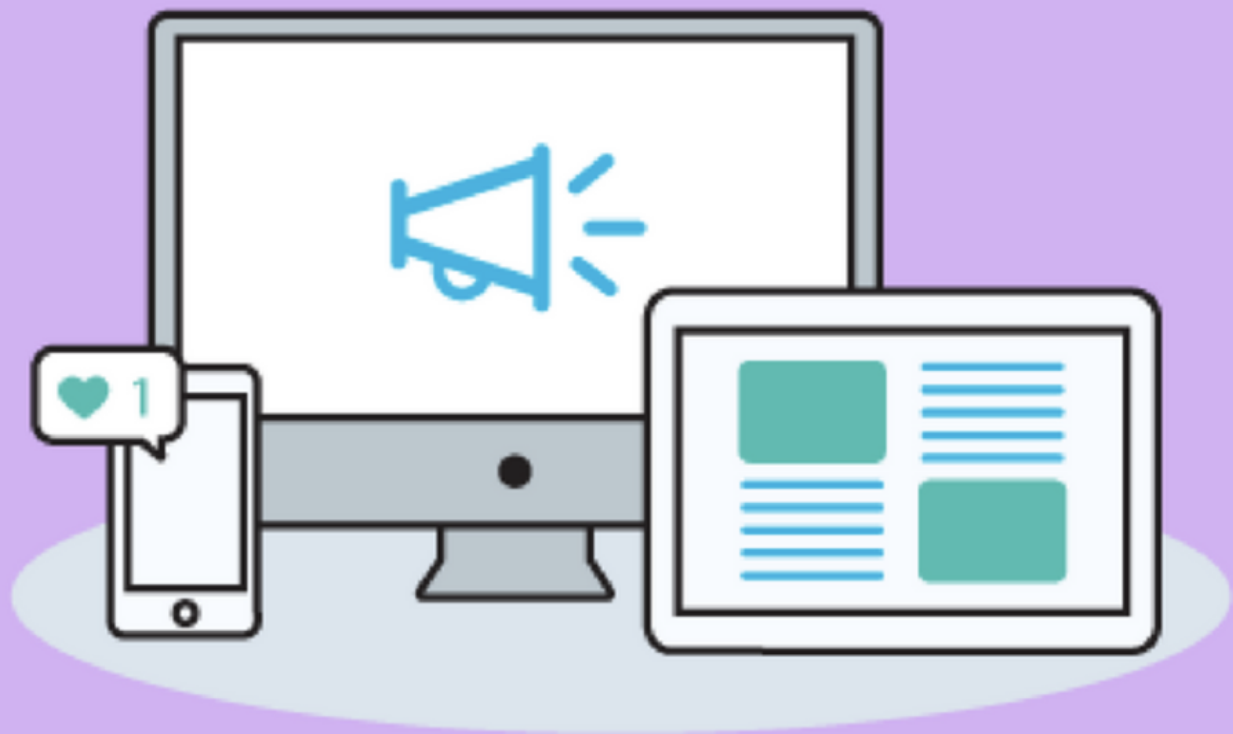


# Project 1

## 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>	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 suburban house.
2. Describe your educational background. <ul style="list-style-type: none"><li>What level of</li></ul>	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

**Consist of locals and Professionals, ages 25-45 with middle to upper middle income, who live in the suburbs outside major metropolitan areas with populations of 50-75k people living in the Southeastern U.S.**



# **SMART Marketing**

## **Objective:** Magnolia Coffee Company

**Increase sales and build brand awareness by 25% within the next 12 months**

# **KPI:** Magnolia Coffee Company

***Social Media engagement metrics  
(likes, comments, shares and  
followers)***

# 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

- *Late adoption to delivery services*
- *Dependence on limited number of suppliers*

## Opportunities

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

## Threats

- *Fair trade image scrutiny*
- *Under constant scrutiny in the public eye*

# SWOT Analysis: Magnolia Coffee Company

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

## Strengths

- *Local hometown flavor and community ties*
- *Owner's experience with international, fair trade coffees.*

## Weaknesses

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

## Opportunities

- *Engaging with the local community through partnership and events*
- *Improving online presence and convenience.*

## Threats

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

# Value Proposition

**For** Urban professionals and coffee enthusiasts

**Who** Are seeking a local coffee experience

**Our** Magnolia Coffee shop is a local neighborhood retail coffee chain

**That** Offers a taste of the local hometown flavor

**Unlike** Coffee shops like ClamClam

**Our Offer** Is a warm welcoming and inviting neighborhood coffee experience, proving a taste of the local hometown flavor with a focus on fair trade and sustainability.



## **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

- Really like his job as a Q&A tester
- Looking to be promoted to Jr Q&A Engineer Role
- Wished that her life had more structure

## Seeing



- Sees herself in a rented flat with roommates and wish to move out
- Likes where she's at with her education and career
- Sees that he needs to get better at balancing his time between work and home



## Doing

- He has set aside personal projects since his child was born
- Feels a division between job and family wants more focus
- Plans for completing her degree in Digital Media Design


## Feeling



- Excited about her possible Influencer role and traveling
- Happy about her current life and meeting new people
- Tired but happy about marriage and new baby addition

# 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 Career Driven Danielle	Needs (At least 2 points)
<ul style="list-style-type: none"><li>• Age:28</li><li>• Gender: Female</li><li>• Marital Status: Married</li><li>• Q&amp;A Tester</li></ul>		<ul style="list-style-type: none"><li>• Danielle seeks career growth opportunities</li><li>• Danielle wants a balance between work and personal life</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>• Danielle spends time researching and reading about parenting</li><li>• Danielle likes</li></ul>	<ul style="list-style-type: none"><li>• <i>Transition to Junior Q&amp;A Engineer</i></li><li>• <i>Personal and</i></li></ul>	<ul style="list-style-type: none"><li>• Danielle occasionally gets frustrated due to feeling swamp by work and family</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	Interest	Desire
<b>Goal:</b> Broad objective for this stage	Create awareness about Magnolia Coffee company	<i>Capture the interest and attention of Danielle</i>	Cultivate a strong desire and preference for Magnolia coffee
<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.	At this stage, the potential customer needs more info. We can provide Social media ads and blog posts	Online store, customer reviews and personalized recommendations.
<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.	We aim to capture their attention and engage them when they are excited and curious with our brand story, values and unique coffee offerings	<i>We aim to create a strong desire and preference for our coffee when they are excited by fueling their desire to experience the taste and quality of Magnolia Coffee.</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?	Magnolia can implement the step of a transparent data privacy policy and opt-in approach.



# 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	Capture the interest and attention of Cathy engage her with Magnolia's brand story, values and unique Coffee offering	Cultivate a strong desire and preference for Magnolia coffee	Encourage career-driven Cathy to make a purchase and become a loyal customer	Foster customer satisfaction loyalty and advocacy
<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.	At this stage, the potential customer seeks more info such as Social media ads and blog posts, Influencer input.	At this stage the potential customer access the Online store, customer reviews	At this stage the potential customer takes action make a purchase with user friendly online ordering platform	At this stage the customer receives good product quality, personalize follow-up social media engagement.

# 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.	We aim to pique the potential customer's curiosity by leveraging Social media ads and informative blog content.	We aim to create a sense of anticipation and excitement by offering a user-friendly online store, personalized recommendations and positive customer reviews	We aim to encourage them to convert her desire to making a purchase and establish a loyalty customer relationship	We aim to consistently deliver exceptional product quality, providing personalized follow-up and nurturing an active social media presence creating a lasting impression and converting the customer into a loyal customer and advocate.

# Marketing Plan: Content Planning

	Awareness	Interest	Desire	Action	Post Action
<b>Channels</b> (What suits our approach)	Facebook, Instagram, Local Pages	Facebook, Instagram, twitter, blogs, articles, and videos	Facebook, Instagram, twitter, email marketing, and promotions .	Websites with user-friendly interfaces with online ordering processes, mobile apps for convenient ordering.	Email marketing for personalized offers and reward program updates, social media and customer surveys.
<b>Message</b> (What we want to communicate at this stage)	"What's the fastest growing coffee chain in your local area?"	"Experience coffee like never before, engulf yourself in the aroma explore our diverse range of flavors."	"Ignite your passion for Magnolia coffee. Enjoy the perfect balance of flavor."	"Seize the moment and indulge in the Magnolia coffee experience."	"Thank you for being a part of the Magnolia Coffee family. Your loyalty is rewarded."