

TOP PROSPECTS DIRECT MARKETING - SCOTLAND'S ICONS

Marketing Excellence Awards 2008

**Category 2. Communication Excellence Awards
C. Direct Marketing Excellence**

**Scottish Development International
Engaging with SDI's Top Global Prospects**

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Background

Scotland is a small country, but we have made a big impact across the world - thanks to our knowledge, innovation and most of all, our people. Part of this Scottish tradition is our exceptional track record in inward investment, from the early days of electronics in the 50s and 60s to JP Morgan, Wyeth and BNP Paribas in the 21st century. Today foreign direct investment is still crucially important, it brings economic growth, prosperity and jobs to our home, Scotland.

Scottish Development International (SDI) is the government agency responsible for promoting Scotland as a great place to do business. Scotland can genuinely boast excellence in the strategic business sectors for the new economy, including Life Sciences, Financial Services, and Energy. It is our job to convince the best of the world's companies that Scotland is somewhere they need to be investing in.

The Brief

Scotland operates in a global market place where countries are competing to win multi-million pound projects from the biggest and best companies in the world. These, by their nature are complex buying decisions that can take months and years to come to fruition.

We developed an integrated sales and marketing strategy that was:

- based on compelling propositions, delivering them consistently to our target audience, using the whole marketing mix
- response driven with measurable campaigns that deliver results
- data driven
- maximising the use of direct communication, both traditional and digital

Our research has shown that direct methods of communication were favoured by our target audiences.

The people who make investment decisions are at the most senior levels within these organisations. They are time poor and hard to impress. We needed creative solutions that would get through gatekeepers, generate genuine impact and convince them they should stop and listen to what we have to say.

As part of SDI's integrated sales and marketing strategy we wanted to talk to the very top companies in the world. To achieve this we needed to identify who we wanted to talk with and create a communication that would be both emotionally and rationally compelling and memorable, backed up by excellent sales follow up.

Direct marketing was selected to fulfil this task as it would enable us to directly communicate with the top decision makers. Our objectives for the campaign were:

- Make contact with at least 1,000 of our top prospects
- Achieve a 5% response rate (meetings secured)
- Create impact with the most senior people in our key target companies

Who did we want to talk to?

As part of our integrated strategy and direct communications objectives, getting the right data was key to success.

Scotland has key strengths in strategic industries for the 21st century – life sciences, energy, financial services and electronics. Working together, the organisation segmented these markets, identified criteria by sector and scale, and procured data based on knowledge, research and local markets.

We had procured data for around 40,000 companies, categorised as high, medium or low impact depending on the scale of opportunity presented. Across the globe we had identified 6,000 companies we felt could have the highest impact, but for this project, we needed to hone this list down to the very top prospects. These individuals were the people we most wanted to talk to, but so far our efforts had not been successful – we needed to further persuade them that Scotland could help them and their business to grow.

We have 100 people in our field teams across the world, they were tasked with identifying, validating and researching who should be on our top list. The sales team would also undertake the sales follow up, so it was vitally important that they were part of the process from the beginning.

Time Poor and Hard to Impress

We needed to talk to top flight executives across the world. For these individuals, money is no object, and they have seen it all before. We needed to be bold and demonstrate we meant business.

Consistent and integrated messaging was important. We would have to make an impressive first impression, but we would also have to quickly get down to business highlighting the key reasons why Scotland should be on their list of potential expansion destinations.

Demonstrating that we understood them and their business needs, we personalised and localised the communications. The communications were from the local SDI Manager, business examples were based on their sector and/or geography and executed in their local language.

We followed 2 creative executions, and selected two Scottish icons that:

- were uniquely Scottish
- embodied quality
- would appeal to this target audience

The Water of Life

To compel executives to contact SDI and simultaneously reinforce Scotland's unique appeal, a high-end package was developed containing an elegant, whisky decanter. To fill the decanter, executives were asked to schedule an appointment with SDI, who would bring along a complimentary bottle of 1972 Caperdonich single malt whisky. An exceptional and exclusive bottle of whisky - only 255 bottles of this whisky exist.



The personalised communication adopted the perspective of the business executive speaking in terms of risk/reward and highlighting the competitive advantages of doing business in Scotland. It also contained a list of industry leaders from the relevant sector who had successfully expanded to and achieved business success in Scotland.

The mailing was sent to the top targets throughout North America, Europe and Australia

Success

Providing a unique, compelling offer - creating a piece striking and high-end enough to get past the gatekeepers. The look, feel and scale of the mailer ensured that no gatekeeper would feel comfortable throwing it away.

Creativity - not only is 1972 Caperdonich single malt extraordinarily rare, but it embodies the very spirit of Scotland and for executives considering international markets, this helps give Scotland a competitive edge.

Cutting to the chase - the audience is time poor, constantly bombarded with unwanted mail, and completely business minded. Consequently, the communication led with the top business reasons they should consider Scotland (e.g. Scotland's unique financial incentives, educated and skilled work force, connectivity to the rest of Europe). This key messaging was reinforced with a "follow the leader" theme, highlighting the many successful businesses who had profited from opening their doors in Scotland. Given the high-profile status of these industry leaders, there is no doubt this played a large role in making the case for Scotland.

- 472 Whisky Decanters mailed
- 85 meetings
- 18% conversion (meetings secured)
- 29% in North America (meetings secured)
- 35 business opportunities



The Home of Golf

This execution was a single step with a sales follow up call to set up the meetings. We again targeted top prospect companies globally (North America, Europe, Australia, Singapore and China). These were sent in 3 waves over 2007. Golf was used as the inspiration, with the message that Scotland is the birthplace of not only golf but countless people, ideas and inventions that have shaped the modern world.

The pack was put together to demonstrate the innate quality of Scotland, and create an impact. The pack contained a beautifully presented full size hickory shafted golf club, made in St Andrews by the last club maker in the world retaining the traditional skills to hand craft playable sets of hickory golf clubs, along with a leather scorecard containing a personalised letter and Scotland's scorecard setting out 18 key facts about Scotland.

The business messaging was similar to that used in the whisky mailing focusing again on the benefits of investing in Scotland.



Success

Taking risks - we took a bigger risk, unlike the previous mailer, there was no teaser.

However, the mailing was so impactful and memorable that it got past the gatekeeper and generated high levels of interest, resulting in real business opportunities from companies we had previously failed to engage with.

Creativity – using golf allowed us to exploit Scotland's heritage, our sponsorship of the Open, and provide us with a vehicle to underline our business credentials as a land of innovation and successful business.

Integration – our creative approach, branding and operations from plan to execution and follow up were aligned to ensure consistent messaging and delivery.

- 606 golf clubs dispatched
- 93 meetings secured
- 15% response rate
- 20 business opportunities have been identified from these meetings
- Wave 3 was sent out in q4 of 2007, so follow up is ongoing.

IN THIS GAME, THE HIGHEST SCORER WINS

SCOTTISH ASSOCIATE OF THE OPEN CHAMPIONSHIP

TAKE A LOOK AT HOW WELL SCOTLAND'S PERFORMING

SCOTLAND SCORED AN UNUSUAL 100% ON THE 2006/2007 GOLFING TOURS. SCOTLAND'S GOLFING INDUSTRY IS A MAJOR CONTRIBUTOR TO THE UK'S ECONOMY AND IS A MAJOR EMPLOYER OF SKILLED PERSONNEL. WE HOPE YOUR COMPANY WILL BE ONE OF THEM.

1	FOREIGN OWNED BUSINESSES WHICH HAVE OPERATIONS IN SCOTLAND	1,700
2	PRIVATE SECTOR ENTERPRISES OPERATING IN SCOTLAND	270,245
3	NUMBER OF ELECTRONICS COMPANIES THAT MAKE THEIR HOME IN SCOTLAND	800+
4	INTERNATIONAL AIRPORTS WITH OUR FLIGHTS DAILY TO LONDON AND 30 DIRECT TO GLOBAL DESTINATIONS	6
5	PERCENTAGE OF 16 TO 24 YEAR OLDS WHOSE EDUCATED	33%
6	NUMBER OF THE UK REGION OF THE FUTURE	2006/2007
7	WORLD RATING FOR PUBLISHED ACADEMIC PAPERS	3 RD
8	PERCENTAGE OF GOLFERS WHO BELIEVE THAT GOLF IS IMPROVING IN SCOTLAND	25%
9	PERCENTAGE OF ALL EUROPEAN LIFE SCIENCE PUBLIC CONFERENCES THAT ARE SCOTTISH	20%
10	GLOBAL FUNDS MANAGED DIRECTLY FROM SCOTLAND, INCLUDING SOME OF THE UK'S LARGEST FINANCIAL CENTRE OFFICE LOCATIONS	£300 BILLION
11	INVESTMENT IN INTERMEDIATE TECHNOLOGY INSTITUTES TO DEVELOP NEW AND EMERGING TECHNOLOGIES	£450 MILLION
12	ROYAL BANK OF SCOTLAND'S GLOBAL RANKING	5 TH
13	BOTTLES OF MALT WHISKY SOLD TO THE MARKET ANNUALLY	55 MILLION
14	GOLF COURSES INCLUDING 4 CHAMPIONSHIP VENUES	550
15	NUMBER OF UNIVERSITIES. SCOTLAND HAS THE HIGHEST CONCENTRATION IN EUROPE	14
16	YEAR THAT ONLY THE SHEEP WALK GOLFING AND BOYS IN SCOTLAND	1996
17	YEAR THE WORLD'S FIRST COMMERCIAL SCALE POLYESTER WERE ENERGY CONSERVING WAS SUCCESSFULLY DEVELOPED IN GLENFORTH	2004
18	NUMBER OF VISITORS WHO COME TO THE GOLFING FESTIVAL - THE WORLD'S BIGGEST GOLF FESTIVAL - EACH YEAR	1 MILLION

The Results

In terms of the project objectives, we made contact with over 1,000 of our top prospects, delighting and surprising them with Scotland's bold and imaginative messaging. Provided an opportunity for our sales team to contact the most senior decision makers and tell them more about Scotland, and achieving over 300% of our targeted response rate.

Undertaking international marketing is never cheap, and as with all businesses we evaluate the potential costs and benefits of undertaking projects. Our budget for this project was £250,000, we created impact and got Scotland's message to over 1,000 of the most senior business people across the world. To provide some context this budget would have paid for around 3 adverts in the Economist worldwide.

Some examples of the impact we had on the recipients

"I had to meet with you just to say how much I admire the way you approached me. I don't know how Scotland can be part of our European operations, so I look forward to meeting you to discuss."

"Great idea - I told my marketing guys this is the sort of thing they should be doing!"

"The club will go on display in our Board room."

"Kudos to your marketing team."

There are currently significant multi million pound projects being discussed with large organisations in our key sectors. These projects can take anything from 12 – 36 months to come to fruition. The specific details are also commercially sensitive.

All through the development, execution and excellent sales follow up of this project, both the sales and marketing functions of SDI have worked closely together to ensure success. Our integrated Sales and Marketing approach enable a continuous follow up and feedback, allowing ongoing tracking and monitoring.

Some Feedback from the Recipients and Our sales Team

“Yes I would say it helped me get into see 3 people that otherwise I had real problems meeting”

“The golf mailer exercise was very successful in China. We mainly targeted companies in Financial Services, Life Sciences as well as electronic market sectors who we would need to target but found difficult to reach their decision makers to listen to our messages. Using the golf mailer definitely helped us to make the connections. The recipients were impressed by the approaches”

The business we are in has long lead times. The ultimate success of this project will not be fully realised for months or even years. What we do know is that we used our insight, creativity and boldness to make sure 1,000 of the top business people from across the world know Scotland means business.