

Wrapclub start-up coming of age

# Taking car advertising to the next level

By Sonja Angerer



The Wrapclub community already featured several local campaigns (photograph S. Angerer).

**Although common on commercial and community vehicles, car advertising has never really been used on private cars to any significant level. A Munich start-up wants to change this though and has devised some clever solutions to make this type of advertising more attractive to drivers and brand owners alike.**

Wrapclub founders, Marat Yakupov and Alexander Simonov, met at a Munich driving school whilst taking lessons to acquire a German driver's license. Being Russian they soon agreed that "compared to Russia, the outdoor advertising market in Germany is still underdeveloped," Marat Yakupov explained.

## Financial background

Having studied business administration, they were already working in the financial sector at the time and their new idea quickly took shape. After being accepted by the Strascheg Center for Entrepreneurship in Munich (part of the Munich University of Applied Sciences), they started working with their new company mid

2016. The Wrapclub App finally went live in September 2016, coming third in the prestigious Strascheg Awards a month later and earning them not only 2,000 euro, but also 6 months' professional business training.

## Car advertising for Millennials

The idea of using cars as movable advertising spaces in city traffic and rewarding private individuals for driving them is not exactly new. The Austrian Formula 1 world champion, Niki Lauda, launched his LaudaMotion service, which rented out Mercedes Smart cars wrapped in advertising at very competitive prices, back in 2003. However, it quietly disappeared and is now long gone. Alexander Simonov commented: "There have been services such as ours before, but they were rather amateurish and not very well organised. Our App gives brand owners and drivers a sense of reliability and accountability in real-time." Wrapclub is based on a different approach. It still rewards drivers, but they have to present their car first and it has to be in good shape and not registered before 2008.

## Driver community

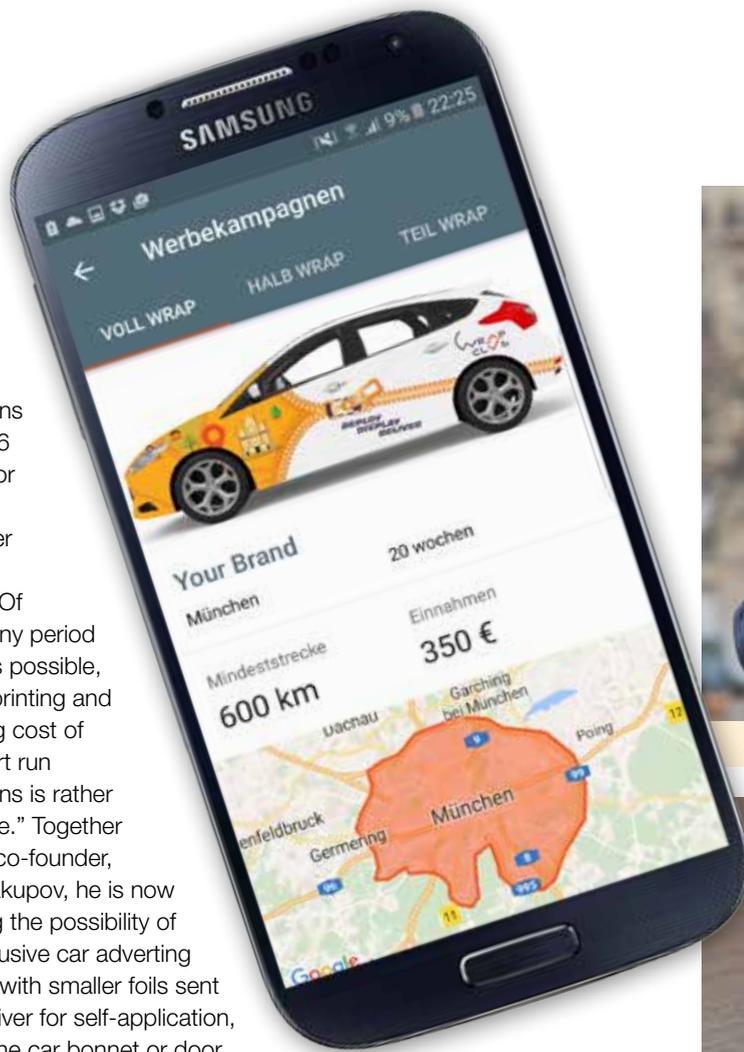
Using the sharing economy model preferred by Millennials (and many other demographics), Wrapclub aims to establish a community of drivers, whose members register via an App on Android or iOS. Submitting details and images of their vehicle and information about their daily driving routine, drivers can apply for advertising campaigns, for which they will be paid up to 300 euro/month. Once accepted for a campaign vehicles in Bavaria are sent to Folienkonzept.de (Munich car wrapping company), where the wraps are applied and later, when the campaign is finished, removed professionally. Drivers do not incur any charges for this service.

## Self-applied foils

Folienkonzept.de now mainly uses Avery Dennison foils and over-laminates for Wrapclub orders. Other professional car wrapping services are available across Germany. "We recommend a full vehicle wrap for



Marat Yakupov, one of the Wrapclub founders.



campaigns of up to 6 months or more,” Alexander Simonov added. “Of course any period of time is possible, but the printing and wrapping cost of very short run campaigns is rather excessive.” Together with his co-founder, Marat Yakupov, he is now exploring the possibility of less exclusive car advertising options, with smaller foils sent to the driver for self-application, e.g. on the car bonnet or door. Another idea currently being considered is a system that would ask drivers of wrapped Wrapclub cars to complete simple tasks such as driving or parking in certain locations or to interact with spotters for social media coverage. This could be particularly lucrative when advertising at, or near, special events such as high-profile sports championships or music festivals.

The Wrapclub App for iOS and Android went live in September 2016.



Alexander Simonov met his co-founder, Marat Yakupov, at a driving school.



When wrapped and featuring a campaign, Wrapclub cars are tracked via a GPS module. Photo: S. Angerer

### Media performance tracking

Approximately 15,000 drivers across Germany have already signed up with Wrapclub. Initial campaigns with brand owners have been launched successfully, but of course the company's founders are hoping there's much more in the pipeline. In fact their inclusive solution offers a benefit many of their predecessors struggled with – trackability. Thinking about it a children's wear manufacturer would not find much of an audience in a city's student quarter, or a travel agency specializing in adventure trips would probably not be appreciated much in a suburb with a young family demographic. Both brand owners would also not like a car wrapped with their advertising to stand idle in a garage for days. “We want to give brand owners a new advertising medium they can trust and at the same time give car owners the opportunity to pay for their car” Marat Yakupov emphasised.

### Easy solution

A solution, easier than one might expect, comes in the form of a GPS module readily available on the market and used, for example,

to track individual vehicles of larger commercial fleets. It works with the OBD-2 slot most cars sold after 2001 in the EU are equipped with and is relatively cheap – approximately 40 euro per unit. A driver applying for a Wrapclub campaign can then validate his daily route via GPS tracking. The basic data is combined with a commercial database for geo-based marketing, making it possible to extract the gross coverage and calculate a 1,000 contact price in accordance with accepted industry standards. “Using our system advertisers no longer have to rely on guesswork, but can monitor and manage their campaigns in real-time,” Marat Yakupov concluded. The Wrapclub idea has been warmly received by leading media agency networks and Wrapclub claims to have already struck several media broking deals. As the business matures and its founders feel ready for the big-time, they are looking for material and technology partners and additional funding to finance growth. •



Wrapclub was accepted by the Strascheg Center for Entrepreneurship in Munich (part of the Munich University of Applied Sciences) (photograph S. Angerer).