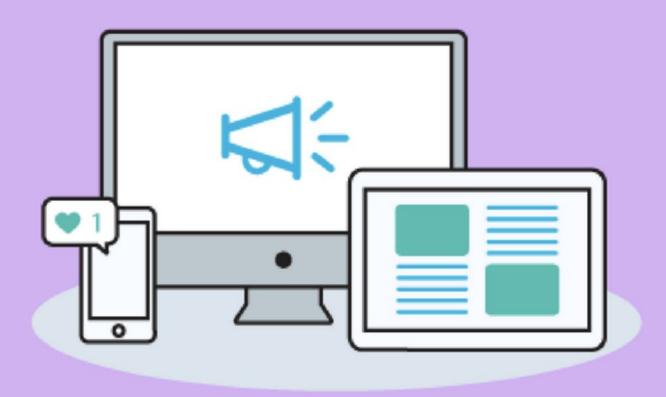
Project 1 Get Ready To Market





How to use this Template

- We have provided these slides as a guide to ensure that you submit all the required components to successfully complete your project.
- When presenting your project, please only think of this as a guide. We encouraged you to use creative freedom when making changes as long as the required information is present.
- Don't forget to delete this and all of the other reference slides before you submit your project.

Reference slide remove before you submit

Marketing Challenge

Magnolia Coffee Company

Background information

- The following slides provide information on Magnolia Coffee Company, which will serve as the foundation for this project.
- Please do not make any modifications to the slides.
 Keep them intact as they provide the necessary context for your work.
- Don't forget to delete this and all of the other reference slides before you submit your project.

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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				
Describe your personal demographics. 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.			
Describe your educational background. 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

Target Market: Magnolia Coffee Company

Identify the Target Market

Describe in less than 5 sentences, that covers key

statistics for your Magnolia's target market. This may
include key demographics, age, gender, income levels, etc.

Magnolia Coffee Company primarily focuses on metropolitan areas with high concentration of college aged students, 18-45 years. However the aesthetic and tone of the company name may be more appealing to older age groups. A coffee shop may primarily focus on different ethnicities, middle income professionals making over \$30,000 who enjoy poetry nights, homestyle flavours and live within 5 -15 minutes away.

SMART Marketing Objective: Magnolia Coffee Company

In one or two sentences summarize key marketing objectives. Your objectives may be to increase sales; or marketing focused on building brand awareness of your product or service; or online to build engagement with online customers using touchpoints of the customer journey.

Over the next 12 months, Magnolia will track facebook analytics to track engagements and follows to reach yearly goals of increasing facebook engagement until we hit 25,000 followers and shares for the year. The goal is reachable through content strategizing, analytics, growth marketing and other strategies implemented together to gain organic growth. Magnolia Coffee Company is Located in the suburbs outside of major metropolitan areas with populations of 50-75k people. Magnolia Coffee Company aims to grow their customer base and bottom line long term. This strategy along with other goals will help in the long term to increase growth and help beat stagnation. The end date will be an annual Christmas Eve Coffee Celebration. Having this end date in mind will bring motivation to meet objectives

KPI: Magnolia Coffee Company

What is your primary KPI to measure marketing success?

Please include the **main KPI** corresponding to your SMART objective.

KPI: Media mentions, Facebook share & followers

SWOT Analysis Competitor:ClamClams

Strengths

original name brand

Weaknesses

- Ambiguous name brand
- Not established brand image

Opportunities

- New competitor that can attract attention
- Obscure name brand that can attract loyal customers

Threats

- Other companies that can outshine company and take customers,
- other businesses taking over their locations,
- high-traffic retail shopping and eating establishments that may pull in more customers than their

SWOT Analysis: Magnolia Coffee Company

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

Strengths

- original name brand
- multiple outlets to bring in traffic, high traffic locations

Weaknesses

- Limited resources
- Not established brand image
- Quality of service vary depending on staff in given location
- Ambiguous name brand
- Stagnant social media

Opportunities

- locations for potential high traffic sales;
- early app, social media development to bring in customer base

Threats

- Competitors with bigger marketing budget
- Increasing costs of obtaining new customers
- Differences between locations can create inconsistent brand image
- Other companies that can
 outshine company and

Value Proposition

Write a value proposition using Geoffrey Moore's template for **Magnolia Coffee Company:**For (target customer) who (statement of the need or opportunity) our (product/service) is (product category) that (statement of benefit). Unlike (closest competitor), our offer (primary differentiation).

- FOR (target customer) (metropolitan, 18-year old college students/grads... study minded customers
- WHO (statement of the need/opportunity) The coffee break to your destination
- OUR (product or service/category) Home grown flavored Coffee drinks, tea
- THAT (statement of benefit) To provide commuters with energizements for daily commute and to appease with home grown flavors
- UNLIKE (closest competitor) McCafe
- OUR OFFER (primary differentiator) we offer natural, down to earth seasonal flavors

Step 2:

Customer Persona

Empathy Map: Introduction

To create your target persona, you will need to refer to <u>interviews</u> with potential customers and then create one empathy map covering the interviews. As you've learned in this course, an empathy map is used to understand and summarize customer research.

Most empathy maps have four quadrants broken into **Thinking**, **Seeing**, **Doing**, and **Feeling**. It's best, if it represents your interviewees' answers as much as possible - list the actual words and phrases your customers say, the applications they use, and the websites they visit.

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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

 Looking for a quick stop to get coffee on the way to college.



- Customers thinks (Magnolia) is readily available and has more locations in nearby towns opposed to competitors (Starbucks, Convenience stores)
- Looking for coffee shops with authentic, natural flavors
 - Looking for a spot to date

Seeing

 Loves Magnolia's aesthetic



- Loves Magnolia's social media content & presence
- Love's their authentic, southern tastes and events



Doing

- Traveling more frequently
- Needs quick coffee to stay up for class
 - Meeting up for dates/friends

<u>Feeling</u>



- Deenergized
- Excited for new coffee brand

Customer Persona: Magnolia Coffee Company

The customer persona is a fictional character that summarizes and communicates the key characteristics of your target customer. When creating the persona, you will use the information from the empathy maps to inform what characteristics your fictional person will have.

To describe your persona, you will use the template provided in the deck. First describe the background and demographics, then the hobbies, then the needs and barriers they face, and finally, lay out the goals of your persona. It is a good idea to give your persona a descriptive name and add a picture of what he or she may look like.

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Customer Persona

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

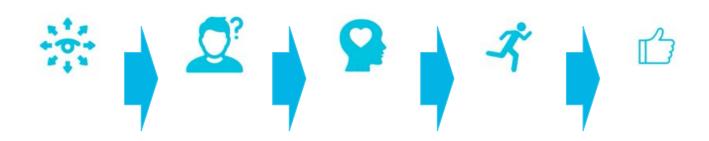
Background and Demographics (At least 3 points)	English Major Ana	Needs (At least 2 points)	
 Hispanic/Caucasian Female: 22 years old College Freshman Single ready to mingle Does Work-Study on campus Lives in New York; 5 minutes near a Magnolia Coffee Shop From middle class household 		 Needs a hangout spot to -read books, relax with friends and date in her favorite environment Likes to drink coffee before/after she shops nearby stores Needs poetry night as an outlet for studies 	
Hobbies or Interests (At least 2 points)	Goals (At least 2 points)	Barriers (At least 2 points)	
 Reading Poetry Nights at the coffee shop Listening to music as she works & 	 To have a favorite spot as an outlet throughout her studies in college Aesthetically pleasing place for 	 Needs a quick go to hangout to relax from room Lack of introverted 	

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: Magnolia Coffee Company

In the next slide, the Awareness stage will be mapped for you. **Your task is to complete at least two more stages** that you may choose out of the four stages that are left (Interest, Desire, Action, Post-Action).

Please fill in the Goals, Touchpoints and Experiences for 2 more AIDA Stages of your choice (Interest, Desire, Action, Post-Action).

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Customer Journey Map

			•	
	Awareness	Interest	Action	
Goal: Broad objective for this stage	Create awareness about Magnolia Coffee company	To compel customers to take an interest in a new and local coffee shop being interested. The goal is for the customer to explore the brands page or store through ads and billboard and college bulletin flyers w/ social media reference	Through the recognition we want to compel customers to follow social media and see Magnolia content w/ offers a special discount, offers, giveaway events	
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.	When she see browses thru their facebook posts, she sees the caption for poetry night and past seasonal flavors. In this stage Ana is actively gaining information on company's brand/services.	The ads and posts compel customers to try the product at a lower price. And explores the site/app for offers, giveaways and more.	

*Revision

	Awareness	Interest	Action
Experience (Thoughts/F eelings): 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.	Ana feels enticed to see what products/serv ices this company has in store.	She feels compelled to shop the discounts to try out their new flavour in season before it ends next month.

*Revision

	Post-Action
Goal: Broad objective for this stage	We'll then follow up through email marketing, and text messaging to inform customers of upcoming events & offers.
TouchPoint (doing): Where is the customer and how can they interact with the brand	We then can follow up after customers who are regular customers and provide loyalty points, fan giftcard giveaway. As well as provide 1st time user promo codes to compel new users.
Experience (Thoughts/Feelings): Happy? Stressed? Describe the state of mind of your customer during interactions with the brand.	We would like the customers to feel refreshed, welcome, at peace and warm with our southern homestyle influenced hospitality.

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 Magnolia Coffee aims to acquire more users in **Potential Gap:** What's point of its rewards program during the Post-action phase of the customer's journey. However, a friction was identified? 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: Providing customer testimonials, as well as implementing privacy policies. What milestone Such as never sharing emails or data with or step can be added to parties. remedy this? **Revision**

Step 4:

Optional

At this point, you've mapped 3 out of 5 AIDA stages, and identified friction and opportunities that can be leveraged when communicating with the customer. With a little work, this could be a backbone of a simple content plan. In this optional (not graded) part, consider adding two missing stages and the information about channels and messages that best suit your objectives at each stage.

Feel free to modify the table on the next slides (use more than one slide, merge, or split cells - add more or leave some empty). Since this part can't be failed, feel free to do what you deem best to convey your message.

Reference slide remove before you submit

	Awareness	Interest	Desire	Action	Post Action
Goal: Broad objective for this stage	Create awareness about Magnolia Coffee company	Customer view ads, flyers, billboards	Customer s are interest in ads, flyers & posts ad reach out to social media	Customers interact with the posts by clicking cta and visiting landing page/ website for special offers	Customers are followed up with newsletters or phone number for local deals, promod=s and events
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.	The customer is in dorms, colleges nearby areas and come upon local advertise ment or scrolling through posts	Customer s may come upon ads and search for social media page for local deals	Customers interact with social media pages and explore content and get to know the brand and what if offfers	Customers may share, like content to give more publicity

	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.	Once browsin g they may be enthrall ed by a new ocal coffee shop videos, posts, events.	They may want to try out the products and visit the new store	They go to a local event, or to try a product for the first time through our offers page	They give the products good reviews on social media, share pictures and even blog and spread the message
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.	Custom ers may face directions issues. They must be establis hed on Google s front	Custom ers may wish for a more catchy name brand; lie starbuck s to get the attentio n of	Customers may visit other supply chains if they aren't able to locate it easily. They may not easily share the brand if	While the customers are hesitant to join our reward program due to privacy concern, it can be fixed by including

	Awareness	Interest	Desire	Action	Post Action
Channels (What suits our approach)	Facebook, Instagram, Local Pages	Customers such as college students are major users of Facebook,. Which can bring in a lot of traffic.	Where as other demograp hics use Instagram and Local pages more often and attract different audiences depending on channel.	Customers from all over channels may find interest in different products brand have to offer and creat large amount of traffic	The brand can increase traffic based on different channels to increase customers and create different content based on each platform.
Message (What we want to communi cate at this stage)	"What's the fastest growing coffee chain in your local area?"	Customers may be interested in a new coffee store and see what it	Customers may desire our taste and products over other brands	Customers help to grow our brand as a leading chain	We give back through various campaigns and establish a