

Digital Gadgets

Launching the Netbook

Background

Digital Gadgets develops, makes and markets state of the art technology products under the SYLVANIA brand for sale in North America. In the summer of 2008, Digital Gadgets retained KPR to launch its line of SYLVANIA g netbooks. These small, light-weight, portable and affordable netbooks run on either the Linux Ubuntu or Windows XP operating system.

Though the netbook product category was relatively new to the U.S. market in 2008, when Digital Gadgets was preparing to launch its line, the two earliest entrants, ACER and ASUS, already dominated the market.

Challenges and Opportunity

Digital Gadgets was unknown in the computer space even with the SYLVANIA name, since SYLVANIA is certainly better known for its light bulbs than anything else. In addition, Digital Gadgets could not compete with ASUS' and ACER's large advertising and marketing budgets. In fact, Digital Gadgets had no advertising budget at all. It had few marketing alliances with its retail distributors, and it was relying primarily on a public relations budget of just \$8,000 per month to launch its netbooks nationwide.

To make matters more difficult, HP and Dell were planning to launch their own line of netbooks around the same time Digital Gadgets was releasing the first of the SYLVANIA g netbooks. These large, established name brands in the computer field would be able to offer a lower price point through deeper distribution channels as well as leverage their previously established relationships with key tech reporters in the media, connections Digital Gadgets didn't have.

Finally, the company simply could not afford to gradually make a name for itself in the market. Due to its limited resources, Digital Gadgets needed to make a big splash to generate immediate sales. Time was of the essence

Strategy and Tactics

Given this reality, KPR took a calculated risk – we would not compete with these other brands in the technology media. Instead, we would reach well beyond tech magazines



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and blogs, positioning the SYLVANIA g netbook as a lifestyle product that would help consumers stay connected. We targeted lifestyle and related media to reach an audience of working mothers, senior citizens and especially, students of all ages. We pitched SYLVANIA g netbook computers as “accessories,” not just easy to use but sleek and stylish. Their selection of dramatic colors (with catchy names including blossom, snow, onyx and solar) set them apart from the competition.

With the key messaging established, KPR reached out to “Hi-Tech Mommy” Cat Schwartz, eBay’s gadget and toy director and a regular contributor to NBC’s Today show. We had worked with Cat before, and she was the ideal person to serve as a third-person expert evangelist for our product. While focused on technology products, she was really not considered a “techie.” Rather, she tended to focus on the practicality, stylishness and “fun” factor of a product. In addition, her demographics fit perfectly with our desired audience.

After learning that she was working on a back-to-school tech segment scheduled to air on Today in the early fall of 2008, KPR convinced her to include the SYLVANIA g netbook MESO (the second offering in the SYLVANIA g netbook line.

Results

We were able to ensure prominent positioning – it was the first product Cat talked about. During the segment, which aired on August 27, 2008, Al Roker exclaimed, “Wow!” when he picked up the two-pound SYLVANIA g netbook. Perhaps the highlight was when, after describing some key features of the product, Cat showed how easily the 8.9-inch computer fit into her purse to demonstrate its portability.

In today’s fractured media environment, few venues so unequivocally show the media’s awesome power better than Today, the most watched morning show in America. Digital Gadgets reported dramatically increased traffic on its website as well as increased sales as a direct result of the Today segment. In addition, the company was able to complete a distribution deal with Target.

After any big media splash, KPR rides the wave, redoubling its efforts with other media to secure as much coverage as possible. In the case of Digital Gadgets, by the end of 2008, we had racked up placements in BusinessWeek, Newsweek, CNN Money, The New York Times, The Seattle Times, The Fort Worth Star Telegram and the Chicago Tribune. In addition to Today, the SYLVANIA g netbook received air time on local FOX stations around the country. Online lifestyle and parenting blogs also played a critical role in our outreach, with placements on CelebrityCafe, CNET’s Crave, LifeLoveBeauty and Cat’s HiTechMommy.

The publicity even led to product placement opportunities with ABC Productions on shows like Gray’s Anatomy, Army Wives, All My Children and How I Met Your Mother. Product giveaway opportunities included Redbook and The Parenting Guru.

The results of the campaign showed that despite being a newcomer to the market and with very limited resources, Digital Gadgets was able to garner significant national media attention in a short time period and immediately become a major player in the market.