



**NEXEN TIRE**

# THE NEXEN TIRE BRAND

09.19.19



**NEXEN TIRE**

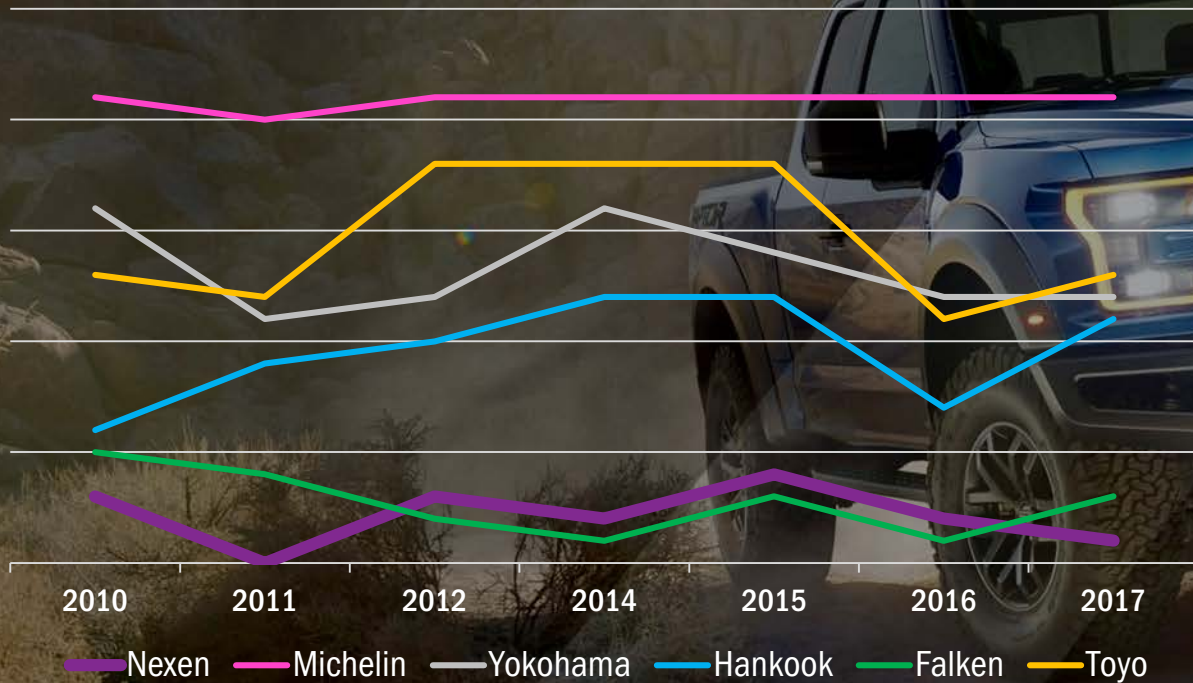
# **COMPETITIVE ENVIRONMENT**

Nexen Tire vs the Competition

# NEXEN IN THE MARKETPLACE

The Tire Review Tire Brand Study is a compendium of how tire dealers feel the brands they regularly stock and sell perform in the market. It is not a scientific research project; it measures dealer opinions and perceptions about the brands they regularly offer. In gathering data, dealers could not comment on brands they did not carry, and consumers and end-users were not polled. Tire Review collected data from 1000 telephone surveys, and to be listed on the result brand has to receive at least 40 specific mentions.

## WHICH CONSUMER TIRE BRAND WAS BEST OVERALL?

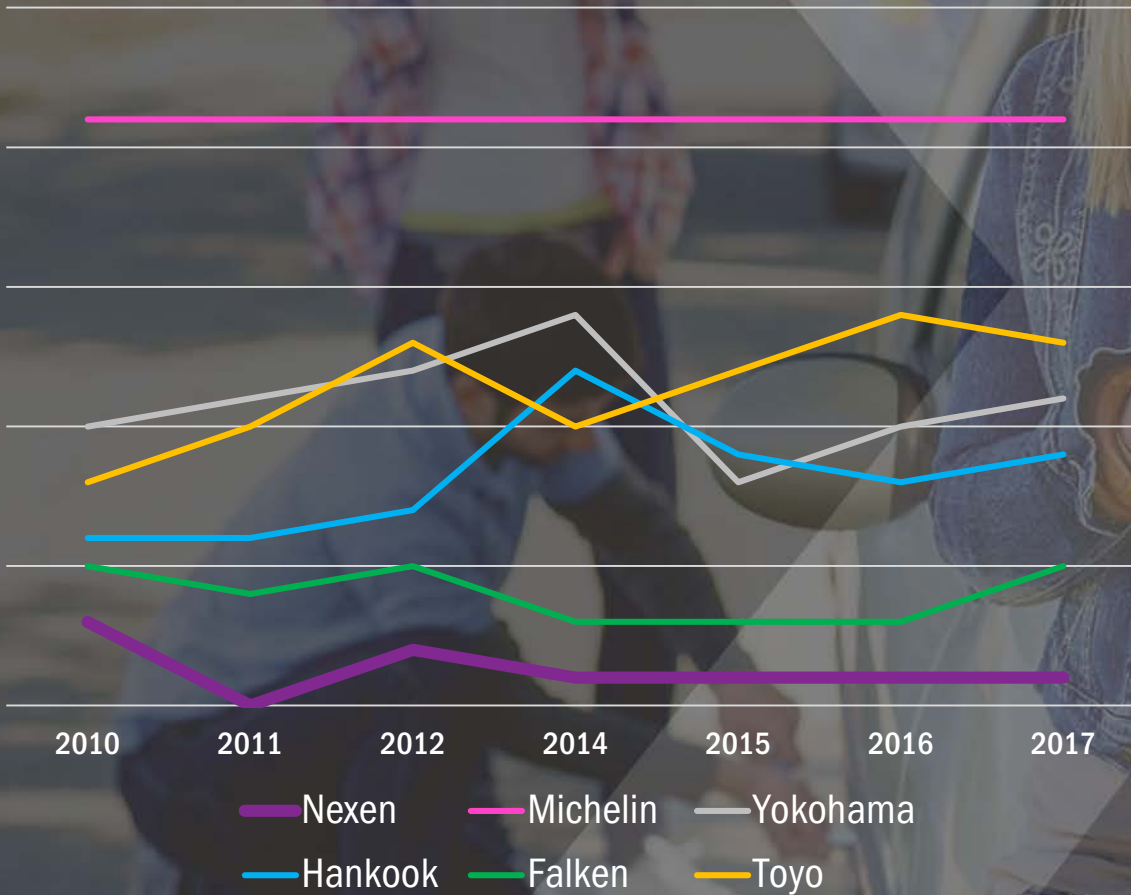


**21 OF 21**  
CURRENT RANK

**Tire  
Review**

# CONSUMER AWARENESS


HOW WELL KNOWN ARE THEY?



**21 OF 21**  
CURRENT RANK

**Tire  
Review**

# GAP ANALYSIS

						
ADVERTISER	INT DISPLAY	OUTDOOR	PRINT	RADIO	TV	TOTAL
Bridgestone	\$2,268.20	\$25.60	\$947.90	\$1,934.70	\$55,451.20	\$60,627.70
Falken	\$597.50	\$0	\$4,969.00	-	\$3,813.90	\$9,380.40
Hankook	\$4,933.70	\$9.90	\$6,768.50	\$0	\$11,419.90	\$23,132.00
Laufenn	\$166.30	-	\$1,593.90	-	-	\$1,760.30
Kumho	\$1.40	\$2.80	-	-	\$4,194.70	\$4,198.90

# S.W.O.T.

## STRENGTH

- Industry's Best Warranty
  - Women and young family support (Target Customer)
- Nexen Partners Day
  - Through consistent partners day
  - Dealer Level Exposure

## WEAKNESS

- Brand Exposure and lack of communication
  - Focus on Trade Marketing due to lack of resources
  - Exposed only to Trade Partner, not actual Mass
- Lack of consumer related data
  - Benchmark selection and target selection difficulty
- Lack of MI data and lack of activity
  - Weakness in the prior marketing part

## OPPORTUNITY

- Improved Dealer awareness through Next Level
  - Retail Level Recognition Improvement and Data Base Construction
- Advancement of social media enables low-cost marketing investment
- Focused on Remote Area Shop Exposure opportunities

## THREAT

- If all of our competitors are not differentiated during the Consumer Promo,
  - Me too strategy
- Tire Brand MLB, NBA Sports Marketing
- Increased cost of major consumer media
- Competition US factory in full operation Marketing increase

## INSIGHT:

Need for Consumer Marketing

What is the most efficient investment? Need differentiation!

MI Needs Enhancement

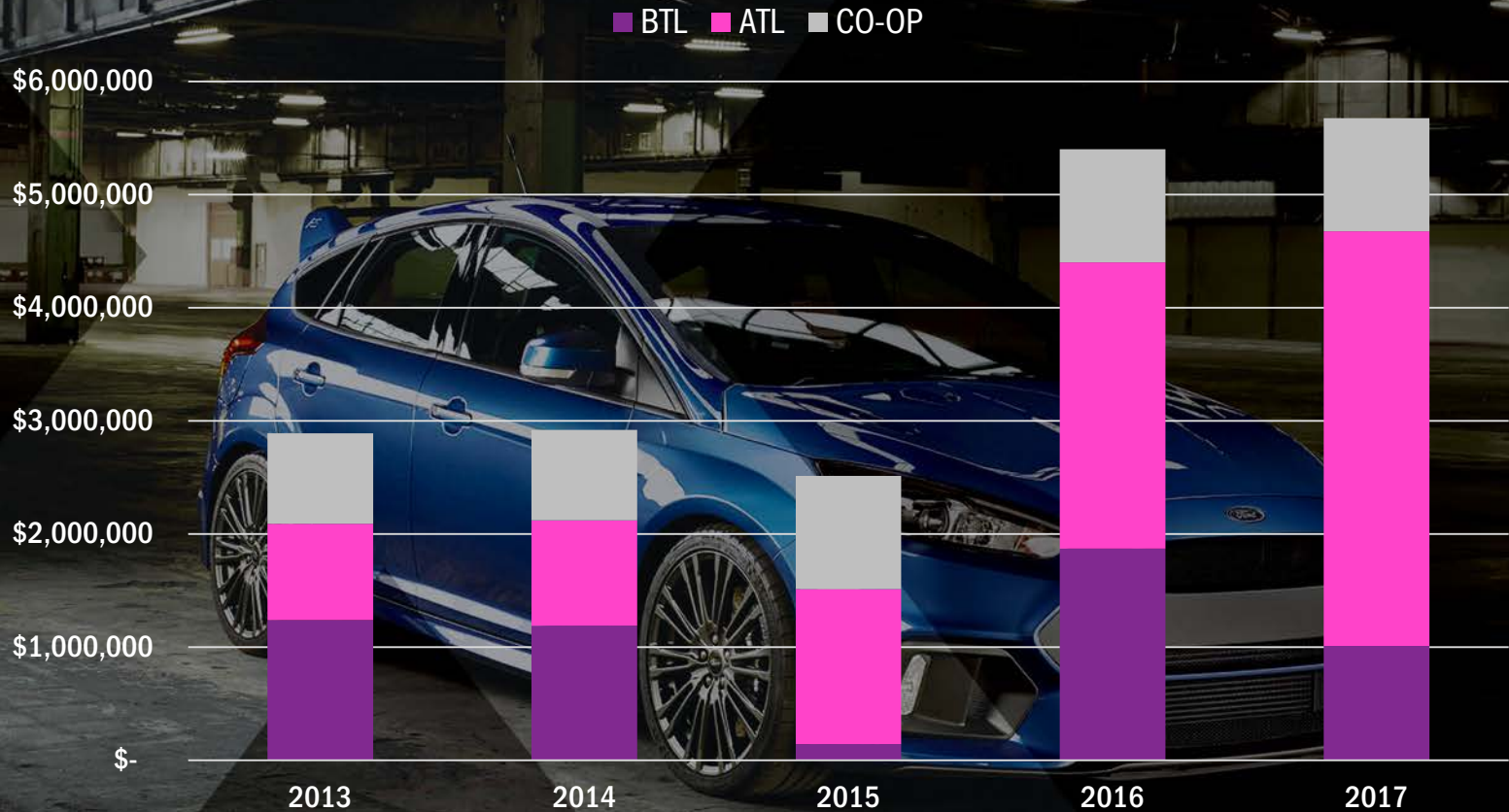


**NEXEN TIRE**

# MARKETING HISTORY

# BUDGET

Budget with Bar graph by year going back to 2010. Broken down ATL vs. BTL in bar chart to show progression





# MARKETING ACTIVITIES

MAGAZINE ADS  
ROAD HAZARD  
POP SUPPORT

Tire Review

FORMULA DRIFT®



SEMA SHOW

TIRE BUSINESS®

2013

2014



Dodgers™

SEMA SHOW



ESPN ((RADIO))

MAGAZINE ADS  
POP SUPPORT  
ROADSIDE ASSISTANCE  
DEALER PARTNER DAYS

Tire Review



TIRE BUSINESS®

2015



MAGAZINE ADS  
BILLBOARDS  
POP SUPPORT

Tire Review

SEMA SHOW

Dodgers™

TIRE BUSINESS®



# MARKETING ACTIVITIES



MAGAZINE ADS  
SEM/SEO  
POP SUPPORT  
IPAD APP  
RIDE & DRIVE



**TIRE BUSINESS**



2016

2017



MAGAZINE ADS  
POP SUPPORT  
DEALER PARTNER DAYS  
CUSTOMER APPRECIATION TRIP



**TIRE BUSINESS**



**FORMULA DRIFT**



**NEXEN TIRE**

# 2018 Strategic Map

# MARKETING BUDGET

## BY WHOLESALE, RETAILER, CONSUMER

In the funnel phase, our position is still in the Awareness stage, and we will implement the activity to maximize exposure and awareness to the consumer with a given budget (ROI and focus)

	NTA \$5,671,000	Wholesaler \$1,000,000	Retailer \$908,000	Consumer \$2,348,000
<b>ABOVE THE LINE</b>	2016 Activity Partners Day Dealer Trip MLB Gift (Amount Reduction)	-	-	You Tube Pandora Radio LA Angels Social Media Action Sports ESPN Radio (USA)
<b>BELOW THE LINE</b>	-	Shop Branding Ride & Drive Trade Magazine SEMA Dealer Meeting	Smart Phone Education App POS, POP Literature Gift (Wearable) Next Level Next Level Online Shop POS Shop	Motor Sports N'Fera Club Gift (Wearable) PR



**NEXEN TIRE**

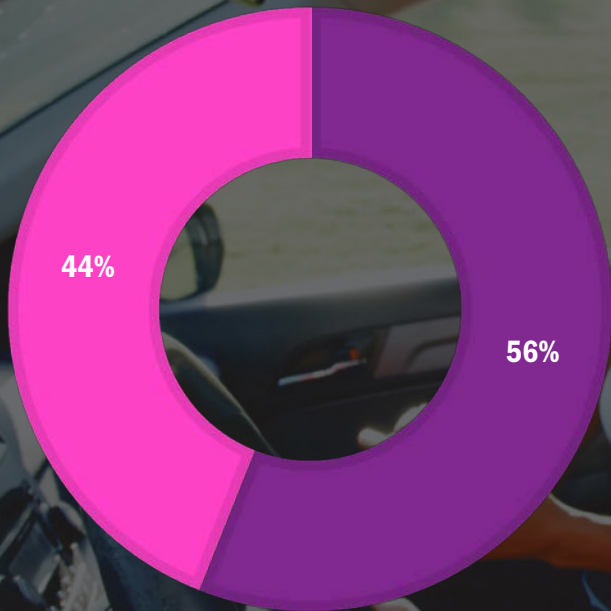
# TARGET AUDIENCE

# TARGET AUDIENCE

44 and Younger

Ethnic groups

Middle class



■ Not Brand Loyal   ■ Brand Loyal

Nexen Tire is more favorably viewed by millennials currently

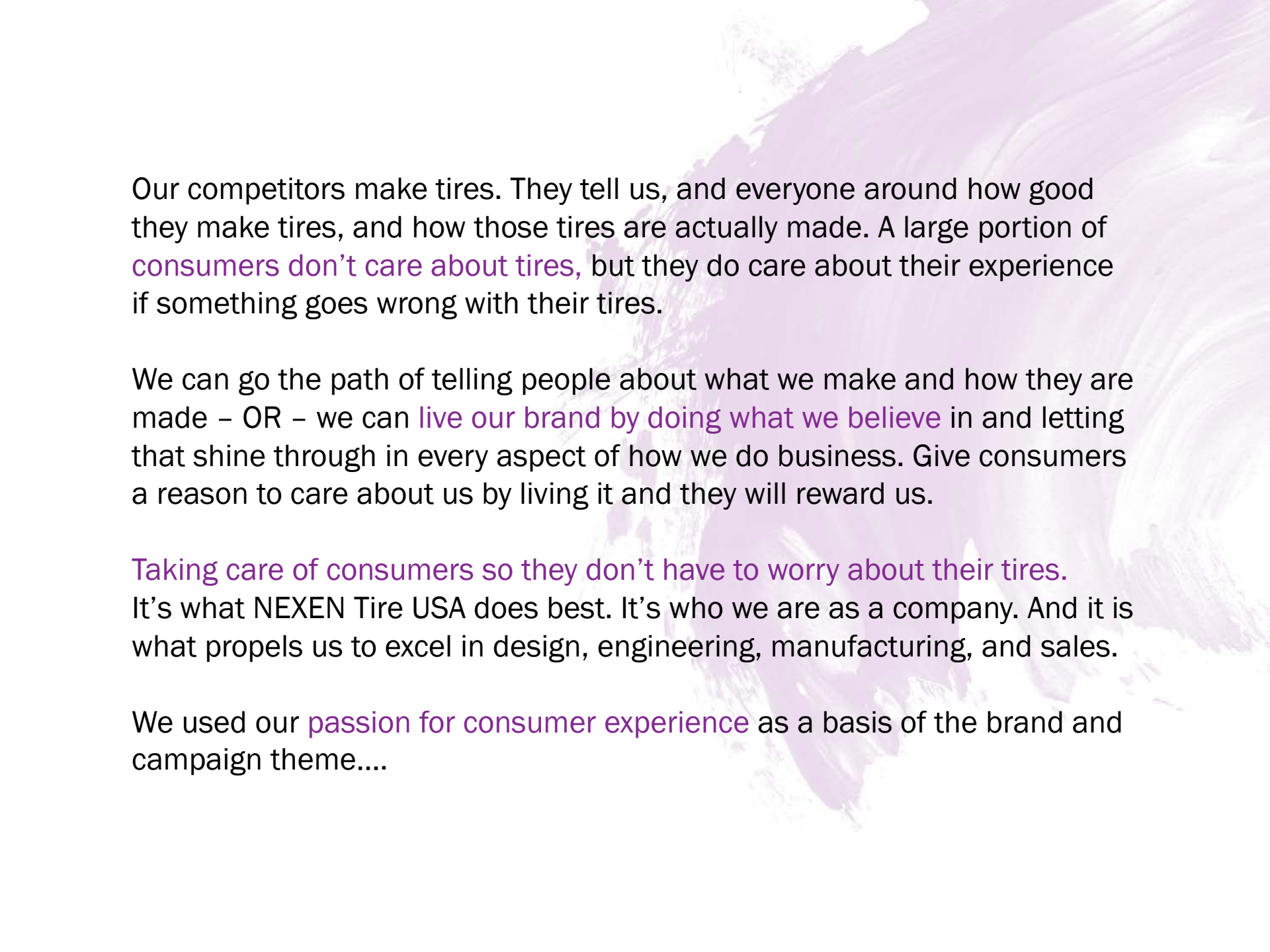
- They understand value and are willing to pay more for it
- They understand the importance of warranties
- They understand innovative products



**NEXEN TIRE**

# THE MESSAGE

RELIABLE. SAFE. QUALITY. FRESH.



Our competitors make tires. They tell us, and everyone around how good they make tires, and how those tires are actually made. A large portion of **consumers don't care about tires**, but they do care about their experience if something goes wrong with their tires.

We can go the path of telling people about what we make and how they are made – OR – we can **live our brand by doing what we believe** in and letting that shine through in every aspect of how we do business. Give consumers a reason to care about us by living it and they will reward us.

**Taking care of consumers so they don't have to worry about their tires.**

It's what NEXEN Tire USA does best. It's who we are as a company. And it is what propels us to excel in design, engineering, manufacturing, and sales.

We used our **passion for consumer experience** as a basis of the brand and campaign theme....



**WE GOT YOU**

A large, expressive purple brushstroke graphic that starts from the top right and sweeps across the background towards the bottom left, creating a sense of movement and energy.

# Overview of Tactics

2018

# 2018 Tactics

- ESPN
- Streaming Radio
- Consumer Tire Giveaway
- Roadside Assistance
- SEO / SEM
- Video Production
- N'Fera Club
- YouTube Campaign
- Dealer / Co-Op Community Marketing
- PR / SNS Firm
- Vehicle Build
- Motor Trend
- Korean Marketing
- Trial Tires for Customers (80 sets)
- SEMA Tradeshow
- Dealer Partner Days
- Dealer Training/Ride & Drive
- Company Store / E-Learning
- Modern Tire Dealer (Print / Online)
- Tire Business (Print / Online)
- Tire Review (Print)
- Change Retail Shop Signs to Nexen
- Product Brochures and Event Flyers
- Year End Gifts to Customers
- Marketing and Trip Support for Wholesalers
- Ignite Creative Design Agency
- Drift, SCCA, and additional programs
- Sell Out Related Activities
- Next Level

# Heat Map Next Level Dealers

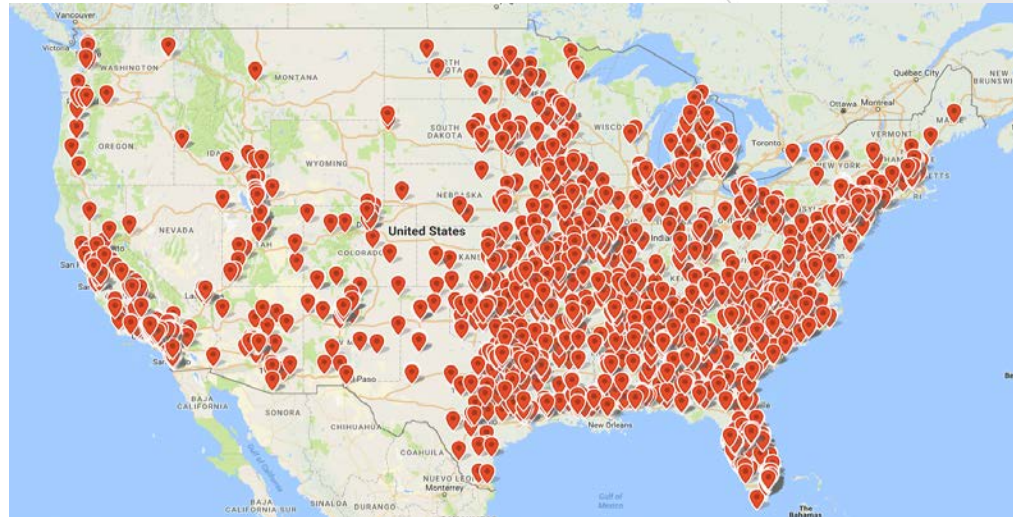
## GENERAL TARGET AREAS 2018

- Focusing marketing budget in major metro areas with high dealer concentration
- Maximize ROI and conversion rates

## TOP 10 METRO AREAS

(By State):

STATE	TOTAL
CA	513
TX	355
FL	292
PA	203
MO	184
NC	172
AL	168
GA	135
SC	114
MI	97



# ESPN Sponsorship (Radio and Digital)

Radio and digital media buys through ESPN.com which can be used to promote brand, products and promotions.

## NEXEN BENEFITS:

- Allows Nexen to target Male demographic
- High quality impressions tell Nexen USP
- Communicate message nationally
- Low cost for high impressions
- Promotes high frequency = brand recall
- Very successful with our dealer network
- Digital banners that click through to NexenTireUSA.com will help organic SEO rankings

## ASSETS:

- 80+ live reads weekly in 8 major markets
- Additional sponsorship of ESPN Vacation Getaway
- Community service sponsorship of L.A. youth clinic
- 500K+ forced watch :30 videos monthly
- 5 million+ digital banner impressions monthly
- ESPN Golf Tournament hospitality for dealer

**TARGET DEMO: Males 18-54**

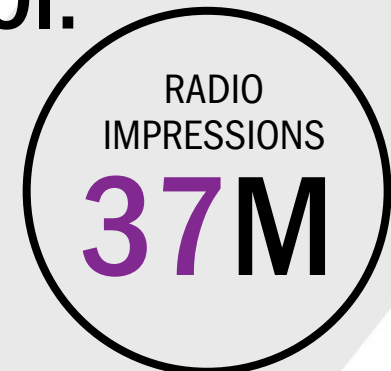
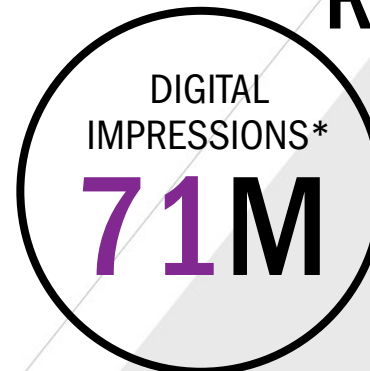
**89% WATCH** through rate on video

**\$4 CPM** on banner ads

\*Historical cost per impression: \$.0041



## ROI:



**IMPRESSIONS: 108 M**

# Streaming Radio PANDORA®

Digital media buys through Pandora radio streaming. Can be used to promote brand, product and/or promotions.

## NEXEN BENEFITS:

- Data-driven marketing allows Nexen to narrow target
- Primary target of females
- Drill down to used car owners only (3 - 9 years old)
- Best use of our investment to hot leads only
- Allows Nexen to communicate our unique selling point
- High impact and frequency for brand recall and elevation

## ASSETS:

- :15 radio message in multiple markets
- Supporting visual ad for click through
- Detailed analysis report of audience reached

**TARGET DEMO: Females 21-44**  
**\$15 CPM :30 radio commercial**

BUDGET  
**\$200K**

**ROI:**

UNIQUE LISTENERS  
**13M**

RADIO IMPRESSIONS\*  
**16M**

\*Historical cost per impression: \$.012

IMPRESSIONS: **137 M**

# Consumer Tire Giveaway

An industry standard which can be used to further promote the Nexen Tire brand or product through the consumer, dealer or influencer.

## NEXEN BENEFITS:

- Gets products to new and repeat customers
- Word of mouth advertisement
- Leverage giveaways in PR and advertisement

**TARGET DEMO:** General Consumer

BUDGET  
**\$30K**

**NEXEN**  
NEXEN TIRE

**WIN A FREE SET OF TIRES**

IMPRESSIONS: **137 M**

# Roadside Assistance

Providing customers the peace of mind that is expected with the “we got you” positioning statement.

## NEXEN BENEFITS:

- Supports Nexen’s brand positioning statement for 2018
- Collects customer information and vehicle information for future marketing campaigns
- Communicates manufacturing confidence
- Provides consumers peace of mind

BUDGET  
**\$200K**



**TOTAL  
COVERAGE  
WARRANTY**

**NEXEN TIRE  
“TOTAL COVERAGE” WARRANTY  
ROADSIDE ASSISTANCE PROGRAM**

Complimentary tire change roadside assistance for 3 years

Service available 24/7/365 throughout the US, Canada, and Puerto Rico

Activation required

Visit [NexenTire.RoadsideProtect.com](http://NexenTire.RoadsideProtect.com) to activate your benefits.

See reverse side of this card for details.

**NEXEN  
NEXEN TIRE**



**NEXEN** **TOTAL  
COVERAGE  
WARRANTY**

**NEXEN TIRE COMPLIMENTARY  
ROADSIDE ASSISTANCE PROGRAM**

Registration and Activation Instructions

Please visit [NexenTire.RoadsideProtect.com](http://NexenTire.RoadsideProtect.com) to register your tires and activate your Roadside Assistance Program. Registration must be completed within 45 days of purchase of your Nexen tires. You will need to complete all the required information on the form. If you require assistance with your registration, please call (888) 577-0366 (option 2) between 8:00am and 4:00pm PST Mon-Fri., 9:00am and 12:00pm PST on Fri. Once completed, you will receive an email with instructions to print your registration information. Keep this information in your glove box. When roadside assistance is needed, please call the number provided and follow the instructions to dispatch service to your location. Only the vehicle registered with Nexen Tire will be serviced under this program. Emergency roadside services are provided by Roadside Protect, Inc. through Signature's Nationalwide Auto Club, Inc. Roadside services are performed by independent service providers. Your roadside assistance is valid for three (3) years from registration. Service is limited to three (3) uses. Service will be valid three (3) business days from activation date. Your registration date will be printed on your information. Roadside assistance covers tire change with your inflated spare tire or a tow for two or more flat tires or an unavailble spare. Service is valid on passenger vehicles, vans, and light trucks only, no commercial vehicles.

Resale or transfer of these benefits is prohibited.

**TOTAL  
COVERAGE  
WARRANTY**

**NEXEN TIRE**

IMPRESSIONS: **137 M**



# Search Engine Optimization (SEO)

SEO is the process of gathering traffic from free, organic, editorial or natural search results.

## NEXEN BENEFITS:

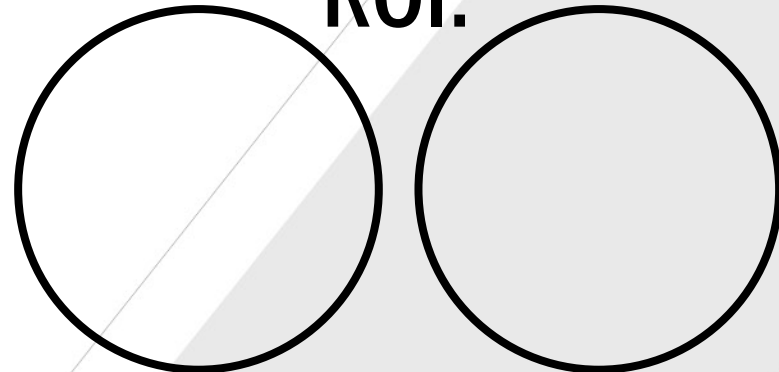
- Low cost results
- Increase of website traffic
- Boosted brand credibility / awareness
- Higher Google ranking
- Keep up with competition
- Access to greater data
- Results are longer lasting

## TACTICS:

- FPO

BUDGET  
**\$100K**

ROI:



IMPRESSIONS: **137 M**

# Search Engine Marketing (SEM)

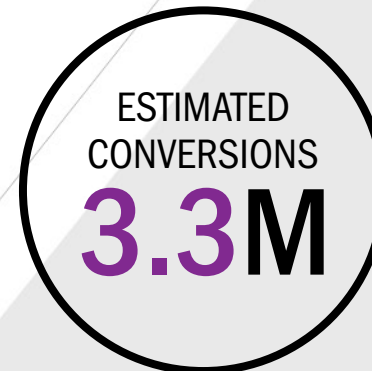
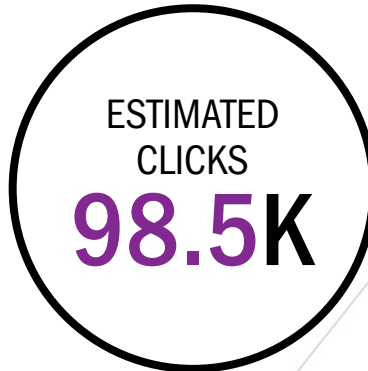
SEM uses paid search campaigns to increase brand visibility on popular search engines.

## NEXEN BENEFITS:

- Captures soft and hot leads at the right time
- Quick and easy to implement
- Measurable ROI
- Increase brand visibility and awareness
- Target specific audiences, areas, etc...
- Keep up with the competition



ROI:



IMPRESSIONS: **140.3 M**

# Grind TV- Action Sports



There are synergies between these activities that support our motorsports programs and it also adds credibility to the to the brand which influences the Original Equipment market.

## NEXEN BENEFITS:

- Lowest cost per impression sponsorship
- Primary demographic of millennials and families
- Low competition for VOC vs. tire manufacturers
- Organic marketing allowing Nexen to be a part of culture
- High impact and frequency for brand recall and elevation
- Cultivating a new generation of loyal Nexen consumers

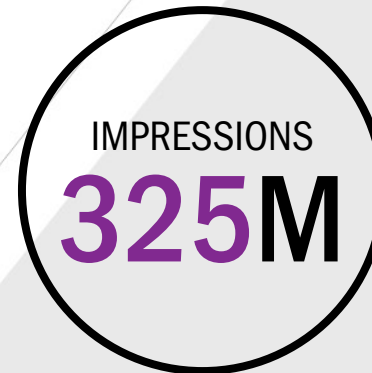
## ASSETS:

- Digital and social media for each genre'
- Print ads in each genre'
- On-site activation and experiential marketing events
- Online contests and social media sweepstakes
- Signage and sponsorship of major viral events (video)
- 120 page PPT deck outlining all assets

**TARGET DEMO: Active Families 16-44**



**ROI:**



\*Historical cost per impression: \$.00088

IMPRESSIONS: 465.3 M

# Video Production

Produce and develop video content to promote brand, product and/or promotions. Any video project will have a clearly defined set of goals and target audience.

## NEXEN BENEFITS:

- Content to leverage digitally on social media channels
- Content to leverage digitally on NexenTireUSA.com
- Sales tool for the salesforce
- Commercial spots
- Education of dealers, consumers, salesforce

BUDGET  
**\$150K**



IMPRESSIONS: **465.3 M**

# N'Fera Club

Lifestyle based club dedicated to unforgettable experiences and prizes for its members.

## NEXEN BENEFITS:

- Speaks to younger, more active consumer
- Nexen perceived as more than just a tire company
- Builds a database of consumers with profile information
- Ability to re-marketing to the database



IMPRESSIONS: 465.3 M

# YouTube Campaign

YouTube is the #2 search engine in the world and it offers a unique, low-cost solution for video advertisement at a national level.

## NEXEN BENEFITS:

- Data-driven marketing allows Nexen to narrow target
- Primary target of millennials
- Drill down to used car owners only (3 - 9 years old)
- Best use of our investment to hot leads only
- Allows Nexen to communicate our unique selling point
- High impact and frequency for brand recall and elevation

**TARGET DEMO:** Millennials 25-44

**60%** free watch first 5 seconds

**40%** watched video in full

**Blended** \$.04 per view video

BUDGET  
**\$500K**

**ROI:**

IMPRESSIONS  
**27.5M**

\*Historical cost per impression: \$.0127

IMPRESSIONS: **492.8 M**

# Dealer Co-Op Marketing

Nexen Tire will set aside funds allowing dealers and distributors to sponsor local teams, clubs, high schools and charitable events.

Dealers and distributors will be allowed to promote their location(s) along with Nexen Tire.

## NEXEN BENEFITS:

- Builds a strong relationship with your dealers
- Allowing dealers to become more involved in the community without the financial burden
- Great word of mouth through corporate social responsibility
- Can produce social media content at the global and local levels
- Creates social media content for Nexen and dealers



\*\$2,000 Co-op per Dealer

BUDGET  
**\$100K**

PARTICIPATING  
DEALERS\*

**50**

IMPRESSIONS: **542.8 M**

# PR / SNS Firm

A public relationship firm will be tasked to improve brand perception with consumers and industry. Right now, Nexen is 9<sup>th</sup> in tire volume but 30<sup>th</sup> in brand perception

## NEXEN BENEFITS:

- Additional market research
- Increased brand equity
- Program development
- Increased media exposure



BUDGET  
**\$200K**

IMPRESSIONS: **542.8 M**



# Custom Vehicle Build

To further Nexen's trendy and innovative brand perceptions, they will team up with a well-respected and known custom vehicle builder, Kenny. The custom vehicle will go on a road show, displaying at select dealers and distributors across the country.

## NEXEN BENEFITS:

- Expanded PR content which can be leveraged starting from the build
- Social media content
- Industry recognition

## ASSETS:

- Custom vehicle build
- Custom vehicle build content (video and imagery)

BUDGET  
**\$100K**



IMPRESSIONS: **542.8 M**

# MTX Launch, Motor Trend TV, Influencer

Nexen will be launching the new MTX tire in 2018 and this launch will be supported with TV and influencer exposure

## NEXEN BENEFITS:

- Brand awareness
- Product awareness
- Authentic review
- Original content

## ASSETS:

- Video content
- Influencer review
- POP

BUDGET  
**\$175K**



IMPRESSIONS: **542.8 M**

# HQ Marketing

Dedicated budget for HQ lead marketing initiatives

## NEXEN BENEFITS:

- TBD

## ASSETS:

- TBD



BUDGET  
**\$100K**

IMPRESSIONS: **542.8 M**

# Trial Tires for Customers (80 Sets)

Dedicated inventory of tires for marketing promotions

## NEXEN BENEFITS:

- Influence a new customer
- Strengthen an existing customer
- Greater perceived value than discounting
- Word of mouth

BUDGET  
**\$30K**

**NEXEN**  
NEXEN TIRE

**WIN A FREE SET OF TIRES**

IMPRESSIONS: **542.8 M**

# SEMA

SEMA is the largest after-market auto show in the US and is supported by a majority of the industry

## NEXEN BENEFITS:

- Launch new products
- Develop influencer content for following year
- 2017 review and 2018 plan with customers
- Investigate new business / customer opportunities
- Competitive review of new products / programs
- Sales leads

## ASSETS:

- Outdoor trailer display
- Indoor 10' display
- 2x ads SEMA magazine
- 2x meeting suites for NTA and Nexen Americas

BUDGET

**\$100K**

ROI:

ESTIMATED  
ATTENDANCE

**160K**

IMPRESSIONS: **543 M**

# Dealer Partner Days

Small/Intimate educational meetings performed at an off-site location with local dealers and distributors. Educational meeting is followed up with a fun group activity such as golf, wine tasting, etc...

## NEXEN BENEFITS:

- Puts Nexen Tire face to face with buyers, aiding in relationship building
- Allows Nexen to educate dealers and distributors on brand, new products, promotions, etc... in a more personal setting
- Makes dealers and distributors feel special
- Opportunity for sales
- Opportunity to display custom vehicle via Roadshow



BUDGET  
**\$200K**

IMPRESSIONS: **543 M**

# Dealer Training and Ride and Drive

Common practice in the auto industry, ride and drives offer both a unique experience with the brand and product and allows Nexen to provide hands on education.

## NEXEN BENEFITS:

- Strengthen dealer relationships
- Build new dealer relationships
- Brand and product education
- Real word testing
- PR material

## ASSETS:

- Dealer feedback
- Content (video and images)
- Additional product data

BUDGET  
**\$150K**



IMPRESSIONS: **543 M**

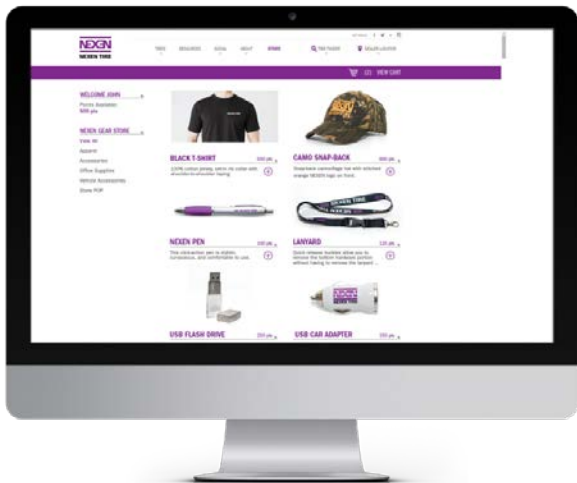
# Company Store and E-Learning

An educational portal will be developed housing brand, product and promotional educational videos for dealers, distributors and sales staff.

## NEXEN BENEFITS:

- One-stop shop for Nexen Tire educational videos
- Educate Nexen's dealers and distributors
- Educate Nexen's sales staff

## TARGET DEMO: Dealers and Distributors



BUDGET  
**\$450K**

IMPRESSIONS: **543 M**



# Trade Pubs- MTD, TB and TR

Nexen will continue their media buys in leading tire industry pubs.

## NEXEN BENEFITS:

- Stay top of mind at the dealership and distributor level
- Strengthen industry relationships with media
- Ability to showcase more technical aspects of brand and products



BUDGET  
**\$200K**

IMPRESSIONS: **543 M**

# Retail Shop Signs

In an effort to strengthen our relationship with top dealers, store branding signage will be offered to select locations. Signage will be co-branded Nexen Tire which will help establish brand recognition with local shop customers

## NEXEN BENEFITS:

- Strengthen relationship with dealers
- General brand recognition



BUDGET  
**\$300K**

ROI:

ANTICIPATED  
# OF STORES TO  
RE-BRAND

**35**

IMPRESSIONS: **578 M**

# Product Brochures and Event Signage

Leveraging our sponsorships through additional event signage and activation handouts.

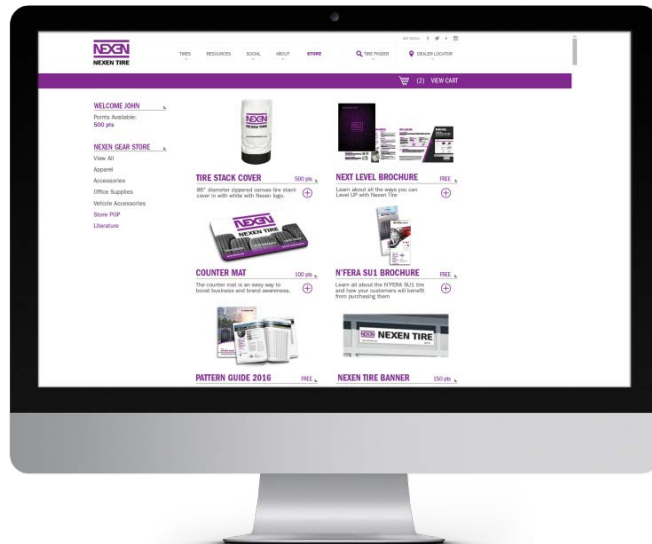
## NEXEN BENEFITS:

- Brand awareness
- Product education
- Authentic consumer and dealer connection through physical presence

## ASSETS:

- Misc. brand and sales materials

BUDGET  
**\$150K**



IMPRESSIONS: **578 M**

# Year End Gifts to Customers

Nexen supports select customers through end of year gifts.

## NEXEN BENEFITS:

- Company perception
- Strengthen and builds relationships



BUDGET  
**\$25K**

IMPRESSIONS: **578 M**

# Additional Activities

Marketing and trip Support for Wholesalers

Ignite Design and Advertising:

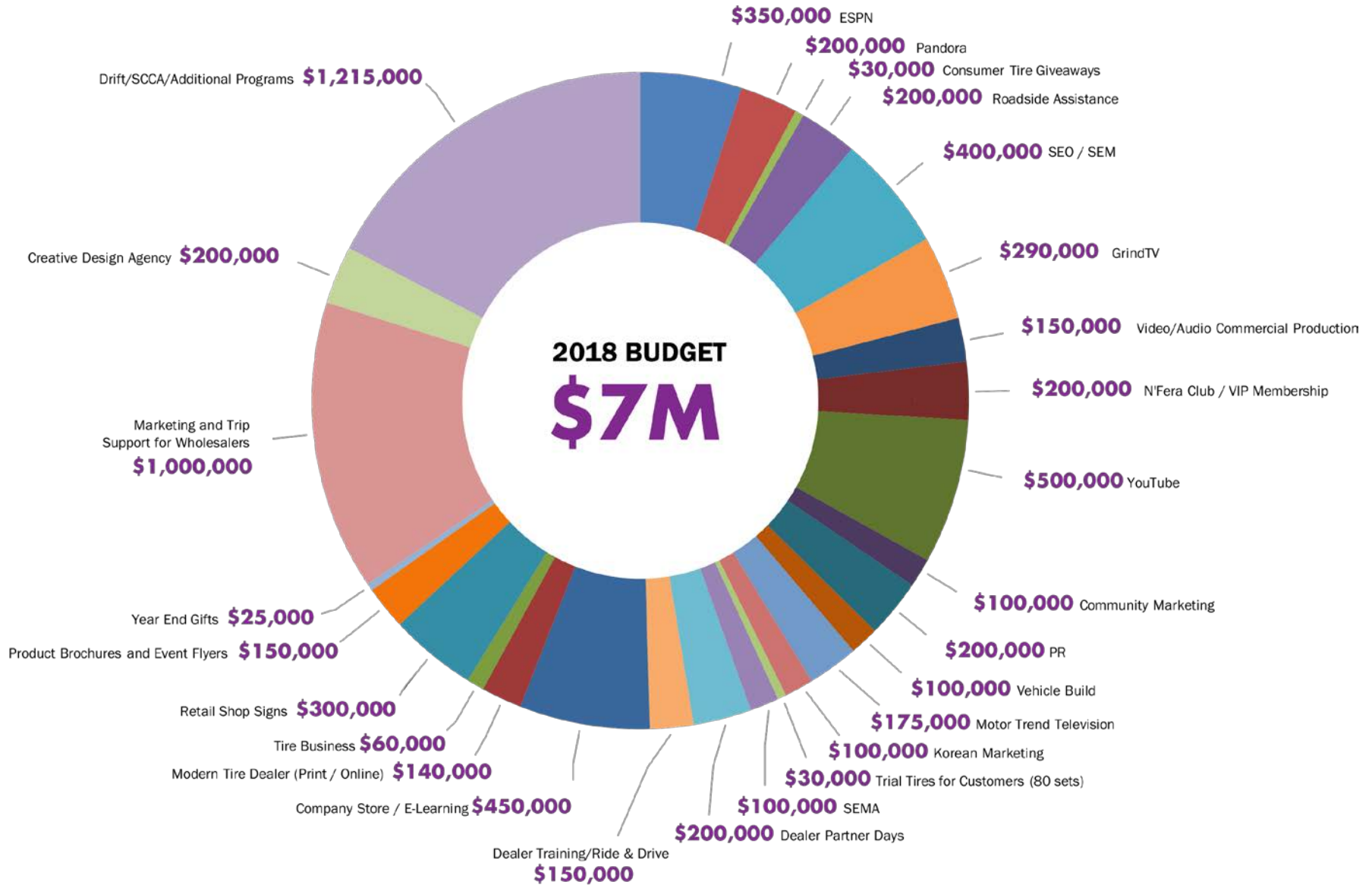
- Strategy and Planning
- Creative development (digital and print)
- Content development (photography and video)

Drift, SCCA, and additional program sponsors

Next level program

- Dealer bonuses on unit sales

# Summary of Tactics





**Thank You**