Edna's Cookies: Marketing Communication Plan

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In the following outline, the recommended Integrated Marketing Communications Planning Model for Edna's new cookie business will be described. This outline will introduce the framework to guide Edna in her marketing strategies by examining the promotional mix elements, strengths, weaknesses, and any external factors involved with her effort to create awareness and a specific brand image for her company.

REVIEW OF MARKETING PLAN

Before creating a marketing plan, Edna must sit down and envision how she sees her cookie business entering the market and how she will ultimately achieve her goals. The value of planning and reviewing objectives of any project should never be underestimated as this process will establish a structured outline for how Edna will best reach her target market to achieve the maximum level of success. Edna's marketing plan should consist of a document that contains a detailed description of the overall marketing strategy which provides analysis of the advertising and promotional mix components that will be utilized (Belch & Belch, 2012).

Edna's marketing plan should be constructed into five separate sections, which include:

1) An analysis of both marketing audit and review (internal) and market competition and environmental factors (external).
    a. Edna must consider other local bakeries and stores in her area that make cookies as well, and determine how to differentiate her business. Environmental factors such as the demographics and culture in her neighborhood must be carefully examined.
2) A time frame for each promotional mix element and a method for evaluating performance.

a. Edna must determine when she will introduce each element of the promotional mix and how long to utilize each element. By reviewing the amount of cookie sales over a given time period, Edna will be able to determine which promotional mix elements are succeeding and which are failing to attract more customers.

3) A marketing strategy for each target market and a plan for each of the Four P's of the marketing mix (Price, Product, Place, Promotion).

   a. Edna's target market will primarily be towards parents who have children, and she must devise a marketing strategy tailored to those individuals. Edna's cookies will likely be attractive to other target markets as well, so she will need to implement changes in her marketing strategy depending on whom the target market is.

4) A program for introducing the marketing plan which defines specific tasks to be accomplished.

   a. A few specific tasks that Edna must perform include creating a company webpage and social media accounts, offering sales promotions for first-time customers, and posting advertisements in the school she currently tutors at.

5) A performance monitoring system that provides feedback in regards to any necessary changes that should be made.

   a. Edna must devise a system or method of evaluating the performance of her marketing campaigns in order to determine where the problem lies if the campaign is not successful, and which methods seem to be most effective and efficient.

PROMOTIONAL PROGRAM SITUATION ANALYSIS

Internal Analysis

According to the authors Belch and Belch, an internal analysis reviews all relevant areas related to the product offering and the company itself. Internal analysis shows the relative advantages and disadvantages of performing the promotional functions in-house instead of hiring an outside agency, in addition to revealing the strengths and weakness of the new business (Belch and Belch, 2012). After performing an internal analysis for Edna's cookie business, the strengths and weakness are as follows:

Strengths

- Creating product awareness with various promotional programs
- Building relationships with customers
- Creating a strong local brand image
- Reducing costs lots by avoiding the hiring of an outside advertising agency

Weaknesses

- Lack of parameter measurements
- Low promotional budget
- No previous small business experience

External Analysis

External analysis showed many opportunities, but also some threats to the new business. After performing an external analysis for the Cookies' business, the following opportunities and threats were determined:

Opportunities

- Local market is open to new products
- The cookies are already well known in the community

Threats

- Sluggish economy

- Other competing businesses in the same industry

COMMUNICATION PROCESS

As for the communication strategy, creating a clear message is essential. The message should inform the target market about the new product and be communicated in the brand image. Edna should be utilizing a communication strategy to persuade customers to buy her famous cookies.

In order to communicate the message, communication channels such as word-of-mouth and mass media should be utilized. According to Belch and Belch, mass media is a nonpersonal channel of communication as it carries a message without any contact between the sender and receiver (Belch & Belch, 2012). The communication channel is able to send a message to many different individuals at one time.

Broadcasts and printed messages are two examples of mass media that Edna should consider utilizing. As for nonpersonal communication channels, Edna should consider utilizing TV, radio, newspapers and direct mail. When considering personal channels of communication, Edna could use the Internet to relay her communication message to consumers, which would provide a platform for Edna to directly communicate with her customers. Edna should also consider utilizing Facebook and Twitter as this would provide another avenue for her to communicate with her customers. Nonpersonal characteristics of mass media are reflected in the case where consumers use information about a product or service provided on the Internet, and avoid interaction with the marketer (Belch & Belch, 2012). To increase awareness about her cookies, Edna should certainly consider utilizing word-of mouth and mass media communication channels.

BUDGET

Although a comprehensive analysis will not be conducted for the budget allocation of Edna's promotional strategies, a brief overview and estimation of the funds required will be discussed. The budget must be determined before proceeding with implementing specific marketing strategies, but likely will not be finalized until the actual development of promotional strategies (Belch & Belch, 2012). In the table below, the budget allocation is outlined:

ESTIMATED MONTHLY COSTS		
	Cost/Quantity	**Total Cost**
Baking supplies/ingredients	$3.50/dozen 900 dozen/month	$3,150
Packaging supplies	$0.50/dozen 900 dozen/month	$450
Promotional: Ink cartridges	$43/combo pack 5 combo packs/month	$215
Promotional: Copy paper	$42.50/box (500 sheets) 2 boxes/month	$85
Gas	$40/fillup 12 fillups/month	$480
Oil change	$20/oil change 1 oil change/month	$20
		TOTAL: $4,400
OTHER		
TV advertisement		$500/advertisement
Radio advertisement		$250/advertisement
Legal		$10 (annually)

This table depicts an estimation of the required funds Edna will need every month to run her business. The total estimated monthly costs of $4,400 could certainly fluctuate, however, depending

on the amount of television and radio advertising Edna chooses to do. As for the legal fee of $10, according to the Ohio Department of Agriculture, anyone who is in the business of home baking is required to have a Food Safety license which can be obtained with a $10 fee (Ohio Department of Agriculture, 2013). With the $25,000 inheritance that Edna's aunt Hilda left her, Edna should have more than enough to startup her business and cover monthly costs until she begins experiencing profits.

INTEGRATED MARKETING COMMUNICATIONS PROGRAM

Advertising

Advertising is one component of the promotional mix that Edna can utilize to promote and gain interest for her cookie business. Advertising can be defined as "any paid form of nonpersonal communication about an organization, product, service, or idea by an identified sponsor" (Belch & Belch, 2012). The key component that distinguishes advertising from other promotional channels is the paid aspect—a company has to purchase time or space for an advertisement. Advertising is typically transmitted via television, radio, magazines, and other forms of mass media. Companies who target a wide audience are the most likely to utilize advertising as the primary form of promotion for its products and services.

One objective Edna should have in regards to the advertising she utilizes is to increase exposure of her cookie business, as advertising allows for a company to improve its brand equity by forming certain perceptions in the minds of consumers. Edna should seek to provide insight as to how her business differentiates from competitors by utilizing advertising to show the unique features her business provides. As for the mediums of advertising Edna should utilize, it would likely be useful to consider developing a 30 second advertisement on a local television channel in her area.

Considering Edna has a baby on the way, it would not be in her best interests to market her business on a national scale as she likely would not have the time or effort to manage such a large operation. A short television spot on a local channel would provide Edna with a way to create a favorable and unique image for her business in the minds of viewers.

To build a brand, it is necessary to develop a specific brand image. It would also be beneficial for Edna to consider inserting an advertisement in the local newspaper to help build her company's brand image. Edna likely would not maximize brand awareness by simply advertising on TV, as many people in her community may not watch TV and would be more likely to discover Edna's cookie business in the newspaper.

Direct Marketing

According to Belch and Belch, direct marketing is a system of marketing by which one organization communicates directly with customers to generate a response (Belch & Belch, 2012). Furthermore, the difference between direct marketing and other promotional mix tools lies within its use of media. Direct marketing includes direct mail, telemarketing, direct response broadcasting, Internet and print. These types of media are comprised of one or two-step approaches to perform the necessary functions. In a one-step approach, the medium is used directly to generate an immediate sale when a commercial is displayed. A two-step approach utilizes at least two types of media. (Belch & Belch, 2012). Finally, Edna should utilize her oral skills to advertise her business as well; one option would be to distribute business cards to family, friends, and others in the local community.

Interactive/Internet Marketing

With the rise of social media over the past decade, interactive media is becoming one of the most widely used marketing channels. Advances in technology and increased growth of communication via the Internet provide companies with a marketing approach that allows for a "back-and-forth flow of information whereby users can participate in and modify the form and content of the information they receive in real time" (Belch & Belch, 2012). This two-way flow on information is the main advantage of utilizing interactive media over advertising. Interactive media include the Internet, smartphones, interactive TV's, and kiosks.

One form of interactive media that Edna should strongly consider utilizing is Facebook. Creating a Facebook page for her cookie business would greatly increase brand awareness and would not cost Edna a penny. According to TechCrunch, the amount of Facebook users has been increasing ever since the fourth quarter of 2010 (Constine, July 2013). As of June 2013, there were 1.15 billion monthly active users (MAUs) on Facebook—a 21% increase from the previous year (Constine, July 2013). Mobile traffic on Facebook has been increasing ever more drastically as there were approximately 819 million mobile MAUs as of June 2013, a 49% increase from the previous year (Constine, July 2013). Edna could utilize Facebook to announce special promotions, reveal new products, display customer feedback, and post photos of different kinds of cookies.

It would also be beneficial for Edna to engage in Twitter. Although its user growth percentage (quarter over quarter) has been decreasing, Twitter is still growing as it had 231.7 million MAUs as of September 2013—a 28% increase from the previous year (Constine, October 2013). Twitter's advertising revenue from its mobile platform has been increasing as well, a sign that a growing number of users have been accessing Twitter on their mobile phones (Constine, October 2013). Much like Facebook, creating a company account on Twitter would not generate any costs

for Edna and it would allow her to gain exposure for her cookie business.

Sales Promotion

Another component of the promotional mix is sales promotion, which is referred to as a marketing activity which creates additional value to the sales force, distributors, or consumers (Belch & Belch, 2012). This form of promotion typically leads to immediate sales and is divided into two categories—activities that are consumer-oriented and those that are trade-oriented (Belch & Belch, 2012). For Edna's cookie business, consumer-oriented promotional activities would be the only type required. Activities would include offerings of coupons, samples, rebates, and contests that would attract the ultimate consumer of Edna's cookies.

Edna should also consider utilizing sales promotions by offering coupons on the company website, free delivery with first online purchases, and even a Groupon. A Groupon is typically offered to create an immediate boost in sales, and offering one would be a great way for Edna to increase exposure immediately. If Edna was to create a Groupon for "buy one dozen cookies, get one dozen free", she could entice many new consumers to try her cookies while offering great value. It does not cost a company anything to create a Groupon, but Edna would have to pay a percentage of her sales back to Groupon.

As for offering coupons and free shipping for customers making their first online purchase, it would not present any additional costs to Edna and would likely boost initial sales. By promoting purchases online, Edna can get new customers to create online profiles and gain insight to preferences and buying habits. Edna could also offer customers with an online profile the option to receive news and updates about the company, which would keep the customer engaged in Edna's cookie business.

Public Relations/Publicity

According to one source, a public relationship is used to build product awareness, create interest, provide information, stimulate demand, and reinforce the brand. A few essential tools involved with public relations include media relations, newsletters, special events, sponsorships, community relations and philanthropy (KnowThis, 2013).

As for her cookie business, Edna should strive to reach all the students in her area, insert an ad in the local newspaper, and produce a commercial to be aired on the local radio station. Community involvement and sponsorship of local events would be recommended as well.

Personal Selling

To build a brand image and create product awareness for her business, Edna should make her cookies available for purchase at both her home and at the local market. As personal selling involves face-to-face communication, it would also be recommended for Edna to make personal visits to homes in her area in order to initiate a sale. By doing this, immediate and precise feedback could be collected. Furthermore, Edna could alter her strategies depending on the type of feedback she receives.

INTEGRATING AND IMPLEMENT MARKETING COMMUNICATION STRATEGIES

As for integrating the marketing communication strategies, Kotler and Armstrong recommend sending a clear and consistent message using traditional and non-traditional marketing channels (Kotler & Armstrong, 2013). Edna should be certain that her message inherent in the communication process is the same throughout all communication channels. The communication

needs to remain open, and it would be recommended for Edna to utilize measuring tools and create benchmarks to analyze and measure marketing investments (Kotler & Armstrong, 2013).

According to one source, an integrated marketing communication plan mixes all components of the marketing mix in order to promote the brand effectively among end-users. An integrated marketing communication plan integrates various methods of marketing, including advertising and public relations to create awareness of products and services among the target audience. Additionally, the implementation of an integrated marketing communication plan relies on a clear understanding of the target customers—specifically on their needs and expectations (Management Study Guide, 2013).

MONITORING, EVALUATION, AND CONTROL

The final step Edna should take in the marketing communication planning process is to monitor and evaluate the performance of her promotional efforts. When any major process is implemented or altered in an organization, it is extremely important to monitor the performance in order to determine if objectives are being accomplished. An effective evaluation process or mechanism can not only determine the success of a promotional campaign, but it can distinguish what in particular was leading to the success or deficiency of the campaign (Belch & Belch, 2012). By determining the root causes for the positives and negatives of a particular marketing strategy, Edna would immediately be able to address any problematic issues and implement any necessary changes.

Due to the simplistic nature of Edna's cookie business, she likely would be able to perform all the monitoring and evaluating activities herself. There is a wide variety of marketing management software that is available on today's market, which would allow Edna to track her marketing

campaigns from her home computer. One of the more popular products on the market is Google Analytics, which provides detailed analysis on the effectiveness of each marketing campaign and insight as to whom the target audience is and what their exact needs are (Google Analytics, 2013). Due to the costly nature of television and radio advertising, it would be extremely useful to monitor the performance of these campaigns as well. If Edna determined that the television and radio advertising campaigns were ineffective, she would still be able to promote her business with social media tools, which are completely free to use.

If Edna was to execute this IMC plan outlined, there is a strong chance that she would have a great opportunity to succeed. Especially without any previous business experience, it would be important for Edna to stick to a well-defined plan in regards to marketing her business. The fact that some people in the area already know about her cookies is a distinct advantage, as they can spread the word to others they know. With the inheritance her Aunt Hilda left her, Edna should be more than capable of starting her cookie business. Although she may not experience a profit for a few months, Edna should be destined for future success as long as she follows the strategic marketing plan that has been outlined.

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