

Campaign Title: Everybody Connects (Lexus TX)

Award Designation and Category: GOLD: Automotive, GOLD: Multicultural

Year the campaign took place: 2023



Brand: Lexus

Affiliated Companies: IW Group Inc., GP Generate, 7th Sense Research, Ahzul, Angelo & Associates, GC Global Research, Kantar, MarketCast, Nexxt Intelligence

Summary of the marketing challenge, methodology, insight discovered, creative execution and business impact.

Challenge: In 2023, Lexus introduced the first-ever Lexus TX—a luxury SUV designed to redefine family adventures with its spacious third row, amenities, and personalized touches, setting a new standard for travel in style and comfort. This launch was particularly significant as Lexus had not previously offered a true three-row SUV, prompting Asian American consumers to consider well-established competitors like the Acura MDX, Audi Q7, and Volvo XC90.

Methodology/Insight: IW Group aimed to create a campaign that resonated with modern, diverse Asian American Millennial families. Extensive research revealed that this audience highly valued shared experiences with loved ones and ample vehicle space. They also showed an 88% consideration rate among Asian Americans—making the Lexus TX a perfect fit.

Creative Execution/Impact: Building on these insights, IW Group developed an integrated campaign tailored to both native-language and English-speaking Asian Americans. The campaign effectively showcased how Lexus allows modern Asian American families to connect in the Lexus TX, while highlighting its impressive features and advanced technology—catering to both the desires of Asian American consumers and aligning with their values. This resonated deeply, aligning with a surge in sales and solidifying the Lexus TX's position as a top choice in a competitive space.



Consumer Insight

Asian Millennial families feel energized by shared experiences and Lexus TX is the true luxury three-row SUV that fosters connection.

Marketing Challenge

For years, U.S. consumers voiced dissatisfaction with Lexus not offering a true three-row SUV. They urged the brand to develop a vehicle capable of comfortably accommodating all passengers. In 2023, Lexus responded to these long-standing demands by launching the first-ever Lexus TX—a three-row SUV that seamlessly integrates ample space with cutting-edge technology and luxurious features. **This marked a significant departure for Lexus, entering the luxury three-row SUV market and challenging well-established competitors that Asian Americans gravitated towards, like the Acura MDX, Audi Q7, Volvo XC90, and others.**

The Lexus TX is not just another SUV, but a luxurious vehicle designed to redefine family adventures. With its spacious third row, amenities, and personalized touches, it promises a comfortable yet dynamic ride for up to seven passengers, catering to various needs such as school events, doctor's appointments, family gatherings, weekend getaways, etc.

National trends also revealed a unique pattern among Asian Americans: a higher percentage of Asian Americans are living in multigenerational households compared to the Total Population. This highlights the need for a vehicle that accommodates diverse family dynamics and reflects their sleek and modern lifestyle. Recognizing the importance of the Asian American consumer market, Lexus and IW Group conducted extensive research, revealing that 88% of Asian American consumers considered the Lexus TX their top choice over other similar competitive vehicles—a preference that far-surpassed other target audiences. Furthermore, for Asian American families, their SUV serves as more than just a form of transportation—it is a conduit to meaningful experiences shared with loved ones. **Thus, introducing the Lexus TX to Asian American consumers means tapping into their desire for luxury and versatility, all while honoring their collectivistic culture, tradition of shared experiences, and familial bonds.**

Methodology

Together with Lexus and various research partners, IW Group implemented a comprehensive research program that utilized both qualitative and quantitative methodologies to gain valuable insights into Asian American consumers' mindset, their vehicle wants and needs, brand perceptions and associations, and more. The research consisted of multiple phases designed to provide a nuanced understanding of Asian American consumers at every step.

Exploratory Research: Through online communities and one-on-one interviews, IW Group sought to uncover initial consumer behaviors, motivations, lifestyle choices, perceptions of current and competing vehicles, and automotive expectations. This research phase also aimed to gauge reactions to the first-ever Lexus TX and establish a foundation for further research.

Marketing Clinic and Focus Groups: Next, the Marketing Clinic allowed consumers a hands-on experience with a prototype of the first-ever Lexus TX by allowing them to walk around and interact with Lexus TX vis-a-vis key competitors. Through a tablet survey, they were then asked to provide detailed ratings and feedback on the vehicle's features (e.g., color, preferred angles, interior/exterior features, etc.). Articulate and thoughtful participants were then invited to join focus groups where research moderators delved deeper into their responses and gauged their reactions to three potential marketing positioning statements. This research helped IW Group develop a comprehensive buyer profile, vehicle needs and wants, potential strategic directions, etc.

Consumer Context Research: This phase of research sought to create a comprehensive profile of media and lifestyle motivations for Asian American consumers. It aimed to help IW Group gain a deeper understanding of consumer motivations and inspire compelling creative ideas and messaging that could effectively target relevant media channels.

Social Media Listening: Finally, to strengthen the Asian strategic POV, IW Group tapped into unfiltered social media conversations among Asian American consumers about their lifestyles, pain points, and stories to further bring the consumer to life.

The comprehensive research program revealed that the first-ever Lexus TX was a home run and received the highest interest among the Asian American audience, further highlighting its importance to this segment. The vehicle also garnered positive reviews primarily due to its spacious third row, which offers connection possibilities. Quotes from research participants further supported these findings:

"When you drive your parents, you don't want them to feel uncomfortable. You don't want to give them aches and pains and you don't want them to say, 'Why am I here?'"

"I feel excited because I can see us traveling in this vehicle for long-distance trips...trips that take multiple days across state lines...comfort is very important and this would allow us to do that with ease."



"This gives me flexibility. I can use it to move furniture or buy something big or go camping in Death Valley. You don't get good food there, and since we are also vegetarians, we need to cook our own food. So, we need space for all the stoves, the spices, the coffee machine...we can pack everything in the car and don't have to buy food."

Based on the research findings, an Asian American strategic POV—"Lexus TX is the true three-row luxury SUV where everybody connects"—was created. This perspective emphasized Asian collectivist culture, and how this audience is energized to share in the same experiences with their family and friends, the Lexus TX is the perfect conduit and binding agent to meaningful experiences with those they love.

The strategic platform and manifesto provided the guiding principles for creative development, capturing the essence of the Asian American audience's aspirations, values, and connection to the Lexus TX as a vehicle that allows and makes it possible for Asian American consumers to connect.

Creative Execution

IW Group sought to celebrate modern Asian American families and life's series of moments — the big family celebrations, the intimate conversations, and the epic adventures we dream about and actually take. The Lexus TX, with its best-in-class space, luxury, technology, and safety, allows Asian consumers to connect like never before.

So, backed by a \$1.2 million media budget, IW Group developed a fully integrated launch campaign featuring original creative content tailored specifically for native-language and English-speaking Asian Americans.

To make the ads even more nuanced for Asian American audiences, IW Group developed an East Asian-focused spot (for Chinese and Korean audiences) and an Asian Indian-focused spot. From research findings, East Asian audience tends to have smaller nuclear families, and the spot focused on the multifaceted nature and needs of the family. For Asian Indians, the work focused more on the family dynamic in a large extended Asian Indian family and community.

- **The East Asian spot called "VVIPs":** The audience is introduced to very stylish Asian characters in an action thriller with their Lexus TX. IW Group reveals that this thriller is being shot by a teenage student director and that his family is helping him with his film. "VVIPs" showcases how the luxuriousness of the Lexus TX brings the family members together and encourages them to be unapologetically themselves.

- **The Asian Indian spot called “Here”:** In this commercial, the audience sees the lively traditions of Indian family members and their Lexus TXs as they prepare for a big modern Indian wedding. “Here” showcases how the spaciousness, luxury, and technology of the Lexus TX help Indian families connect during all the important moments in life.

Beyond television spots, IW Group extended the campaign to digital and social platforms. Lexus partnered with Asian American influencers to create a comedic sketch highlighting the different familial roles, responsibilities, and personalities of each seat and row in the Lexus TX. The sketch displayed family connections as they playfully engaged with each other, showcasing their affection and comfort. This pan-Asian sketch illustrated family dynamics while highlighting the Lexus TX's features.

The Lexus TX campaign also embraced cultural holidays, celebrating significant events like the Mid-Autumn Festival, Chuseok, and Diwali. These cultural campaigns aimed to strengthen brand resonance with diverse Asian American audiences by highlighting Lexus' commitment to authenticity and cultural appreciation.

Business Results/Lessons Learned

The campaign set out with a couple of primary goals for a first-ever vehicle, which it not only met but exceeded!

1. **Generate Awareness** by introducing the first-ever Lexus TX three-row SUV in the Mid Luxury SUV category, focusing on attracting young, multicultural consumers (goal: 50% awareness levels).
2. **Establish Market Share** by capturing market share in the growing Mid Luxury SUV category (goal: 8% market share).

These objectives saw remarkable success, evident in the following impressive outcomes:

- **Sales Impact:**
 - Asian American consumers emerged as leaders in ethnic registrations, commanding 18% market share and surpassing all other key multicultural segments.
 - Among younger Asian American consumers (under 45), the Lexus TX captured an even more impressive market share of 21%.
 - Within the competitive Mid Luxury SUV model category, the Lexus TX secured a notable position, ranking as the seventh most popular vehicle out of 29 competitive models—a commendable feat considering the new-ness of the vehicle and the model category's competitiveness and size.

- **Brand/Model Health Impact:**

- Beyond driving sales, the campaign significantly bolstered brand and model perceptions among the intended target audience. Rigorous ad testing revealed substantial growth in key performance indicators and objective metrics (after a period of precisely targeted media).
 - Model Awareness outpaced objectives at 61% and increased by +4 points vs. the pre-campaign period.
 - Model Consideration was 88% and increased by +6 points.
 - These figures position Lexus far ahead of its core competitors (e.g., Acura MDX, Audi Q7, Volvo XC90). This also ensured that the first-ever Lexus TX stood out in the market.
 - Strategic brand perceptions among Asian Americans also experienced significant improvements, outperforming key competitors on metrics like: “Has technology that is intuitive and easy to understand” (+7 points).
 - Asian American consumers also encountered Lexus more in the post-campaign period both online and offline—outpacing the mass market.
 - Brand website (+5 points), dealer website (+7 points), Word-of-Mouth (+19 points), on-the-road (+12 points), and at the dealership (+8 points).

- **Consumer Impact:**

- The targeted ads excelled in Cultural Relevance and Inclusivity metrics among Asian American audiences. In particular, Kantar noted that the Asian Indian spot “‘Here’ knocked nearly all ad metrics out of the park” compared to other Lexus TX ads, and they observed some of the highest scores they’ve ever seen among this audience. Verbatims from research emphasized how the spots resonated with the audience.
 - *“I loved the Indian culture incorporated into the ad.”*
 - *“I like how the characters embrace our culture.”*

- **Media Impact:**

- TV, Digital, and Social were used to establish a strong presence on leading-edge in-language streaming content, boosting new model awareness and reaching Asian audiences across devices, driving users to the Lexus TX landing page.
- The media strategy and execution successfully delivered a total of 117.7M impressions across channels and met or exceeded overall channel benchmark KPIs.
 - TV delivered 1,350 total spots, with 639 bonus spots valued at over \$111.4K.
 - Digital Display placements garnered an overall Cost Per Delivered Traffic (CPDT) of \$5.15, outperforming the benchmark by 53%.



- Streaming/CTV placements generated an overall high Video Completion Rate (VCR) of 98%.
- The paid social campaign reached 8.8M+ unique users and exceeded planned delivery by 89%.

The overall results leave no doubt about the profound connection consumers formed with the campaign and highlight the significance of culturally nuanced advertising and storytelling. The tangible results, such as increased registrations and heightened brand/model perceptions, underscore the campaign's impact. This achievement is particularly noteworthy for the Asian Indian audience, who rarely see themselves authentically represented in US advertising. Kantar acknowledged the rarity of such overwhelmingly positive ad results, further underscoring the impact and resonance of the campaign.

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