

Enticing Families to the Hyundai Brand with the All-New 2013 Hyundai Santa Fe

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Summary: 2013 Silver Anvil Award Winner — Marketing Consumer Products — Non-Packaged Goods

Hyundai lacked a dynamic offering in the critical CUV segment and the 2013 Santa Fe was set to fill that void. Santa Fe was created for the “Alternadult” family – the family that wants to create fun, authentic experiences with their kids (and their car). Departing from a traditional launch, Hyundai created a complete media immersion into the lifestyle of the “Alternadult” buyer complete with off-road vehicle testing and a stop at the Olympic ski village in Park City, Utah – all designed to show the versatility of the Santa Fe and the lifestyle of the ideal customer.

The non-packaged goods subcategory refers to consumer products, such as clothing, appliances and furniture. Marketing consumer products includes programs designed to introduce new products or promote existing products to a consumer audience.

Full Text: SITUATION ANALYSIS

The crossover utility vehicle (CUV) segment is one of the most crowded and competitive in the entire automotive industry. It is also one of the fastest growing segments, as consumers still require utility but want more fuel efficiency than offered by full size SUVs. Since 2008, Hyundai Motor America has been on a record-setting sales pace, growing by an industry-best 60 percent through a focus on passenger cars like Sonata and Elantra. Hyundai, however, lacked a dynamic offering in this critical CUV segment and needed one in fast order to continue its sales and market share growth. The introduction of the all-new 2013 Hyundai Santa Fe was set to fill that void.

When planning the launch of the 2013 Santa Fe, Hyundai’s proprietary research revealed a changing CUV family buying demographic. While most of Hyundai’s competitors still held the mainstream views of the family consumer, Hyundai found that targeting the new “Alternadult” family would be the key to success. This new family buyer wanted to create fun, authentic experiences with their kids and needed a car that would play a key part in these experiences, rather than serve as the traditional shuttle to school and soccer practice. With this crucial insight in mind, the Hyundai PR team set to develop a media launch program that would reach this new family consumer.

A traditional vehicle launch event wouldn’t accomplish the brand’s goals for this model, but creating an entirely unique launch experience would immerse journalists in the lifestyle of the future “Alternadult” Santa Fe buyer. Hyundai hosted its launch event in Park City, Utah, a place no other auto maker dared go due to the elevation and its negative impact on performance. The media introduction included moderate off-road testing, mountain driving roads and stops at the Sundance Resort and Olympic ski village – all designed to show the versatility of the Santa Fe and the lifestyle of the ideal customer. The program preceded mainstream advertising, and generated more than 507 stories, 52 million impressions and contributed to 28,524 Santa Fe sales through Dec. 2012. In the two weeks following the launch program (Aug.), Santa Fe was the fastest selling vehicle in the entire industry. More importantly, Hyundai convinced the

industry that Santa Fe was the family vehicle missing from its lineup and that a new family consumer was emerging in the automotive market.

CHALLENGE

- 1) Launch the all-new Santa Fe CUV into an extremely competitive set with mainstays like Toyota RAV4, Honda CR-V, Chevy Equinox, Ford Edge and Jeep Grand Cherokee
- 2) Engage and reach family buyers through traditional and social media

RESEARCH

Competitive Analysis: The CUV market is one of the most competitive and fastest growing in the auto industry with sales expected to account for 23.3% of 2013 new product volume. In developing its strategy, the PR team reviewed all aspects of these vehicles and identified places where Santa Fe clearly beat out the competition. Santa Fe has advantages with its sleek and progressive design, outstanding fuel economy, and numerous advanced technology features. These messages needed to be clearly communicated through all activities. The new Santa Fe also achieved tremendous weight savings compared to its predecessor, helping improve its fuel efficiency and handling. While not a well-understood consumer message point, the weight savings message needed to be relayed to the automotive journalists as a demonstration of Hyundai's engineering prowess.

"Alternadult" Families: To effectively reach that key family buyer, research highlighted who these people were and what they liked and wanted in a car. The team found that Santa Fe's competitors had a mainstream view of families – families that are active, safety-minded and want room in their cars for all their stuff. Santa Fe, in contrast, would target "Alternadult" families; a concept which more accurately reflects Generation X values and motivations. "Alternadult" families are looking for every opportunity they can find to spend time with their kids and share their passions – explore, learn and do things together that are off the mainstream path. They enjoy building a life with their kids, rather than around their kids. They want to be the cool family, creating authentic, alternative experiences together and Santa Fe needs to be a coconspirator in creating these experiences. All PR strategies were designed with this audience in mind.

Car Buying: Hyundai's research found that the car shopping process has moved almost entirely online with 84% of shoppers using the Internet when purchasing a car. It also showed that reviews, both professional and user generated, were accessed by 62% of shoppers and social networks by 41%. This research not only demonstrated the power of the traditional automotive review, but the growing influence of social networks on even larger purchases like cars. Therefore the PR team needed to dedicate even more resources than usual on generating digital and social media conversations about the all-new Santa Fe among the target audience

PLANNING

Business Objectives

- Sell at least 1,000 Santa Fes in the two weeks following launch and before traditional advertising; sell more than 20,000 Santa Fe's from launch until the end of 2012

Communications Objectives:

- Generate substantial positive automotive vehicle reviews and mainstream media coverage for the 2013 Hyundai Santa Fe
- Generate social media word-of-mouth among families
- Secure a positive tone from 80% of all media coverage, demonstrating the media's acceptance of the vehicle and its concept

Target Audience: The target audience for the 2013 Hyundai Santa Fe was “Alternadult” families (age 33-46, income of \$100K+, college educated, career-oriented and with children <12 or expecting a child). Hyundai targeted these buyers through automotive trade media and family bloggers.

Target Media:

- Top-tier media outlets that feature regular automotive coverage including, *USA Today*, *New York Times*, The Huffington Post
- Automotive enthusiast “buff books” such as *Motor Trend*, *Automotive News*, *Road & Track*, *Car and Driver*
- Online automotive media including major players in the online automotive media community, such as Cars.com and Autoblog
- Parenting bloggers like GeekDad, Chip Chick, MomStart

EXECUTION

Key Messages:

- Santa Fe disrupts the status quo and reinvents the CUV landscape
- Sophisticated and sleek design with features to delight families with functionality, utility and comfort
- Highest highway fuel economy of any automatic transmission CUV

Tactics:

National Media Introduction: In August 2012 a national media launch event was conducted and tied together how Santa Fe would fit seamlessly into the target audience’s lifestyle.

Beautiful Mountain Setting: Hyundai hosted media in Park City, Utah – the perfect place to show off the capabilities of the new Santa Fe. The event was held at the Montage Resort, a venue no other manufacturer had been due to its high elevation. Santa Fe’s advanced powertrain handled the elevation with no problem.

Drive Route: The dramatic drive route took media throughout Park City and Utah’s Jordanelle State Park and featured a variety of roads, including mountainous streets with twists and turns, city and highway driving. The route immersed media in the variety of ways families would use the vehicle and at the same time, provided a beautiful backdrop for photography. The PR team also let media experience Santa Fe in moderate off-road conditions, demonstrating its ability to handle the type of roads that lead to campgrounds. Santa Fes were staged throughout the event loaded with camping gear, kayaks and bicycles, showcasing its utility.

Family Activities: On the way back from lunch at the Sundance Resort, media stopped at the Olympic Village to go zip-lining and ride an alpine slide, highlighting the ways families might use the Santa Fe in their experiences together.

Social Media Wave: Hyundai hosted its first ever social media wave, inviting highly-trafficked parenting and family bloggers to create online conversations about the new Santa Fe. The PR team designed a program specifically for the family bloggers who typically don’t attend automotive launches and are difficult to bring out to destination events for three days with their busy schedules and families. The program highlighted the vehicle’s family-oriented features, such as utility, technology and amenities. The bloggers were extremely active throughout the event, resulting in a huge spike in online activity and engagement during their trip.

EVALUATION / RESULTS

- **Sell at least 1,000 Santa Fes in the two weeks following launch and before traditional advertising; sell more than 20,000 Santa Fe’s from launch until the end of 2012**

In the final two weeks of August and directly after the vehicle's launch, Hyundai sold 1,735 Santa Fes. On top of that, Santa Fe was the fastest selling vehicle in the entire auto industry in August with Hyundai dealers having only four days' supply on their lots. Through Dec. 2012, 28,524 Santa Fes were sold, outpacing year-over-year sales for the previous model Santa Fe by 21 percent. In terms of in-market shopper demand, according to TrueCar's shopping data, Santa Fe demand was up 67 percent as of December 2012 over the previous model. And using data from Cars.com, Santa Fe has the fastest inventory turnover rate (30 days) in its segment by a large margin.

- **Generate substantial positive automotive vehicle reviews and mainstream media coverage for the 2013 Hyundai Santa Fe**

More than 130 journalists attended Hyundai's Santa Fe launch event, the most ever for a Hyundai event. Media were thoroughly impressed with the event, one attendee in particular told Hyundai PR in a post-event survey, "No one puts on better media ride & drive events. Hyundai Motors is the benchmark." The coverage from this program generated 507 stories, resulting in 52 million impressions and \$8 million in earned media value. Santa Fe received numerous industry awards including an ALG Residual Value Award as the vehicle in the CUV segment predicted to retain the highest residual value percentage of their original MSRP after three years. Santa Fe was also named an IIHS Top Safety Pick and received NHTSA 5-star crash test ratings. Other top media quotes include Digital Trends, "The 2013 Santa Fe Sport makes a compelling case for a segment leading position with its attractive design and comfortable interior" and Popular Mechanics, "Hyundai's reworked Santa Fe offers an overall package that's comfortable, functional, and well-put-together." AOL Autos said, "If you haven't been paying attention to Hyundai's cars you definitely now need to pay attention to its crossovers. The Santa Fe Sport is more than capable and belongs at or near the top of every crossover buyer's shopping list. Look out, Honda, Ford, Chevy and Toyota, Hyundai is in the rear-view mirror and is approaching faster with every new vehicle."

- **Generate social media word-of-mouth among families**

Hyundai's family blogger wave included 24 top mom and dad bloggers. In addition to the many vehicle reviews on the blogs, the #NewSantaFe hashtag generated more than 840 tweets and 141 Instagram photos from media attendees during the launch event. This represented the most social media activity ever during a Hyundai launch event.

- **Secure a positive tone from 80% of all media coverage, demonstrating media's acceptance of the vehicle and its concept**

In all media coverage generated from launching the 2013 Santa Fe, 85% was positive in tone.

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