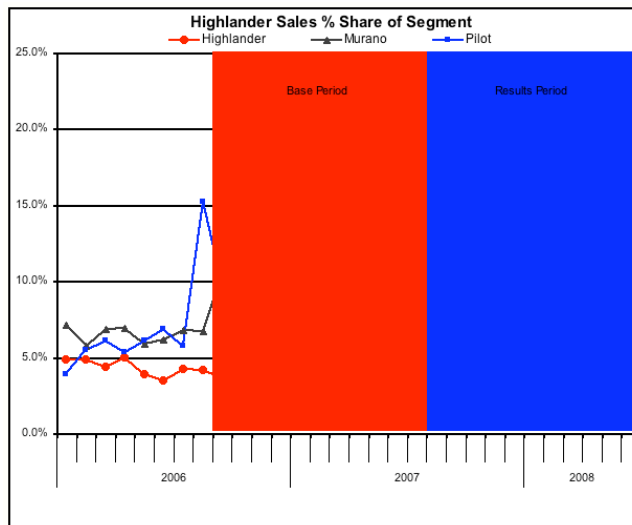


BUSINESS RESULTS

Highlander share had hovered around 5% in 2006 and had deteriorated to below 2.5% in the base period before the launch. At launch there was an immediate spike in sales share from 2.5% to 8%, and the first four months after launch maintained that level.

There was a temporary share spike to almost 20% in December as late-arriving inventory was used to fulfill pent-up demand. If this inventory had been available immediately following the launch Highlander share would have exceeded 10% each month.

For the remainder of the Business Results Period Highlander share has been at more than double the base level. Toyota Canada was also buoyed by the fact that Highlander moved from below Honda Pilot and Nissan Murano (key competitors) to surpass both of them for the entire Results Period.



CAUSE & EFFECT BETWEEN ADVERTISING AND RESULTS

Tracking showed substantial improvement across the board.

- Immediate spike in brand communication and advertising awareness.
- Immediate increases in familiarity with the brand and overall opinion (showing that the communication had changed consumers' point of view on the brand).
- Substantial and immediate improvement in consumers' initial consideration ("I think I should look at the Highlander") and purchase intent ("I think I might buy a Highlander next").

The fact that these improvements were generated with a media plan that was light on traditional TV weight, shows that the new media approach worked quickly and efficiently.

