Goizueta Marketing Strategy Consultancy (GMSC)
Client Case Study
AT&T

Written July 2015
**Project Dates**
January 2015 - May 2015

**Project Background**
AT&T is a multinational telecommunications company headquartered in Dallas, Texas. It is the second-largest wireless voice and data carrier in the United States behind Verizon Wireless. AT&T has about 120 million subscribers and its 4G LTE network covers 99% of the US population. AT&T provides a wide range of wireless services and is expanding into diverse areas such as home solutions and connected cars in conjunction with its parent company. This project was specifically for AT&T Mobility, the largest wholly owned subsidiary of AT&T focused on wireless services.

AT&T has historically been a market leader within the Hispanic/Latino population; a population that is large and growing at a faster rate than any other ethnic group. Their buying power is quickly increasing and they are heavy users of mobile data, making them an attractive segment for AT&T. However, AT&T has been losing market share within this segment to competitors, particularly T-Mobile. The key question AT&T proposed to GMSC for this project was: How can AT&T reduce churn and gain market share among the Hispanic/Latino population in the United States?

**Research and Analysis**
The methodology for the project included a formal research process. GMSC first defined the problem and key question, developed an issue tree and created a research work plan. Through extensive primary and secondary research analyses, the team identified fundamental consumer and market insights to build a strategic recommendation for AT&T. Secondary research was conducted by reviewing reports and data from sources such as Nielsen, Pew Research Center and EthniFacts, AT&T’s partner research consultancy. Primary research included in-depth interviews with experts and consumers, as well as a survey generating over 1,700 responses.

**Recommendation**
The GMSC team recommended that AT&T target Ambicultural millennials (those who identify as equally Hispanic and American) and position AT&T as a trusted cultural enabler through ethnically diverse general market campaigns in Hispanic-dominant cities.

In addition, the GMSC team developed an approach to general market campaigns for Hispanic/Latinos. The implementation plan has short-term and long-term impacts for the business and includes elements such as messaging, promotion, in-store experience and partnerships.

**Message**
AT&T’s rollover data messaging resonates best with Ambicultural millennials, followed by messaging about network quality. When surveyed, the top three performing AT&T messages among Ambiculturals were:

- Rollover data – the data you don’t use this month rolls over to the next month
- Get 3 lines, unlimited talk and text, 7 GBs of 4G LTE data for $120 – and Rollover Data to share
- AT&T the Nation’s Most Reliable and now the strongest 4GLTE Network
Promotion

Traditional media is still key in communicating the message. While Ambicultural millennials do still watch some Spanish language TV, they spend most of their TV viewing time on English cable and broadcast networks. Additionally, radio is still important and AT&T can leverage this to foster a sense of community and build loyalty because radio is a way to be hyper local.

Beyond media outlets, AT&T should look to enlist a number of brand advocates to speak about AT&T. Preferably, these advocates will be current AT&T users. Their backgrounds reflect the ethnic diversity of the United States. For Ambicultural millennials, specifically, the advocates should be personalities that the Ambicultural millennial population can relate to.

These advocates do not need to be traditional celebrities (i.e., actors, athletes, etc.); instead, they should be normal individuals who have been able to establish a strong following (i.e. YouTube stars, Twitter personalities, etc.). One example is Bethany Mota (18). Bethany grew up in a Mexican/Portuguese household in California. She rose to fame through YouTube and now has over 8 million YouTube subscribers and over 2.4 million Twitter followers.

In Store

There are two venues for the in-store experience: online store and brick-and-mortar. First, pointing back to the high use of the mobile web browsing over mobile apps, the mobile web store should have a seamless interface that is easy to use. GMSC recommends using mobile ads that drive to the mobile store. This is an improvement that will increase engagement with Ambicultural Millennials and also increase overall satisfaction across all segments.

Secondly, GMSC found that Ambicultural millennials are more likely than the general market to visit a retail store. Similar to the mass media creative, the point-of-purchase signage should have a similar representation of diverse talent to replicate the feelings of Ambicultural millennials. If there are specific regions that have a large Hispanic/Latino population, the signage should not be strictly in Spanish, but it should highlight the bilingual nature of Ambicultural millennials, and the copy should go back-and-forth between both languages. AT&T has done this in the past, but pairing it with diverse talent will be most effective.

Another way to create a strong in-store experience is to have the associates who can speak Spanish indicate that on their nametags. If customers know in advance that the associate speaks Spanish, there is an added level of comfort and an opportunity to opt-in to a conversation in Spanish. Something as simple as adding a mention on a nametag will enhance the overall Ambicultural millennial experience.

Partnerships

GMSC found that Ambicultural millennials respond well to partnerships: celebrities, websites, and national and local events.

Celebrities are significant for all Hispanic/Latinos; however, when addressing Ambicultural millennials, it is important to align with celebrities that are similar to them; no different when sourcing for brand advocates. The ideal number of celebrity endorsements is three. Some examples of potential celebrities that fit the criteria are Aubrey Plaza and Omar Gonzalez. Aubrey Plaza (30), Parks and Recreation star, is of Puerto Rican, English, and Irish decent. Omar Gonzalez (26) is a member of the United States National
Soccer Team and the Los Angeles Galaxy. He is a dual citizen in Mexico and the United States. As a dual citizen, Gonzalez chose the United States when presented with the opportunity to play for either the Mexican National Soccer Team or the United States. Both Aubrey Plaza and Omar Gonzalez have unique stories that fit the criteria to be spokespeople for AT&T to talk with Ambicultural millennials since they bring their own heritage to their respective lives and professions.

**Client Comments**

I was very impressed by how the team learned what each team member's strengths were and set themselves up to be the most effective. I could absolutely tell that they found their groove and learned where everyone should "play" about a month into the project. Conclusions were great and thought provoking. We will use the results now to impact business decisions. I can honestly say the recommendations from the team were just as good as I would get from professional insights companies. Working with this team was fantastic experience. I hope AT&T is lucky enough to get a few of them!