



MARKETING BUREAU

Media Research Study

Microsoft's primary use of radio results in successful product launch to niche target

BRAND AND MARKET CONTEXT

In Canada today, the PC gaming market - a sphere where complex new worlds and characters engage the player's imagination and skill - is a multi-million dollar business. Within this entertainment sector, the popularity of role-playing games (RPG) is on the rise with an increasing number of titles and greater consumer choice. This creates a challenge for marketers to gain market share, accentuated by the fact that RPG customers are a niche group representing less than 5% of the population.

In 2005, Microsoft Canada prepared to launch the sequel to its popular role-playing game Dungeon Siege. The objective was to create excitement, build awareness of the availability of Dungeon Siege 2 and surpass sales targets set for the original Dungeon Siege.

Microsoft evaluated radio's refined targeting capabilities and cost efficiency and selected it as its primary medium accompanying online and in-store activity. The company chose to test radio's ability to generate interest in the new game version, to direct consumers to the specially-created dungeonsiege2.ca website, and to drive sales.

THE RADIO STRATEGY

The four-week radio campaign, centred on two 30-second spots with creative carefully targeted to RPG game enthusiasts in three markets - Toronto, Calgary and Vancouver. Four radio stations with high numbers of 18-34 male listeners were selected in each market. The schedule included 650 market GRPs and a promotional component involving Dungeon Siege 2 giveaways on one station in each city.

To determine consumer perceptions of Dungeon Siege 2 and its radio advertising, a pre-campaign in-market phone survey was conducted in Toronto the week prior to the radio launch. A post-campaign survey was conducted immediately following the four-week campaign. This offered Microsoft the opportunity to read shifts in perception and awareness generated by radio. The surveys showed that 83% of the target demographic listened to the selected radio stations and 67% belonged to the media target group of men 18-34.

THE RESULTS

At campaign end, unaided awareness of the advertising was strong - 27% of radio listeners recalled the Dungeon Siege 2 spots, and nearly one-third (30%) of respondents who listened to the stations 11 or more hours per week, stated they definitely heard them. According to two leading research firms, these are exceptionally strong unaided scores.

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Between the pre and post-campaign surveys, unaided awareness of the new Microsoft game itself showed a 100% lift by radio listeners. From the spots, the respondents recalled the important content messages - that DS2 was a new RPG, involved character development, featured challenging game play, and was available now.

Web site visits to a Dungeon Siege 2 web site advertised only on radio spiked substantially during the two months in which the radio advertising aired. Purchase intent also received a healthy boost. In the post-survey interviews, 79% of respondents reported that they planned to buy Dungeon Siege 2 within the next six months. Remarkably, 34% planned a purchase within the next month.

Within the first eight weeks of the launch, Microsoft saw preliminary signs of sales impact in the markets exposed to the radio advertising. Sales of the new game in radio markets represented a larger share of total Canadian sales than previous Microsoft PC game titles that were not advertised on radio - a clear demonstration of the power of radio advertising.

KEY LEARNING

1. Radio is a strong, cost-effective and efficient medium for niche marketing. The campaign effectively zeroed in on a very specific consumer group with 83% of the target demographic reached by the selected radio stations.
2. In a short time frame and at modest weight levels, radio advertising has a positive effect on brand awareness.
3. Radio advertising drives web traffic and influences purchase intent and sales.

Source: Foundation Research

