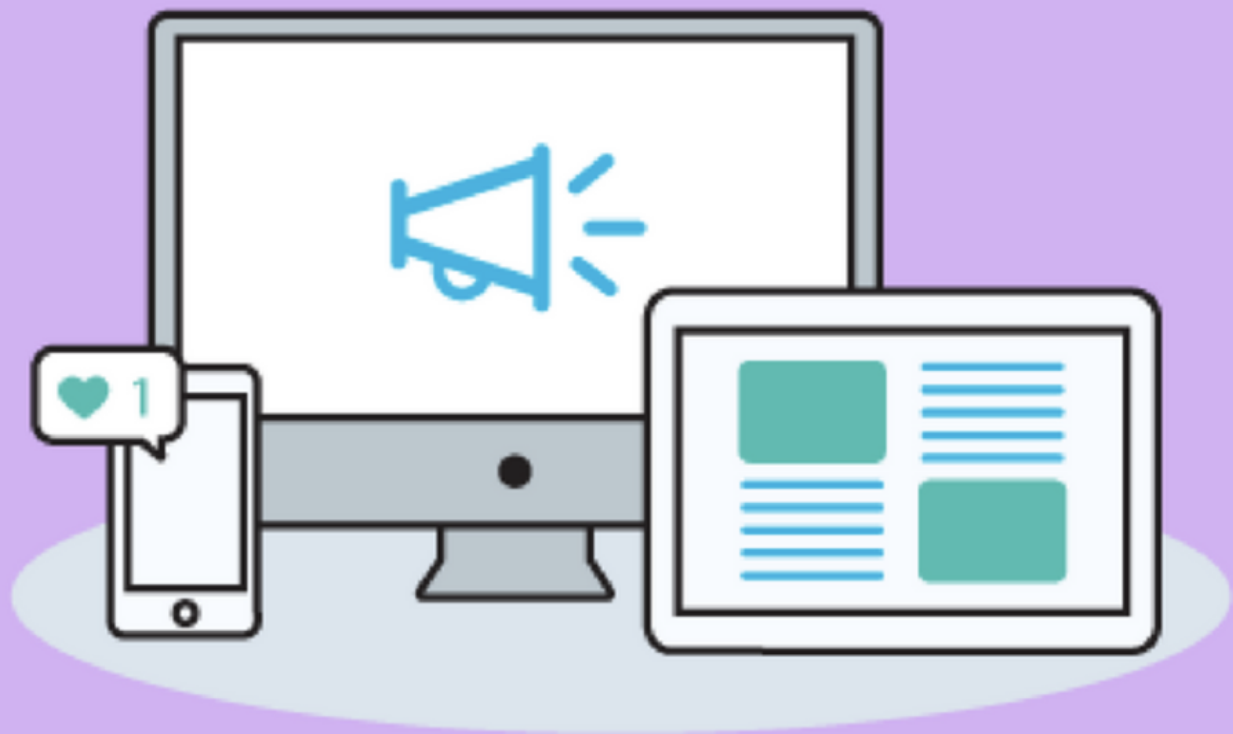


# Project 1

## Get Ready To Market





# Marketing Challenge

Magnolia Coffee Company

# Company Profile:

# Magnolia Coffee Company

## Company Background

The Magnolia Coffee Company was founded in 2009 in Summerville, South Carolina when owner Dan Sumner went looking for a local neighborhood place to meet with friends and clients that was warm, welcoming, and inviting. After years of traveling and working abroad, Dan settled down outside of Charleston with his dog Buddy. Bringing his interest in international, fair trade coffees, he purchased and outfitted his first coffee shop out of what would be the first of over 200 local neighborhood retail locations across the Southeast United States.

Located in suburbs outside of major metropolitan areas with populations of 50-75k people, each Magnolia Coffee Company location is known for its local hometown flavor and community ties. Retail locations are situated near heavily populated office buildings, high traffic retail shopping and eating establishments and next to gym and fitness studios.

Marketing has been more of a buckshot approach without consistent or strategic actions. Dan started building his marketing efforts by marketing to everyone who enjoys coffee. He also created a website, a Facebook page, and even an online app to assist with online ordering and a frequent customer rewards program. While word-of-mouth and some social media posts have gained a dedicated and loyal following, the last two years have seen stagnant growth. Dan is looking for a marketing plan that will help build his customer base and his bottom line.

# Competitor Profile:

# ClamClams

## Company Background

Magnolia's biggest competitor is Clamclams - a massive multinational chain of 10,000+ coffeehouse stores in the US alone. It's known for its wide variety of hot and cold drinks, as well as its selection of pastries, sandwiches, and other foods. Their revenue is almost exclusively derived from physical store sales.

Clamclams branding strategy highlights its commitment to sourcing high-quality coffee beans, as well as its efforts to promote sustainability and social responsibility. The company is known for its seasonal in-out drinks, like the "Cherry Blossom Latte" - its yearly releases have turned into anticipated events that are happily shared on social media among the brand's core users.

Despite its triumphs, ClamClams has experienced a variety of challenges. The company was late to identify the demand for the rise of delivery services for ordering beverages without visiting a physical store. So far, ClamClams failed to figure out an efficient way to use 3rd party delivery providers without a huge impact on gross margins or prices.

Furthermore, Clamclams is heavily dependent on a limited number of suppliers who are able to satisfy its ever-growing demands without compromising quality. Also, like any big brand, Clamclams is under constant scrutiny in the public eye. Every claim made by the company is verified. In a few instances, the company faced the threat of a nationwide boycott when its fair-trade image was put in doubt.

# Magnolia Coffee Company

As a marketer, you will want to conduct the interviews to understand the product/service you will be marketing. We provided interviews conducted with two typical Magnolia's customers to help you identify the target audience better.

	Sara "Social Butterfly" Barnes	Finn "Family-oriented Professional" Parker
Personal Background		
1. Describe your personal demographics. <ul style="list-style-type: none"><li>Are they married?</li><li>What's their annual household income?</li><li>Where do they live?</li><li>How old are they?</li><li>Do they have children?</li></ul>	<p>I'm 22, single, and I rent a flat with two roommates. It's not ideal, but it's cheap and close to my college.</p> <p>I hope to move out soon. I just started my first real job as a social worker and I think it's going really well. It's practically a minimum wage, but I'm pretty serious about becoming an influencer as well. It'll be great to have two sources of income.</p>	<p>I'm 31 and married to my high school sweetheart. Our first kid (Tomas) was born this year. We are tired and a little overwhelmed, but very happy.</p> <p>I really like my job - I'm Q&amp;A Tester in an international company. I don't want to talk about my income, but we are doing ok. Our mortgage was just approved, and we just moved to our first suburban house.</p>
2. Describe your educational background. <ul style="list-style-type: none"><li>What level of</li></ul>	<p>I'll get a degree in Digital Media Design when I graduate from the College of Charleston this year. Hopefully, if everything goes according to</p>	<p>It's a funny story. My degree is not related to what I do. At all. I have a bachelor's degree in Economics. I had trouble finding a job after college, and I take a "temporary" job as a tester. It</p>

# Magnolia Coffee Company

You are tasked with creating a marketing plan for the Magnolia Coffee Company. More specifically, your objective is to provide the following:

- Target Market
- SMART Marketing Objectives and associated KPI
- Competitor's S.W.O.T.
- Magnolia's S.W.O.T
- Value Proposition
- Empathy Map
- Customer Persona
- Customer Journey Map
- Customer Friction
- Marketing Plan [Optional]

For the purpose of the projects, assume retail beverage products and costs are the same for Magnolia Coffee Company as it is with any competitors.





# Step 1:

## Market Position

# Target Market: Magnolia Coffee Company

*The target market for Magnolia Coffee Company is primarily located in suburban areas surrounding major metropolitan regions, such as Summerville, South Carolina. The ideal customer is typically aged between 20 to 40, equally representing both genders. They are well-educated professionals with a college degree and hold mid-level management positions or work in creative industries. Their average household income falls in the \$50,000 to \$70,000 range. Family-oriented, they appreciate community connections and ethical practices, often engaging in local events and supporting fair-trade initiatives.*



# SMART Marketing Objective: Magnolia Coffee Company

*Over the next 6 months, Magnolia Coffee Company aims to enhance its online presence and engagement by increasing social media interactions by 25%, thereby strengthening customer relationships and boosting brand loyalty.*

# KPI: Magnolia Coffee Company

## *Primary KPI:*

*Number of social media interactions (likes, comments, shares) per post.*

***Specific:** The objective clearly states that the focus is on increasing online customer engagement.*

***Measurable:** The success can be quantified by tracking the percentage increase in online customer engagement.*

***Achievable:** With targeted and engaging content, it is achievable to boost online engagement by 20%.*

***Relevant:** Improved online engagement supports the goal of expanding the customer base and fostering a sense of community.*

***Time-Bound:** The objective specifies a 6-month timeframe for achieving the 20% increase.*

# SWOT Analysis Competitor: ClamClams

Knowing the Clamclam's Strengths and Opportunities, please provide at least two Weaknesses and at least two Threats.

## Strengths

- Strong brand recognition.
- Wide range of products.
- Large global presence.

## Weaknesses

- *Slow Adaptation to Delivery Services.*
- *Supplier Dependency.*

## Opportunities

- Expansion to (yet) untapped markets.
- Diversification to non-coffee products.
- Cross-marketing with other global brands.

## Threats

- *Increasing Competition.*
- *Brand Image Scrutiny*

# SWOT Analysis: Magnolia Coffee Company

Knowing the **Magnolia Coffee Company Weaknesses** and **Threats**, please provide at least two **Strengths** and **Opportunities**.

## Strengths

- *Local Community Engagement.*
- *Ethical Sourcing Commitment*

## Weaknesses

- Limited resources
- Not established brand image
- Quality of service vary depending on staff in given location

## Opportunities

- *Online Expansion.*
- *Innovative Collaborations*

## Threats

- Competitors with bigger marketing budget
- Increasing costs of obtaining new customers
- Differences between locations can create inconsistent brand image

# Value Proposition

**FOR** suburban residents and professionals desiring a heartfelt coffee experience

**WHO** yearn for a coffee experience that resonates with their community spirit,

**OUR** Magnolia Coffee Company,

**IS** a local coffee shop and community centre,

**THAT** curates an atmosphere where you can savour ethically sourced, diverse coffees while connecting with neighbours,

**UNLIKE** corporate coffee chains such as Clamclams focused on uniformity and transactions.

**OUR OFFER** envelops you in a distinct community atmosphere, where every cup of coffee tells a story and every visit enhances your sense of belonging.



## Step 2:

# Customer Persona

# Empathy Map

Based on the provided interviews, please fill in the **Empathy Map** below. Each quadrant of the empathy map should have at least three points. Feel free to adjust the design or formatting to suit your needs.



## Thinking

- *Becoming an influencer could be a great way to earn income.*
- *Balancing work and my passions is a challenge, but it's worth it*
- *A more structured routine would be helpful*

## Seeing



- *Instagram feeds filled with influencers' success stories.*
- *Coffee shops as vibrant social hubs in her area.*
- *Influencer marketing campaigns on social media platforms*



## Doing

- *Spending time with friends.*
- *Engaging on social media platforms.*
- *Exploring various interests and hobbies.*


## Feeling



- *Optimistic about the future.*
- *Excited about the potential of becoming an influencer.*
- *Desiring a sense of structure and routine in her life.*

# Customer Persona

Please provide the **Customer Persona**. Feel free to adjust the design or formatting to suit your needs.

Background and Demographics (At least 3 points)	Customer Persona Name	Needs (At least 2 points)
<ul style="list-style-type: none"><li>Age:23</li><li>Marital Status: Single</li><li>Occupation: Junior Social Worker</li></ul>	<div>Ara "Social Butterfly" Banes</div> <div></div>	<ul style="list-style-type: none"><li>Social Connection and Exploration.</li><li>Career Growth and Fulfilment.</li></ul>
Hobbies or Interests (At least 2 points)	Goals (At least 2 points)	Barriers (At least 2 points)
<ul style="list-style-type: none"><li>Socializing with friends</li><li>Exploring diverse interests (music, books, travel)</li></ul>	<ul style="list-style-type: none"><li>Build a successful influencer career.</li><li>Find a space to connect with like-minded individuals.</li></ul>	<ul style="list-style-type: none"><li>Financial Constraints.</li><li>Uncertainty in Influencer Career.</li></ul>





## Step 3:

# Customer Journey Map

# Customer Journey: Introduction

As you know, the **customer journey** is how marketers explain the process a potential customer goes through to become an actual customer of your business and this helps a marketer decide when to talk to the customer. We've used the **AIDA** framework to **Map** customers experiences and corresponding frictions at each stage of the journey:



# Customer Journey Map

	Awareness	Desire	Post-Action
<b>Goal:</b> Broad objective for this stage	Create awareness about Magnolia Coffee company	<i>Develop a strong desire for the Magnolia experience. Consider making a visit soon</i>	<i>Reflect on the visit to Magnolia Coffee Company. Consider making it a regular coffee spot</i>
<b>TouchPoint</b> (doing): Where is the customer and how can they interact with the brand	At this stage, the potential customer needs to be reached. We can interact online while they browse Social Media or selected websites.	<i>Online ordering platform</i> <i>Personalized email newsletters</i> <i>Limited-time offers</i>	<i>Social media check-ins and posts.</i> <i>Customer loyalty program communication.</i> <i>Online reviews and feedback.</i>
<b>Experience</b> (Thoughts/Feelings): Happy? Stressed? Describe the state of mind of your customer during interactions with the brand.	We aim to reach them when they are relaxed but open to new experiences. Like when, they're casually browsing the internet.	<i>Ara's state of mind transitions to excitement and anticipation. She receives personalized email offers with exclusive discounts and views limited-time deals on social media. The attractive offers create a desire to indulge in the unique flavours and experience that Magnolia Coffee promises.</i>	<i>Ara's state of mind evolves into a sense of loyalty and satisfaction. She receives updates on loyalty program benefits and events through email marketing and social media. While she initially had concerns about privacy, her engagement with the loyalty program and positive experiences override her hesitation, leaving her feeling valued and connected.</i>

# Customer Friction

For this slide please assume that Magnolia’s Customer Rewards Program is performing below expectations.

**What steps can be taken to remedy potential friction identified below?**

	Post-Action
<b>Potential Gap:</b> What’s point of friction was identified?	Magnolia Coffee aims to acquire more users in its rewards program during the Post-action phase of the customer's journey. However, a potential point of friction may occur with this initiative due to privacy concerns. It seems that customers could be hesitant to provide their personal data for marketing purposes.
<b>Solution:</b> What milestone or step can be added to remedy this?	<i>To address this potential friction and enhance user confidence, Magnolia Coffee can take the following milestones:</i> <ul style="list-style-type: none"><li>• <i>Implement clear and concise communication about how customer data will be used within the rewards program.</i></li><li>• <i>Offer customers transparency about the type of information being collected and how it will benefit their experience.</i></li><li>• <i>Provide strong incentives for joining the rewards program, such as exclusive discounts, personalized offers, and birthday treats.</i></li></ul>



# Step 4:

## Optional

# Marketing Plan: Content Planning

	Awareness	Interest	Desire	Action	Post Action
<b>Goal:</b> Broad objective for this stage	Create awareness about Magnolia Coffee company	<i>Educate potential customers about Magnolia Coffee's ethical values and offerings.</i>	<i>Develop a strong desire for the experience.</i>	<i>Visit Magnolia Coffee in person.</i>	<i>Foster customer loyalty and encourage repeat visits to Magnolia Coffee.</i>
<b>TouchPoint</b> (doing): Where is the customer and how can they interact with the brand	At this stage, the potential customer needs to be contacted. We can interact online while they browse Social Media or selected websites.	<i>Website, social media</i>	<i>Email Marketing, social media</i>	<i>Physical Store, Online Ordering.</i>	<i>Email Marketing, social media.</i>

# Marketing Plan: Content Planning

	Awareness	Interest	Desire	Action	Post Action
<b>Experience</b> (Thoughts/Feeling) : Describe the state of mind of your customer during interactions with the brand.	We aim to reach them when they are relaxed but open to new experiences. Like when, they're casually browsing the internet.	<i>Ara's state of mind turns more interested and engaged. As she visits Magnolia Coffee's website and reads about its ethical values and offerings, she feels a connection with the brand's commitment to fair-trade practices. She appreciates the transparency and authenticity portrayed in the content.</i>	<i>Ara's state of mind transitions to excitement and anticipation. She receives personalized email offers with exclusive discounts and views limited-time deals on social media. The attractive offers create a desire to indulge in the unique flavours and experience that Magnolia Coffee promises.</i>	<i>Ara's state of mind becomes motivated and enthusiastic. Walking into the physical coffee shop, she's greeted by the inviting aroma and the warm atmosphere. She feels a sense of satisfaction as she places her in-store order, confident in her choice to experience Magnolia Coffee firsthand.</i>	<i>Ara's state of mind evolves into a sense of loyalty and satisfaction. She receives updates on loyalty program benefits and events through email marketing and social media. While she initially had concerns about privacy, her engagement with the loyalty program and positive experiences override her hesitation, leaving her feeling valued and connected.</i>
<b>Frictions</b> (Do customer face any obstacles to overcome?)	Choosing an intrusive ad format may backfire.	<i>None</i>	<i>None</i>	<i>None</i>	<i>Privacy concerns about data sharing.</i>
<b>Opportunities</b> (Are there any opportunities we see?)	Increase presence on social media platforms. Collaborate with local influencers to share experiences	<i>Highlight Magnolia's commitment to fair-trade practices</i>	<i>Present time-sensitive offers to create a sense of urgency</i>	<i>Provide a seamless online ordering experience</i>	While the customers are hesitant to join our reward program due to privacy concern, it can be fixed by encouraged customer engagement with the loyalty program.

# Marketing Plan: Content Planning

	Awareness	Interest	Desire	Action	Post Action
<b>Channels</b> (What suits our approach)	Facebook, Instagram, Local Pages	<i>Website, social media</i>	<i>Email Marketing, social media</i>	<i>Physical Store, Online Ordering</i>	<i>Email Marketing, social media</i>
<b>Message</b> (What we want to communicate at this stage)	"What's the fastest growing coffee chain in your local area?"	<i>"Discover the heart behind our fair-trade practices and diverse menu."</i>	<i>"Indulge in exclusive offers and unique flavours your taste awaits!"</i>	<i>"Savor our handcrafted coffee creations – see you in-store!"</i>	<i>"Experience convenience and personalized perks with us."</i>