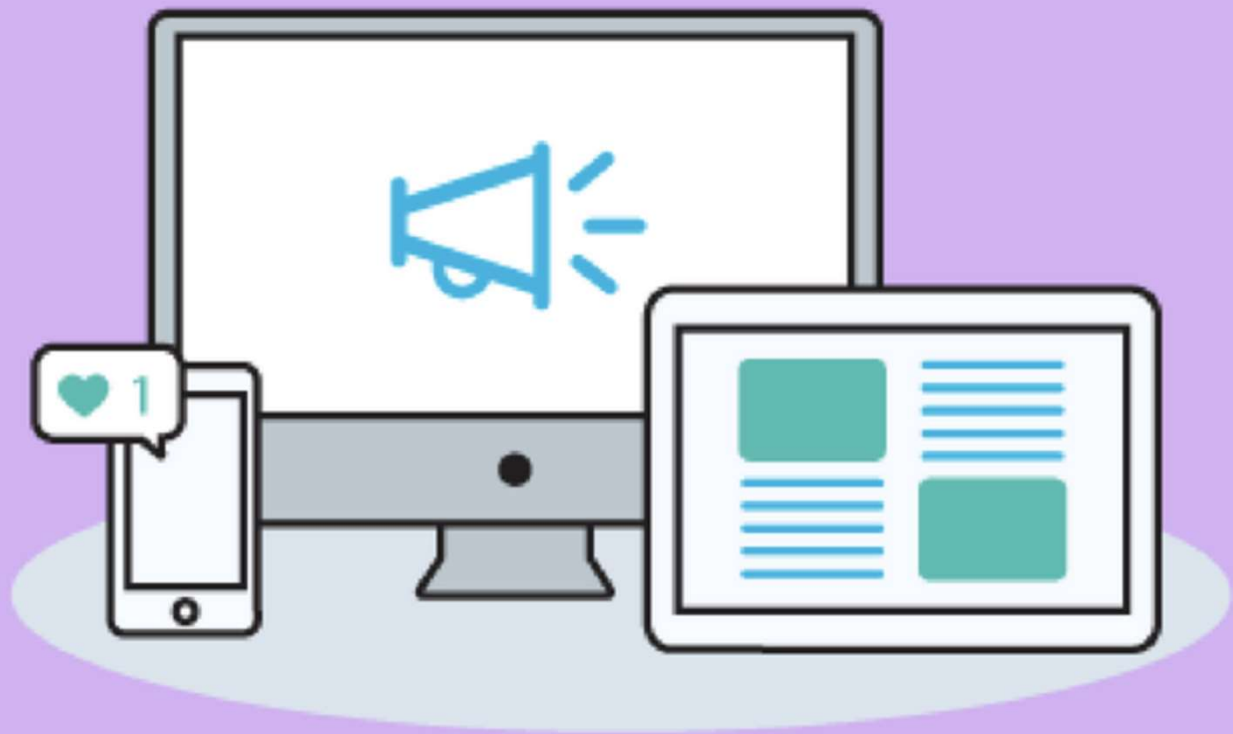


Project 1

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">Are they married?What's their annual household income?Where do they live?How old are they?Do they have children?	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. 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.	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. I really like my job - I'm Q&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 suborn house.
2. Describe your educational background. <ul style="list-style-type: none">What level of	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	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

Click [here](#) to access the full interviews.

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

Identify the Target Market

for Magnolia Coffee Company

An award-winning specialty coffee company may focus on middle-class professionals, ages between 20-50, living in suburbs outside of major metropolitan areas, who are looking for a neighborhood place to meet with friends and clients that is warm and welcoming.

SMART Marketing Objective

for Magnolia Coffee Company

10% increase in sales

From 1 Nov 2024 to 30 Oct 2025

Key Performance Indicator for Magnolia Coffee Company

Sales growth rate achieved by 30 Oct 2025

SWOT Analysis Competitor for 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

- *Third party failure*
- *Limited number of suppliers*

Opportunities

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

Threats

- *Under constant scrutiny of the public*
- *Negative publicity*

SWOT Analysis

for Magnolia Coffee Company

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

Strengths

- *Provides online ordering*
- *Customer rewards program*

Weaknesses

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

Opportunities

- *Increase customer loyalty*
- *Cohesive brand identity*

Threats

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

Value Proposition

FOR everyone who enjoys coffee

WHO want to taste outstanding quality coffees and unique blends of flavors

OUR speciality coffee company

THAT offer premium coffee

UNLIKE Clamclams company

OUR OFFER includes high quality coffee and custom blends with our outstanding services



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

- *Wants to gain a better position at work*
- *Money issues*
- *Wants to become an influencer*
- *Wants a life with more structure*

Seeing



- *Split attention between work and social life*
- *Life-job overlap*
- *Dreams about Instagram fan base exploding*



Doing


- *Spending time with family and friends*
- *Making many connections*
- *Practising hobbies in free time*
- *Finishing multiple online courses*

Feeling



- *Overstimulated*
- *confused*
- *optimistic*

Customer Persona

Background and Demographics	Noah	Needs
<ul style="list-style-type: none">• Male• 23 years old• single• Lives in Florida• Studying Economics• works as a software developer		<ul style="list-style-type: none">• Exceptional quality coffee with authentic flavors• A comfortable place for remote working• A warm, welcoming place with outstanding service to meet friends.• Online ordering services
Hobbies or Interests	Goals	Barriers
<ul style="list-style-type: none">• Technology• Friends• Travelling• Cinema• Music	<ul style="list-style-type: none">• Have better position in work• Have quiet and comfortable place to focus on work tasks• Enjoy time with friends from time to time	<ul style="list-style-type: none">• Lives in multi-tenant house• Limited free time• low income

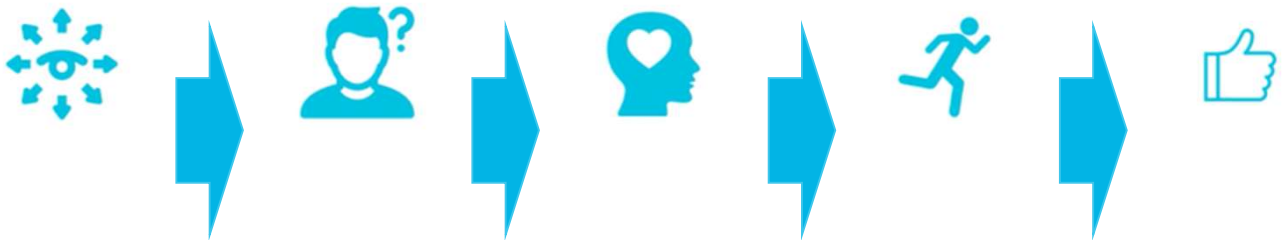


Step 3:

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	Interest	Desire
Goal: Broad objective for this stage	Create awareness about Magnolia Coffee company	<i>Make the customer interested in what the company offers</i>	<i>Make the customer choose the company for the desired services over another</i>
TouchPoint (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>Design attractive social media Ads about what the company offers, the online shop and customer rewards program to build customers curiosity. Provide website and App links in the Ads for further informations</i>	<i>The customers open the website and the app to know all the details about the products and easily know the retail locations, online ordering services and the customer rewards program. They sign up for the special offers</i>
Experience (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>Curious about the service, thinking that it has special products and excellent offers and online ordering services that is helpful and time saving</i>	<i>Optimistic about the quality offered and variety that the company has</i>

Customer Friction

	Post-Action
Potential Gap: 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.
Solution: What milestone or step can be added to remedy this?	<i>Building trust with the customers comes at the first place. Then, the company should be clear about the benefits of asking about their personal data. Explain clearly that their personal data is protected and it is only used for their satisfaction with the service</i>



Step 4:

Optional

Marketing Plan: Content Planning

	Awareness	Interest	Desire	Action	Post Action
Goal: Broad objective for this stage	Create awareness about Magnolia Coffee company				
TouchPoint (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.				

Marketing Plan: Content Planning

	Awareness	Interest	Desire	Action	Post Action
Experience (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.				
Frictions and opportunities: Do customer face any obstacles to overcome? Can we help? Are there any opportunities we see?	You make the first impression once. Choosing an intrusive ad format may backfire. We need to present Magnolia without being pushy.				While the customers are hesitant to join our reward program due to privacy concern, it can be fixed by...

Marketing Plan: Content Planning

	Awareness	Interest	Desire	Action	Post Action
Channels (What suits our approach)	Facebook, Instagram, Local Pages				
Message (What we want to communicate at this stage)	"What's the fastest growing coffee chain in your local area?"				