

A CHALLENGING PRODUCT INTRODUCTION A Triad Case History

How Triad and Alcoa Oil and Gas worked together for the successful launch of the company's aluminum drill pipe.







47

kNm - Off-bottom torque (light

Drill farther with existing ass information, go to AlcoaOil

15,4200 FT.
Projected depth using steel drill pipe

Drill over 20% farther with lightweight Alcoa drill pipe.

In a recent offstore drilling application, lightweight Account of the pipe.

In a recent offstore drilling application, lightweight Accounting the demonstrated a 30% improvement in eff-bottom torque compared to conventional steel drill pipe. This reduction in torque allowed the operator to drill faither with existing drilling assets, and to access new reserves, which were previously unreachable using conventional steel drill pipe.

Drill farther with existing assets. Drill more complex wells. Go farther with lightweight, high-strength Alcoa drill pipe. For more information, go to Alcoa0ilandGas.com, or email to info@Alcoa0ilandGas.com.

ALCOA OIL & GAS

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Go Farther."

Introducing a New Product into a Risk-Averse Market

The oil and gas market is particularly conservative and extremely slow to embrace new technology. This reluctance to accept new technology is particularly strong in product areas where failure could cost millions of dollars.

Together, Triad and Alcoa Oil and Gas were challenged by the issue of gaining the oil and gas market's acceptance for what was considered a new technology, Alcoa's lightweight aluminum alloy drill pipe.

The Competition

This advanced drill pipe not only faced the issue of being new technology, it was also competing with a number of conventional drill pipe options. Typically, drill pipe was fabricated from mild steel, which was significantly less expensive than Alcoa's drill pipe. The performance of this pipe was consistent and predictable. For drilling applications where very high levels of heat, pressure, or corrosive elements were present, there were other proven, though very expensive, options.

Understanding and Selling the Benefits

The first order of business in marketing this aluminum drill pipe was to overcome both the "new technology" stigma and the "habit buy" of mild steel. Both Alcoa and Triad understood that it was critical to the marketing and sales effort that the benefits of Alcoa's aluminum drill pipe be identified and clearly communicated, so that the market could "see" the benefits of this product, instead of just the "risk."

Foremost, Alcoa aluminum drill pipe offered a very impressive strength-to-weight ratio. This pipe provides drilling contractors with the ability to extend the scope of weight-limited offshore drilling rigs, based on the fact that its lighter weight puts a great deal less weight stress on the rig than does conventional steel pipe. In addition, this aluminum pipe was also far more corrosion resistant than conventional steel.

Using Facts to Overcome Risk and Create Market Interest

To prove the value of its aluminum drill pipe, Alcoa ran trials of the pipe in applications that the industry would recognize as demanding. Using data generated from these trials, Triad created a "numbers" campaign, which focused on real-life performance metrics. The outstanding performance of the aluminum drill pipe, as detailed by the "numbers" headlines, created a real sense of credibility for the pipe. These numbers also generated significant market interest, providing potential buyers with additional confidence when considering aluminum alloy drill pipe as a legitimate option.

The Conclusion

The "numbers" ad campaign generated significant interest within the offshore drilling market and delivered leads that translated to pipe sales. Soon after the success of the "numbers" drill pipe campaign, Alcoa made the strategic decision to exit the oil and gas business and focus on its core markets. However, the success of the drill pipe campaign and the pending jobs significantly increased the price that Alcoa was able to negotiate when it sold the division.

All three of the "number" campaign ads that Triad developed were awarded with "Most-Read" designations by World Oil magazine via readership studies.

GET IN TOUCH

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