

Case Study: MD Helicopters

Brief Description: Print advertising campaign designed to reposition MD Helicopters Inc. (MDHI) as a viable provider of previously popular products to the worldwide rotorcraft market following a period of ownership changes and financial and service difficulties.

Project Summary: The campaign seeks to reassure the worldwide helicopter market that MDHI's single- and twin-engine helicopters, historically widely sought by law enforcement and air medical operators, is once again in production and backed by significant improvements in support and service.

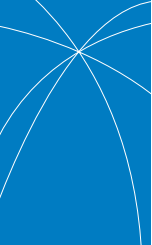
Intended Audience(s): Worldwide helicopter operators, specifically those involved with air medical and airborne law enforcement service. These public service market segments have historically purchased up to 75 percent of the company's production. The helicopters are favored because of their ease of operations, superior speed, agility, and low cost of ownership, all of which makes them particularly well suited for law enforcement and air medical operations.

Objectives: Position MDHI as the provider of choice and increase sales through a strong, clear message that reinforces the company's reemergence as a viable, thriving company with the best products for these specific missions. Demonstrate MDHI's unique understanding of these markets and the value the products bring to these operators.
Ensure that ads are seen, read and remembered as much or more than ads from competing helicopter companies.

Key Messages/ Themes: Company products have speed, performance and other features specifically well suited for the law enforcement and air medical market segments.
Exciting products that were previously highly sought are once again being produced and delivered on a timely basis.
Customer support and service are at the high levels demanded by helicopter operators to support their flight operations.
MDHI products remain worthy of confidence and respect, as is the company that produces them.

Creative Rationale: Develop a new ad campaign that leverages the company's strengths — products that have an almost cult-like following — within the specific niche markets where the helicopters are most widely used. BDN specifically recommended that MDHI discontinue existing ads that showcased large photos of company managers and move the focus to its enduring strength and market discriminator — its products. The new helicopter-centric ads evoke a feeling of excitement and demonstrate that MDHI has the best products for specific market segments — products now backed by a company that understands customer needs and is demonstrating commitment and improved product support. The ads show that the company has changed, but underscore that the once-great products are still great.
The initial campaign focuses on the two products (MD Explorer and MD 500 Series) and markets (medical and law) with the greatest potential for new sales. Dynamic product photography and compelling, market-specific headlines are intended to draw the readers' attention and show understanding of the airborne law ("We Put the Cop in Helicopter") and air medical ("Need Help Fast? Call an MD") user communities. Subtle service improvement messages are included in each ad. A second phase of the campaign was proposed and is being considered as a series of testimonials within these same markets, spotlighting customers speaking proudly of their choice to "Fly MD."

continued



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Results:

The campaign was effective because:

Sales and subsequent helicopter deliveries have increased dramatically, from 13 aircraft in 2006, to 30 aircraft in 2007. To accommodate growth, staff has expanded, and new production facilities have been acquired, including an additional manufacturing plant and a completion center in Texas. Fueled by increasing sales, capacity is increased to accommodate planned deliveries of 59 helicopters in 2008.

Research verified that MDHI ads are seen, read and remembered far more than ads from other helicopter manufacturers by members of the target audience.

An independent study by the most widely read publication of the rotorcraft industry ranked the Gold-Quill candidate MDHI ad highest of any ad in the magazine in two of three critical categories.

August 2007 Rotor and Wing Readex Independent Research Survey

Ad: "Need Help Fast? Call an MD."

Of the 35 full-page ads in the issue, the MD insertion was the highest ranked for both "saw" and "read" and ranked fourth of those "found interesting."

95% of respondents saw the ad vs. an average of 79% for all ads in the publication.

69% of respondents read the ad vs. an average of 41% for all ads in the publication.

46% of respondents found the ad interesting vs. an average of 32% for all ads in the publication.

Each of the scores far exceeded the average for all ads in the issue. The product-focused ad measured in 2007 also outscored MDHI's 2006 management-focused ad in two of the three categories measured: 92% saw the 2006 ad; 71% read the ad; 35% found the ad interesting.

An advertising budget of \$340,000 was established for 2007. The publications targeted included the major trade magazines that reach the entire worldwide industry as well as those specifically targeted at the law enforcement and air medical segments. In addition to regularly scheduled placements, insertions were planned to leverage attendance at major industry and market segment trade shows and conventions to achieve maximum distribution of the intended message.

Based on the audited circulation of the targeted publications, the MDHI message was effectively delivered to some 250,000 owners, operators, pilots, maintenance personal, purchasing agents and other industry professionals and enthusiasts at least 58 times during the year.