

Marketing Principles

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Jan 2024

Who am I?

MBA graduated | Amirkabir University

Ex CMO Reyhoon (Online Food delivery)

Ex CMO Keshmoon (Farmer to customer online business)

Senior Campaign Manager Snapp super application (ride hailing, food, grocery, travel, shop, and so on.

Consultant of SMEs.

Interested in Marketing and Business in general.



Marketing Process



5C Airbnb case study

Airbnb Objectives

How to Improve Customer Experience?



Customer

You and Me



Company

Airbnb



Competitor

Hotels



Collaborators

You and Me

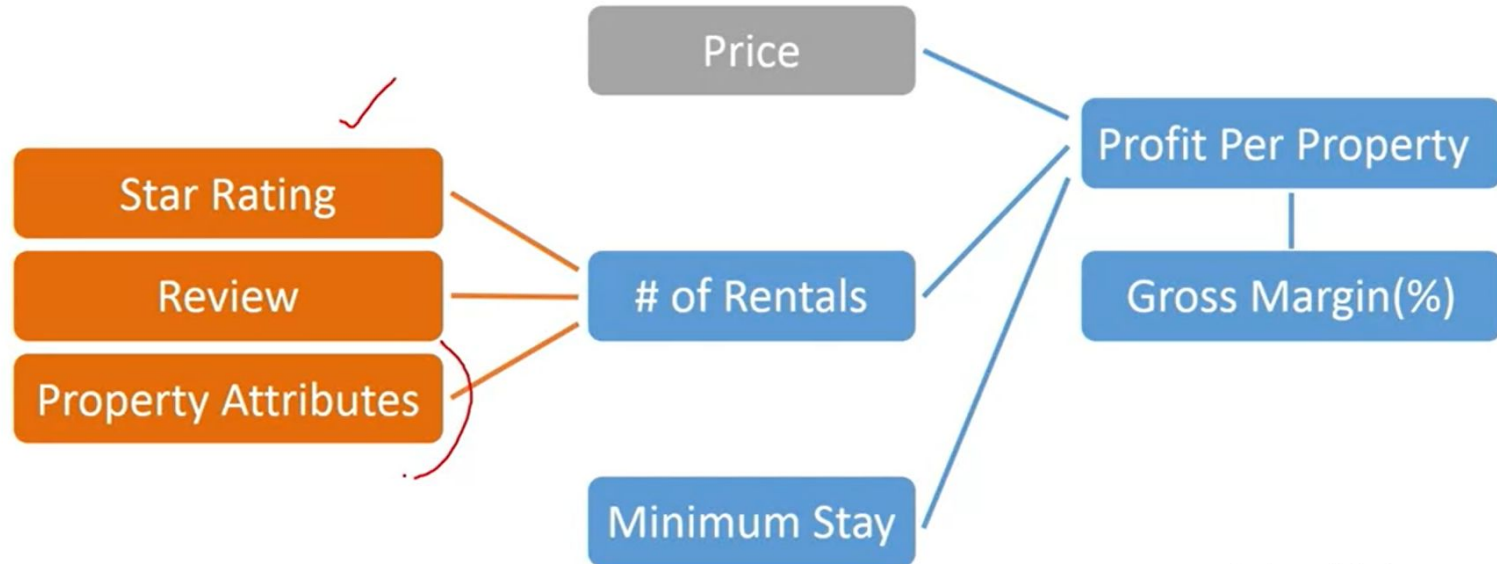


Context

Sharing Economy

Mental Model (Airbnb case study)

Mental Model – Airbnb



Marketing Objectives

Marketing Objectives are derived from Business Objectives

How much sales we want to generate this year?

How many customers do we want to acquire?

How many products we are going to add? Why? To increase the CLTV?

Increase the brand awareness by 5%?

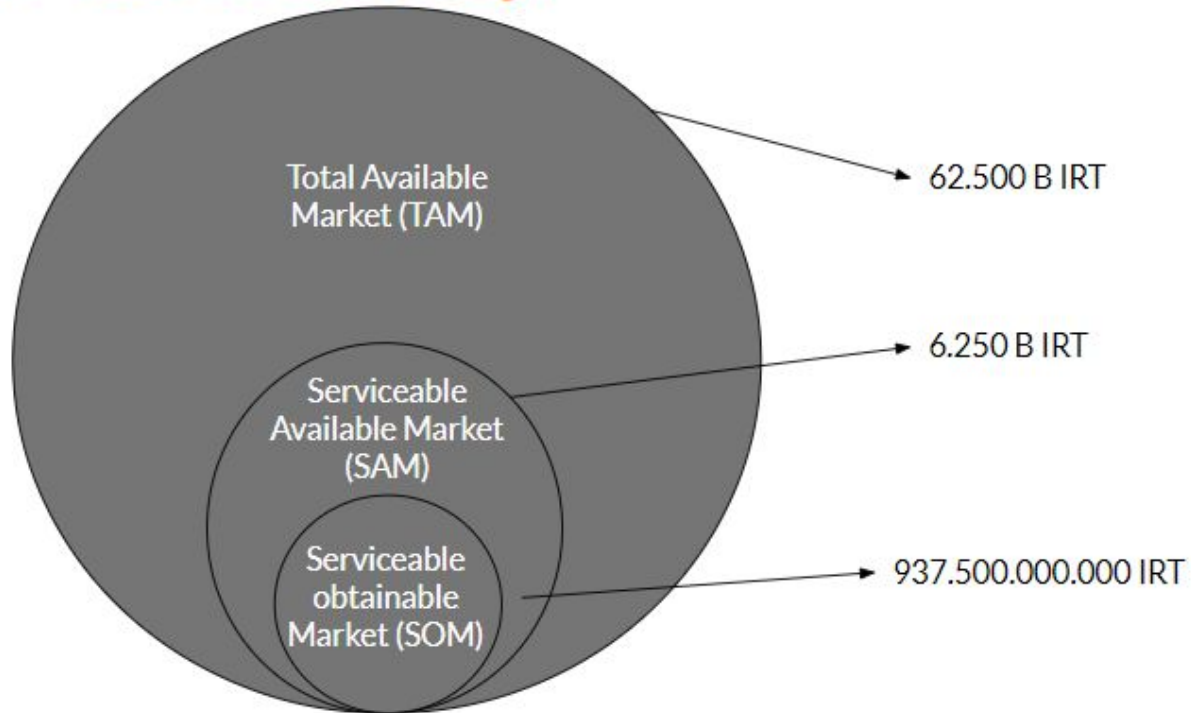
How many orders we want to achieve on a quarterly, monthly, bases?

How to increase the NPS by 20%?

How to improve the customer experience in the purchase journey?

Market Size Calculation

Market Size (Currently)



Budgeting

- Performance based costs (Acquisition, and Retention costs)
 - SEO
 - SEM
 - e-CRM, and so on.
- Awareness based costs
 - Video product
 - Social media
 - Content creation
 - Billboards
 - TV, and so on.

The most important metrics, and KPIs

- Cost per acquiring new customers (CAC)
- Customer retention cost (CRC)
- Cost per order (CPO)
- Cost per app instal (CPI)
- AOV (Average order value)
- CLTV (Customer Lifetime Value)
- Purchase frequency
- NMV (Net Merchandise Value)
- $PC1 > PC2 > PC3$ (Profit Contribution)

PC1

$$\text{PC1} = \text{Gross Profit} = \text{Revenues} - \text{COGS}$$

Typically **COGS** for ecommerce include:

- **Unit costs**: the direct costs you incur to manufacture and/or source and ship the product from your supplier to your warehouse (if any)
- **Shipping costs (from supplier to you)**. Only include the shipping costs (including customs and taxes) you incur on top of the product cost itself when shipping from your supplier's warehouse to yours. If you use a outsourced fulfilment provider (e.g. Amazon FBA), include the costs to ship the products from your supplier to your fulfilment provider if possible.
- **Allowance of bag goods**

PC2

$$\text{PC2} = \text{PC1} - \text{all fulfilment-related costs}$$

Expenses include:

- Fulfilment costs: shipping, packaging, warehousing (rent), and fulfilment itself (salaries of the operators who prepare the orders for instance)
- Payment processing fees: the 2-3% you pay to Stripe and Paypal for instance
- Customer support. Any cost related to customer service pre shipping and/or delivery needs to be included as part of PC2. Ideally you should exclude here after-sale related customer support which falls into PC3 instead.

PC3

$$\text{PC3} = \text{EBITDA} = \text{PC2} - \text{Overheads}$$

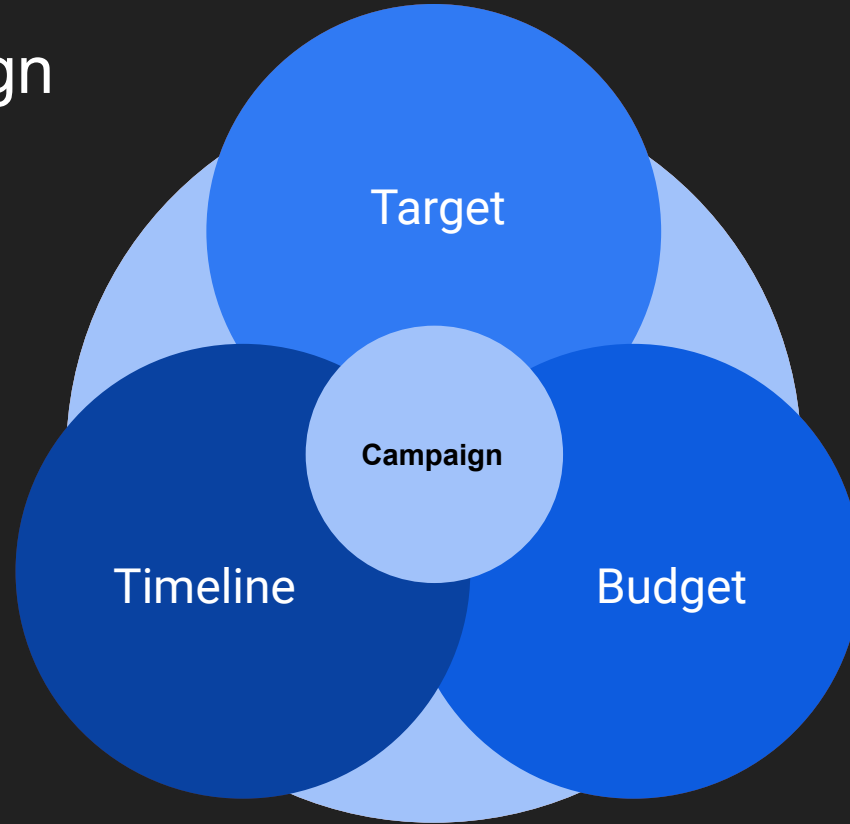
Typically, expenses included within PC3 and excluded from PC1 and PC2 are:

- Marketing expenses: salaries, digital ads campaigns, etc.
- After-sale customer success
- Payroll expenses that are not related to fulfilment: management, operations, tech team, etc.
- Any other expenses: office supplies, rent, legal advisory, bank fees, miscellaneous, etc.

Marketing Channels

- Digital, or Online (SEO, SEM, Display ads, ad-networks, and so on.)
- Offline (BBs, SBs, TV, and radio, and so on.)
- Social Media
- e-CRM (Email, SMS, PN)
- Affiliate
- Partnerships
- Content Marketing

Campaign design



Question?

Thank you!