



2008 Silver Effie Winner

## “Chad & the Sales Guys”

Category: **David vs. Goliath**

Client: **Alltel Wireless**

Primary Agency: **Campbell-Ewald**

Media Agency: **The Martin Agency**

### Strategic Challenge

By virtually all accounts, the U.S. wireless phone market is intensely competitive. The category is mature, with roughly 85% penetration, and dominated by a small number of corporate giants. The top four (AT&T, Verizon, Sprint and T-Mobile) have more than 200 million customers, generate more than \$130 billion in annual revenue, and dominate the category’s marketing activity. During the first ten months of the 2008 EFFIE activity window, **the big four spent more than \$4.5 billion on advertising** (more than the annual Gross Domestic Product of Bermuda!).

Given the maturity of the market, category success will largely be measured by adding to the Alltel customer base and stealing share (i.e., users) from branded competitors.

Alltel is the number five player in the category, with 12 million subscribers. Beyond the sheer size and scale of its competitors, Alltel faced a market landscape that is truly daunting in its realities:

- AT&T had acquired Cingular and would be launching a massive rebranding campaign, in addition to having the exclusive rights to market the Apple i-Phone
- Verizon, with its ubiquitous “it’s the network” message, was taking ownership of the key category driver, relentlessly reinforcing the message that there’s safety in numbers

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Sources: SNL Kagan; Q4 2006 – Q3 2007 earnings report press releases from AT&T, Verizon, Sprint, T-Mobile; TNS Media Intelligence September 1, 2006 – June 30, 2007 (most current data available)

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- Sprint had acquired Nextel, almost doubling its market presence and subscriber base (from 19.7 to 35 million customers), and recently announced an agency change, signaling a new high profile campaign was on the way
- Through focus and consistency over time, T-Mobile had taken ownership of the “lowest cost per minute” message, another category staple.

Further, in a direct attempt to leverage their mass, AT&T and Verizon had begun marketing “bundles,” multi-service plans focusing on the entire household with discounted pricing for a combination of wireless, web, and wireline (traditional) phone services. And, with more than 4,100 retail stores across the nation, they had a substantial competitive advantage based on their “bricks and mortar” physical presence.

In comparison, Alltel had less than 800 retail outlets and a dramatically lower advertising budget. Even with “stretch” spending, Alltel would be outspent by each of the top four by as much as 11-to-1.

While the path forward for Alltel was uncertain at best, one thing was sure: **Alltel would need to outsmart its competitors, not outspend them.** The brand would need to be nimbler, more innovative and creative, and more cost efficient in its marketing to survive, let alone grow.

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Sources: AT&T and Verizon Web sites; Alltel; TNS Media Intelligence September 1, 2006 – June 30, 2007 (most current data available); Forrester's N.A. Consumer Technology Adoption Study-2006

## Objectives

Alltel's objectives were as follows:

- Increase prospect (non-customer) **awareness** regarding two key weapons in its marketing arsenal, **Alltel's My Circle calling plan and Anytime Plan Changes customer service policy.**
- Create a **more favorable image of the brand**
- Drive **subscriber base net growth**
- Achieve the category's **highest advertising efficiency rate**

## The Big Idea

“Alltel's big idea was to base its marketing and advertising programs on game-changing innovations that enable consumer choice and flexibility...and ultimately brand conversion.”

Alltel's big idea was driven by consumer insight into the incredibly poor ways other wireless companies treat their customers. People felt they deserved (and actually were paying for) the ability to choose what's best for them.

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This insight led to two critically important Alltel marketing decisions:

- To **sharpen the brand's positioning**
- To **focus its messaging on** two new "reasons to believe," **My Circle and Anytime Plan Changes**

My Circle is a revolutionary calling plan that enables customers to disregard the network restrictions other brands impose through their contracts. It lets Alltel customers call any ten numbers on any network and talk as much as they want, for free. These minutes don't count toward their monthly package and they can change their ten numbers online anytime they want.

My Circle represented the first time customers could forget about network restrictions and call who they want, whenever they want, for free.

Quantitative research also revealed Alltel could attract competitive users by increasing awareness of its Anytime Plan Changes policy. With APC, customers can change their plan as their needs change, whenever they want, without extending their contract.

My Circle and APC addressed two key areas of consumer dissatisfaction and together **differentiated Alltel in a unique and appealing way**, thus providing the brand with the building blocks for growth.

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Sources: Alltel focus groups & retail/street intercepts in Charlotte 6/06, Cleveland 6/06, Phoenix 6/06, Virginia Beach 7/06, Cleveland 7/06, Little Rock 8/06, Grand Rapids 10/06, and Cleveland 9/07; Alltel Quantitative Research, September 2006

## Bringing the Idea to Life

Creatively, Alltel's strategy was brought to life through a campaign featuring "Chad and the Sales Guys." The campaign was developed based on two key strategic guidelines:

- Name and **visually represent the competition.**
- Portray Alltel as the **brand that understands what customers want.**

In campaign executions, Chad, the Alltel representative, continually frustrates the four "sales guys" who represent competing wireless companies by talking about My Circle and Alltel's Anytime Plan Changes. The campaign unfolded via a multi-channel media mix, with the sales guys resorting to antics as varied as kidnapping and spying to slow Alltel down.

In addition to TV, the web has played a critically important role in supporting the Alltel brand story and enabling engaged prospects to follow it into its darker recesses (...to the "ManCave", the hide out and refuge the sales guys use to plot their next moves – which also happens to double as the basement of AT&T-guy's mom's home).

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A wide range of complimentary channels, tools and tactics were utilized in the Alltel communications plan. These spanned traditional and emerging channels, paid and value-added units, in-store and in-market venues, with messaging encompassing the brand overall, My Circle and Anytime Plan Changes, as well as promotional handset offers.

**Communications Touch Points**

<input checked="" type="checkbox"/> <b>TV</b> <input checked="" type="checkbox"/> Spots <input type="checkbox"/> Branded Content <input checked="" type="checkbox"/> Sponsorship <input type="checkbox"/> Product placement <input type="checkbox"/> <b>Radio</b> <input type="checkbox"/> Spots <input type="checkbox"/> Merchandising <input type="checkbox"/> Program/content <input checked="" type="checkbox"/> <b>Print</b> <input type="checkbox"/> Trade/Professional <input checked="" type="checkbox"/> Newspaper <input type="checkbox"/> Consumer Magazine <input type="checkbox"/> Print partnership <input checked="" type="checkbox"/> <b>Direct</b> <input checked="" type="checkbox"/> Mail <input checked="" type="checkbox"/> Email <input checked="" type="checkbox"/> <b>PR</b> <input type="checkbox"/> <b>Events</b>	<input type="checkbox"/> <b>Packaging</b> <input type="checkbox"/> <b>Product Design</b> <input type="checkbox"/> <b>Cinema</b> <input checked="" type="checkbox"/> <b>Interactive</b> <input checked="" type="checkbox"/> Online Ads <input checked="" type="checkbox"/> Web site <input checked="" type="checkbox"/> Viral video <input checked="" type="checkbox"/> Video skins/bugs <input checked="" type="checkbox"/> Social Networking sites <input type="checkbox"/> Podcasts <input type="checkbox"/> Gaming <input type="checkbox"/> Mobile Phone <input type="checkbox"/> Other _____ <input checked="" type="checkbox"/> <b>OOH</b> <input type="checkbox"/> Airport <input type="checkbox"/> Transit <input checked="" type="checkbox"/> Billboard <input type="checkbox"/> Place Based <input type="checkbox"/> Other _____	<input type="checkbox"/> <b>Trade Shows</b> <input checked="" type="checkbox"/> <b>Sponsorship</b> <input checked="" type="checkbox"/> <b>Retail Experience</b> <input checked="" type="checkbox"/> POP <input checked="" type="checkbox"/> Video <input checked="" type="checkbox"/> In-Store Merchandizing <input checked="" type="checkbox"/> Sales Promotion <input type="checkbox"/> Retailtainment <input type="checkbox"/> <b>Guerrilla</b> <input type="checkbox"/> Street Teams <input type="checkbox"/> Tagging <input type="checkbox"/> Wraps <input type="checkbox"/> Buzz Marketing <input type="checkbox"/> Ambient Media <input type="checkbox"/> Sampling/Trial <input checked="" type="checkbox"/> <b>Consumer Involvement</b> <input checked="" type="checkbox"/> WOM <input checked="" type="checkbox"/> Consumer Generated <input checked="" type="checkbox"/> Viral
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**Reach:**

National

**Total Media Expenditure:**

\$40 Million & over

**Results**

**AWARENESS**

**GOAL:** Increase prospect awareness of My Circle & Anytime Plan Change.

**RESULTS:** Achieved, with **Alltel's growth exceeding its goal by 67% and 616%**, respectively.

**BRAND IMAGE ENHANCEMENT**

**GOAL:** Create a more favorable image of the brand

**RESULTS:** Achieved, with **Alltel exceeding its goal by 200%**

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## **CUSTOMER GROWTH**

**GOAL:** Drive subscriber base net growth

**RESULTS:** Achieved, with **Alltel exceeding its goal by 61%**

## **ADVERTISING EFFICIENCY**

**GOAL:** Achieve the category's highest advertising efficiency rate

**RESULTS:** Achieved, with Alltel **having the most efficient advertising of the five leading wireless brands**

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Sources: TNS Media Intelligence September 1, 2006-June 30,2007 (most current data available); Q4 2006 – Q3 2007 earnings report press releases from AT&T, Verizon, Sprint, T-Mobile, Alltel; Forrester's N.A. Consumer Technology Adoption Study 2006

**Anything else going on that might have helped drive results?**

None

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