

Final Summary of the Focus Groups conducted by Adept Research for Boiler Room Marketing Communications & Primus

The four focus groups recruited to cover the different target segments were –

Group 1 Younger high disposable income inner city people with broadband

Group 2 People who owned or managed a small medium enterprise (SME)

Group 3 Families with Broadband

Group 4 Families with Dial Up

Common findings across all four groups

1. The Big Heads concept was the best received across all the groups. It was grasped faster and appreciated more than any of the other concepts. It also related better to their concerns about cost blow outs. See item 9 below.
2. The slogan “Primus, that’s more like it!” grew on all the groups the more it was repeated. This suggests that with reasonable media frequency a strong brand position can be quickly established.
3. They mainly use Telstra and Optus, with a small number of Primus and Dodo customers. Roughly half of each group have bundled their home and / or mobile phones into the same package as their internet – all with the same provider. Others use a variety of providers and have built up their situation over time on an ad hoc basis – As one of them put it: “a bit here a bit there” etc...
4. They have a very strong self reference mind set when it comes to perceptions of brands. So they only really have a clear mental picture of “their brand”, whichever it may be. Those who bundled could only comment effectively on their one supplier. Where as those with more than one supplier were better able to make comparisons between those different suppliers.
5. Having a consistent and reliable service is crucial to them. They hate having to put up with –
 - Delays in getting through to someone if they have a problem
 - People on the other end of the phone who are unable to assist them
 - Downtime and dropouts
 - Overseas call centres
 - Electronic voices and long menus
 - Being patronised

In many cases they will pay slightly more for a better service, especially the SME’S and the inner city broadband users. But some of the family users will pay slightly more as well.

6. Their need for connection speed is driven by their current situation and internet usage. The SME'S varied from 56k dial up to 1.5meg. Where as the broadband users ranged from a 256k average for the young inner city types, to 512k for some of the families.
7. Usage for adults was very functional and or recreational. They use the internet for – booking holidays, movies, E Bay, email, stock market and banking. Their children use it for email, games and school study.
8. Having an Australian based 24 hour call centre was the major tick point. Experience and awards were a useful bonus, but no more than that.
9. They all wanted to be able to compare plans and costs. Some will trade off price for a reliable service so long as the cost is not (in their perception) too high. The least price sensitive are the inner city broad band users, the most price sensitive are the SME'S and the two family groups fall in the middle.
10. Those who have not bundled everything into one supplier could be a potential market for Primus to aim at. They are more willing to shop around for the package that suits their needs. This gives Primus the foot in the door to start (and grow) an ongoing customer relationship with these people.

Group 1 Younger high disposable income inner city people with broadband

1. Telco's and ISP's are seen by them as pretty much the same. They are all happy and satisfied with their current providers.
2. They have a very strong "self reference mind set" when it comes to perceptions of brands. So they only really have a clear mental picture of "their" brand, whichever it may be. They struggled when asked about other brands.

Concept 1 - Big Heads

The group grasped this concept faster than any of the others. They saw it as interesting and more likely to make them sit up and take notice. The following quotes bear this out.

"It's a bit of an eye opener" "Interesting – get's you thinking"

"What they're offering – putting all those services together. Shows how much saving you'd be getting."

So this advertisement plants the question in their minds – am I getting value? Am I paying too much?

Concept 2- Pen.

This concept took longer for the group to grasp, but then drew a more positive response later on. It was seen as relevant and direct in what it was saying. Namely to save them money.

"That's getting to the point."

Concept 3 - Toys

They grasped the concept fairly quickly, but delivered a somewhat flat response. It was seen as not addressing their needs.

"Technology used to be for fun. But now it's a necessity." "We need it to efficient and cost effective."

Concept 4 - Fresh Approach

They again grasped the concept fairly quickly but were mixed in their reaction. Others found the concept amusing and interesting, but otherwise irrelevant to their needs.

"It's entertaining, but it doesn't actually make you go out and do some research and change."

“More creative and a bit amusing. But it doesn’t do anything.”

“Primus. That’s more like it.” Was very well received.

“It’s more personal. It’s what you want. In telecommunications I always feel like a number.”

“That’s giving Primus an image. Some frame work.”

They pay from \$39 - \$70 per month. Nearly all have unlimited downloads. Not all could recall their download speed. Those that could said it was 256kps.

When asked about price as an issue for them, the group hesitated for 7 seconds before answering. Which suggested that price was not a hot top of mind issue. This was the longest hesitation for all four groups.

NB - The other three groups took only 3 – 4 seconds to consider this question.

They are happy to pay a small but reasonable premium for reliability. In some cases they would pay up to \$10 per month more if the service improved further. But that is as high as they would go.

“No down time. We are in a society where our time is worth more than our money.”

Group 2 People who owned or managed an SME

1. There is a degree of “churn” where they have shopped around and swapped suppliers in the search for a better combination of price and service. In this they will trade of price versus service and pay a little more for the most reliable service they can get. Down time is a big issue for them.
2. Some use dial up and others use broadband up to 1.5 meg download speed. It depends on what they use the internet for and how often they need to use it. Those with the higher speed are far more concerned with their speed and technical support. When they call for help they hate recorded menus.

Concept 1 - Big Heads

Got their attention rapidly and generated a positive response. Was seen as a good idea. Also resonated over cost control.

Concept 2 - Pen

Initially it got a slightly better reception than Toys . But was still seen to be patronising to women and lack credibility. Later on the group warmed to it more, but still wanted the shoes segment taken out. But keep the drawing of the waste basket over the bill. The issue of the bill resonated with them.

Concept 3 - Toys

They rejected this concept from the start and never warmed to it. They saw it as an advertisement for teenagers and not for business people such as themselves.

“I don’t think this is making it fun.... This is making things childish.”

“It’s not a game for me. Its part of my business.”

Concept 4 - Fresh Approach

Not really convinced about this one. But they noticed the “tick points box” here. Where as they missed the box with all the other examples.

Group 3 Families with Broadband.

1. Some price sensitivity, but mobile coverage is more important to them. They will pay for what they see as customer value. The big value issue is service which they defined as –
 - Getting through to someone fast – no menus!
 - Getting the problem fixed fast
 - Taking the stress and hassle out of things
 - No calls to India! The call centre has to be in Australia.
 - A desire to try before you buy, so trial periods of 30 days were popular

They are still price sensitive and as they paid more to move from dial up to broadband, so they have had they price rise – for now. As long as the price is seen to support the branding, then the branding has a chance of success. This market has been trained by the telcos to look at the price first, and everything else second. Boiler Room & Primus need to counter this, by using Big Heads. See below.

2. Most of them have a 512k download speed and some have download limits. They use the internet for – booking holidays, movies, E Bay, email, stock market and banking. Their children use it for games and school study.

Concept 1 - Big Heads

No price information and the Turban was a negative. Conveyed a message that said be careful how much you really pay. The 'sneak away with your money' line could be at the front of the ad.

"Hidden charges that you are paying and don't really keep track of."

Concept 2 - Pen

No impact at the start with anyone. Then a negative reaction by the males. They saw it as a woman's ad. No clear message, no price and the men tuned out completely as the ad was shown later on.

As one of the male respondents put it -

"They've knocked out half the population."

Concept 3 - Toys

Very negative at first. Later on a better response as it was seen to turn the industry on its head. Was then seen as colourful and a stand out.

“It invites you to enquire what’s in it.”

3. Primus slogan

This was well received and fared better the more often it was read out.

Concept 4 - Fresh Approach

Quirky and fun, a clever ad. Otherwise hard for some of the group to grasp. It lacked a sense of reality, which is why several of the group started talking about price instead of the ad.

“A bit of comedy in there but then it delivers the message.”

Group 4 Families with Dial Up

1. Adults used the internet for email and E Bay. Their children used it for email or study. Their weekly usage averaged 25 hours.
2. They are confused on the different technical options, with a tendency to rely on their children for input.
3. Most of them are considering the move to broadband. It just needs the right combination of a good price and package, together with their need becoming strong enough and urgent enough.

Concept 1 - Big Heads

Grasped quickly and well received. Getting the phone bill under control struck a chord with them. Strong group reaction to this. This ad was seen as realistic and allowing people to take control of their telco expenses.

“Got me thinking. Well what are the companies doing with that I’m with? Maybe I can save with Primus. It got me thinking.”

“Every month you get your phone bill and you think how did I spend those dollars and it comes down to money doesn’t it.?”

4. Primus slogan

This was well received and people got into it faster than the other groups.

“That’s more like it, that good.”

Concept 2 - Pen

They were sceptical of this one. They found it hard to relate to their situation. The pen drawing the heels turned some of the women in the group off completely.

Concept 3 - Toys

A positive reaction the more they saw it - the best of all the groups. The fun factor stood out for them. They saw their children relating to it.

“Well I see it as being a little more realistic to be honest because a teenager on a train is exactly what’s happening.”

Concept 4 - Fresh Approach

They struggled to grasp this concept initially. Later some of them began to like it more as they saw it as a stand out from Telstra and Optus. Where as others hardened in their negative attitude to it. When it was read out a second time it generated a polarised response. They either loved it or hated it. Those who loved it saw it as an alternative approach to Telstra or Optus. Those who hated it saw it as crass and unrealistic.