

THINKING BEYOND

CATEGORY
BRAND IDENTITY

DESIGN CONSULTANCY
CONRAN DESIGN GROUP

DATE
JUNE 2013

1.1 PROJECT TITLE

Brand and Identity Refresh

1.2 CATEGORY

(1.0) Corporate / Brand Identity

1.3 SUB-CATEGORY

(1.2) Design and implementation
costs under £100,000

1.4 CLIENT COMPANY

Manx Telecom, Isle of Man

1.5 DESIGN CONSULTANCY

Conran Design Group

1.6 DATE

June 2013



In 2010, Manx Telecom was a communications company whose messages simply weren't being heard. By 2012, we had ensured that they were communicating with impact to all their audiences.

For an island-based company, Manx Telecom had achieved outstanding performance and an unquestionable share of the global telco market. But it had been ten years since the company had reviewed their brand and, against the backdrop of a rapidly changing market, there was a growing realisation that their communications didn't reflect their core strengths.

New owners, HG Capital, brought a new growth agenda and a willingness to drive change. Spurred on by the arrival of a challenger brand, Sure from Cable & Wireless (now owned by Vodafone), creative briefs were written for a wholesale brand refresh to better align it with the changing vision of the company and their growing market segments.

As creative and strategic partners, Conran Design Group facilitated and delivered a comprehensive review of Manx Telecom's brand that has achieved the following goals:

- > A brand clearly positioned around core competitive strengths
- > A premium position reflecting a 'Market Leader' status
- > A positive change for good, as perceived by core customers
- > Significantly enhanced youth appeal; capturing the next generation
- > Colleague reassurance and excitement around the new vision
- > Distinct business and consumer propositions with a clear brand thread
- > A flagship store that is a hub for innovation and service
- > A communications toolkit that is easy to use and facilitates a more assertive and consistent look and feel.

Early results indicate a tangible rise in revenues and enhanced customer engagement with the brand:

- > Core business revenue up 5.2% in the first 6 months after the launch
- > Increased in-store footfall by 42%
- > Won the crucial Christmas smart phone market in 2011 and 2012
- > Improved customer satisfaction results.

3.0 PROJECT OVERVIEW

3.1 OUTLINE OF PROJECT BRIEF

Key Objectives / The Brief

- > Evolve and refresh the brand, visual and aural identity for Manx Telecom, for customers and the business
- > Clearly position around articulated core competitive strengths and achievements, whilst encapsulating 'Manx-ness'
- > Directly impact company key performance indicators for 2012
- > Establish sustained brand performance against competition
- > Ensure the brand supports all commercial objectives whilst remaining aligned with the strong sense of community built by Manx Telecom
- > Enhance appeal to the youth market and growing market segments, without alienating core customers.

3.2 DESCRIPTION

Background

Manx Telecom provides telecommunications and IT services not just to the Isle of Man but increasingly to the rest of the world. On the island, the relationship touches nearly every household and business on the island. They are number one for all their key products: fixed lines, broadband, mobile phones and business services. Their position as market leader has long been held with a sense of quiet assumption.

Community

Manx Telecom employs over 300 local people and there is serious motivation to support the community through sport, education, music and other local causes.

Opportunity

By developing a strategy that reflects their reputation for world-class innovations and customer service, there is a real opportunity to secure Manx Telecom's position as active market leaders, at home and overseas.

BEFORE THE REBRAND



3.0 PROJECT OVERVIEW

CONTINUED

3.3 OVERVIEW OF MARKET

Market Shift

It was recognised that Manx Telecom, as with all modern telecom companies, had to move from being purely a fixed line service provider, into new sectors and markets. Following the arrival and boom of mobile and internet technologies and companies, this diversification resulted in many new challenges from a whole range of competitors.

Competition

- > Manx Telecom holds significant market power in the fixed line and retail broadband markets – over 85%.
- > Sure from Cable & Wireless was launched in 2007 and is a key provider of mobile and broadband services on the island. They are a strong competitor on price, and have a younger, more contemporary look and feel.
- > By diversifying, many indirect competitors are to be considered, such as Skype, Virgin Media, O2, and Nokia.

Limitations and Diversity

Leveraging the home market is core to building trust and loyalty with the brand, and in penetrating new segments. The island's population stands at 83,327 (2011) with 25,000 broadband users (2012). Diversifying the company offering also meant having to appeal to a range of stakeholders, from FTSE 100 financial services companies demanding the highest service level to teens wanting the latest handset.

3.4 PROJECT LAUNCH DATE

3rd October 2011

3.5 SIZE OF DESIGN BUDGET

£95,000

3.0 PROJECT OVERVIEW CONTINUED

3.6 OUTLINE OF DESIGN SOLUTION

Brand Strategy

Following a comprehensive audit and stakeholder workshops, we put forward a new brand positioning statement, Think Beyond, a powerful call to action that encapsulates the vision and mission for each offering from the company portfolio. Expanding this positioning into four brand values, Trusted, Proactive, Enterprising and Confident, provided visible signposts for customers to relate to. The positioning also drove the creative, resulting in an iconic brand identity that was flexible enough to appeal to all audiences.

Multiple Touchpoints

The brand identity has been expressed through a fully comprehensive range of physical and digital touchpoints, including literature, stationery, signage, livery, uniforms, merchandise, websites, sponsorship, retail environment, Head Office, data centre and more.



3.0 PROJECT OVERVIEW CONTINUED

Retail Design

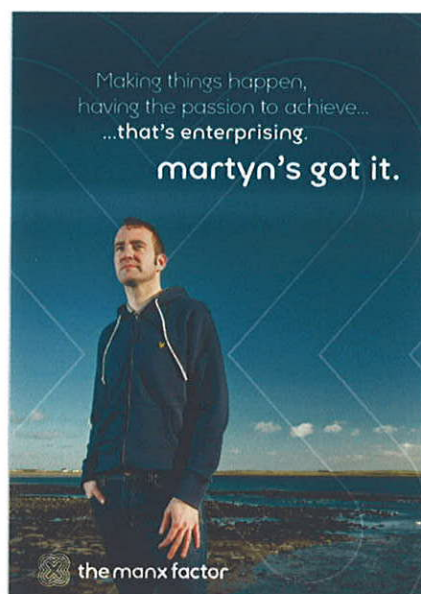
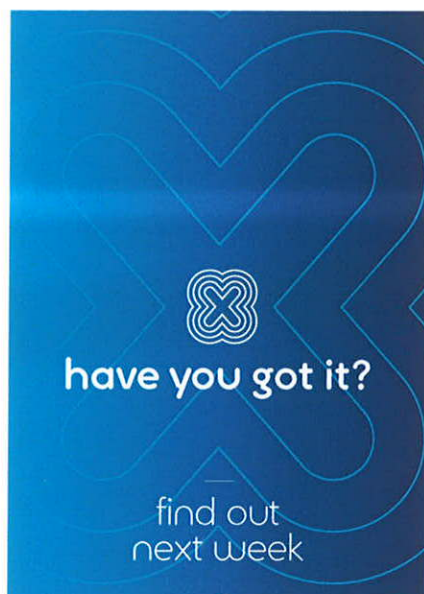
The pinnacle of the brand project was the development of an advanced flagship store. The store concept focuses on the need to promote a tangible connection with the space. The resulting design encourages staff and customer engagement through face-to-face interactions and product demonstrations.

The modern and sophisticated design and architectural themes are inspired by the identity, while the use of native building methods such as dry stone walling enriches the cultural and community connection.



Internal engagement

In order for a new brand identity to work holistically, the brand message had to resonate internally as well as in a customer context. This was achieved through the creation and activation of the 'Manx-Factor' campaign. By identifying a number of 'Brand Ambassadors' among the staff, we built a campaign that mapped company objectives on to their specific roles within the business. It enabled all employees to engage with the new brand values and to demonstrate that they had the 'Manx-Factor'. The creation of the Brand Ambassadors and the extensive involvement of staff helped to break down some ingrained internal hurdles.



4.0 SUMMARY OF RESULTS

LINK ASPECT OF 4 DESIGN INPUTS

Increase in Sales

The new Manx Telecom brand identity delivered straight to the bottom line and had immediate and massive impact for November and December 2011 compared to the previous year:

- > Sales of smartphones increased by approximately 40% year on year while the number of customers signing long-term mobile and broadband contracts increased by around 30%.
- > Helped deliver a 5.1% year on year revenue increase for the first half of 2012.
- > Handset sales increased by 23%.
- > Accessory sales increased by 19%.
- > Smartphone sales increased by 37%.

Increase in Company Revenue

Year	Revenue	% Increase
2009	£67.2m	
2010	£68.0m	1.2%
2011	£68.7m	1.1%
LAUNCH OF REBRAND		
2012	£72.2m	5.1%*
2013	£75.1m	4.6%

*i.e. a step change

Revenue breakdown over 5 main categories:

Category	2010	2011	2012
Fixed line	£14.4m	£14.2m	£14.9m
Mobile	£15.5m	£14.8m	£15.5m
Broadband	£6.8m	£7.2m	£7.7m
Data Connectivity	£8.0m	£7.6m	£7.7m
Data Centre	£5.1m	£5.4m	£5.5m

Against Market Trend

Most importantly the new brand identity has been instrumental in driving a strong revenue increase for the first 6 months of 2012, bucking the market trend:

	% +/- v 2011
Manx Telecom core business revenue (Jan - June 2012)	+5.1%
Vodafone Group Service Revenue (Jan - June 2012)	+0.6%
Vodafone UK service revenue	-0.8%



Improvements in Staff Morale

“CONGRATULATIONS ON THE NEW SHOP. IT LOOKS JUST GREAT, AS DOES THE NEW BRAND. IT WAS ALSO GOOD TO FEEL THE PRIDE OF THE STAFF.”

– Simon Cunningham, CPS Partners

4.0 SUMMARY OF RESULTS CONTINUED

Increase in Market Share

Ultima, MT's high speed internet service sold 210 in the first two months of launch, representing a market share of 86%.

Increase in Footfall

Retail footfall increased by 42% to approximately 40,000 for the Christmas period – just shy of 50% of the population.

“NEW STORE FOOTFALL FIGURES FOR NOVEMBER 2012 REACHED ALMOST 30,000 - THAT'S MORE THAN 40% UP ON THE COMBINED FIGURES FOR BOTH OF OUR OLD STORES IN THE SAME MONTH LAST YEAR. THIS IS PHENOMENAL AS WE ONLY LAUNCHED OUR CHRISTMAS OFFERS ON NOVEMBER 14.”

– Andrew Honour, Manx Telecom Commercial Manager

Change in Spending Patterns of Target Market

- > Porting Ratio – the ratio of mobile customers leaving Manx Telecom (to go to Sure) compared to those returning from Sure to Manx Telecom. The lower the ratio the better and this improved from 3.33 to 2.88
- > Number of customers returning to Manx Telecom from Sure improved from 127 in 2011 to 165 in 2012, a 30% improvement.
- > More 24 month agreements sold than target sales – 67% of all contracts, 50% build on 2011.
- > More data bolt-on's sold than target – 39% of all contracts.
- > Prepaid Average Revenue Per User (ARPU) has grown from £6.50 per month in 2011 to £7.10 in 2012.
- > Postpaid ARPU has grown from £29.1m to £30.0m, 2011 to 2012

Improvements in Consumer Attitudes or Behaviour

Customer satisfaction scores increased over the last 12 months: Mobile Customer Satisfaction Index ended 2011 at 78%, increased to 79% by 2012 and has improved to 81% by May 2013 (world-class). The % of “highly satisfied” mobile customers increased from 40% to 47% in the same period.

Manx Telecom core business revenue (Jan - June 2012)	Jan 2011	Aug 2012
Fixed	77%	79%
Broadband	74%	76%
Mobile	77%	80%*

* By accepted standards, 80% = World Class

5.0 OTHER INFLUENCING FACTORS

HG Capital private investment company bought Manx Telecom in June 2010. With this came a growth agenda and a desire for a new vision for the company. This was the impetus for the project.

A series of events took place as part of the launch schedule:

- > Pre-launch desk drop merchandise across all buildings
- > New van line-up released
- > New store hoarding in place
- > New website launch
- > MT Ultima advertising campaign

6.0 RESEARCH RESOURCES

Circle Research, Market research agency, London.

Manx Telecom

Brand Finance