

## BPLAN: Marketing Part 2

### PANTRY PROS

#### Branding Strategy

- **Brand Identity:** Pantry Pros wants the customer to perceive our product as being reliable, fun and most importantly, user friendly. We want our brand's name to summon a positive feeling in the consumer, as well as feel familiar to people that have not necessarily used our product yet. We plan to use colors, language, and logos specific to Pantry Pros so that the brand can be identified easily.
- **Brand Experience:** We hope our brand identity establishes a positive relationship with the customers so when they do interact with our app or website, it is a pain free, easy experience. They should expect a calm ambiance given the color scheme we eventually select, as well as familiarity. We hope this familiarity eventually creates a community-like feel when using our product. The consumer can also contact a website/app support team that will respond promptly with answers to any of their technical problems.
- **Brand Personality:** The values of the company that we want to be in the mind of the consumer are the ideas of pain free cooking and reliability. We'd like the user to enjoy using our product because it is so helpful and convenient for them. This reflects our culture because we are trying to make a task like cooking dinner a much simpler task, we are aiming to alleviate stress from our customers.

#### Pricing Strategy

- **Advertising:** Advertisement pricing is measured in CPM, which is cost per 1000 views. In terms of the Pantry Pros app/website we will charge \$4 per CPM. As we accumulate higher raters of app downloads, and views, we can raise the price based on companies willingness to pay to advertise on our sites.
- **Click throughs:** These have a slightly higher visibility rate as to proceed with the site, the advertisement must be exited, or viewed. On average 2 percent of the click throughs are viewed. Therefore we will charge \$6 compared to \$4 for the regular advertisements.
- **Premium Options:** For \$2.99 we will offer a premium option which will provides tutorial videos of the recipe that the user is deciding to cook. It is a one time purchase to access the full database of Pantry Pros.

- **Data sales:** We will offer the sale of the data to companies (grocery stores, produce companies) that will provide them with Pantry Pros user's recipe searches and well as popular culinary needs that our services help provide.

### Digital Strategy

- **Facebook:** Considering Pantry Pros will exist both in app form and website form, it will be ideal to have a social media presence as social media is very relevant in this day in age when it comes to reaching the masses. Specifically, our brand is attempting to reach a younger generation surrounding college campuses, Facebook becomes the ideal and most prevalent way of advertising towards our audience. For the food and beverage industry, Facebook charges \$3.99 CPM (cost per thousand views), and \$.19 CPC (cost per 1 click on your website). We will have a budget of \$300 for the first year as a trial run. With more interest being accumulated through facebook, the second year the budget will expand to \$1000. The use of the budget will vary based on if we the amount of people actually visiting the site, and just the advertisement views.
- **Search Engine Optimization:** If someone were to google "Easy Recipes", we would want Pantry Pros' website to be high on the list of websites given by that search engine. Google sets their prices based on annual search query length. Depending on the traffic of the website, we will pay \$100 annually for a 20,000 search query limit. This allows our site to be one of X amount of sites that pops up based on the search. This plan will also provide us will all the services that Google supplies such as promotions in autocomplete, thumbnails as well as multilingual options. In the second year we will upgrade our plan to \$250 a year for a 50,000 search query limit.
- **Pantry Pros Website:** Pantry Pros has created a website that will be used alongside or separately from the app form. This will be most important in keeping up our internet presence as half of our product is online and the other half is an application. We will be able to reach a broader audience and emphasize our brand which attempts to provide easy recipes in the most convenient simplified form for the consumer whether that be the application or the website.

### Communication Strategy

- **Digital:** Pantry Pros plans to have a Facebook page devoted to our app/website as Facebook is largely used by people all over the world and is an easy form of communication for the younger audience.
- **Internet:** With our website we will have a heavy internet presence.
- **Sponsorship:** In this day and age where bloggers are viral sensations, it would be ideal to have a well renowned blogger mention our product. That would increase our customer base as well as our perceived brand identity.
- **Events:** We will explore having a booth at farmers markets to be able to explain the use of our services, and show the market first hand different recipes they can make with their favorite foods they recently purchased at the marker market.

- **Viral Marketing:** Having certain recipes or customer experiences go viral would bring a lot of customers to our product. For example, if Pantry Pros had a really unique recipe that a customer executed well, then posted a picture of said meal on their social media, it would be in our best interest for that picture to go viral.
- **Expenses:** We have a digital advantage being able to communicate to our target markets for free through our own website and facebook page. To get a specialized blogger to get our name out there we expect to spend no more than \$200 to have a blog with multi thousands of viewers to mention us. Events such as farmers markets will only cost \$10-\$40 for a booth. The amount of Farmers markets we attend will depend on our ability to expand on the regions that we have employees.

### **Sales Strategy**

- Pantry pros plans on having their app in the app store (both apple and android) as a free download, as well as free online use. This is our goal for coming years as getting our app on the Apple store is significantly expensive. Within the first year the app will have to be downloaded through the website until revenue can be spend on making the app more easily downloaded through the app store. we'd like to add accessories within the app that the user can upgrade to. For example, the app will come free in a very simple, easy to use format. An added accessory would be access to recipe videos. For the first year, we plan to lose money this way as just giving away our product won't supply us funds.
- Most of our income we plan to generate through advertising (advertising a company on our site/app, like King Soopers for instance), and eventually selling anonymized data to companies that would find it useful. For example, we could potentially sell data to a grocery store looking to stock specifically what customers want, or a cookbook generator like Betty Crocker, who would be interested to know what recipes people want.

### **Revenue Model**

- While we're still in the beginning stages of developing our application with the help of software engineers, Pantry Pro's plans on taking a bottom up approach for our revenue model. We plan to attain upwards of 15 customers a week visiting our site and downloading our application once the application reaches the app store. This target of 15 customers a week will allow us to ensure customer efficiency and ease of use more efficiently. We plan to generate these initial customers through word of mouth, online presence, facebook advertising, and a celebrity endorsement, which will initially cost us.
- Our application is free for download but we expect to earn revenue in the form of a premium upgrade which will allow users full access to our application including a QR scanner allowing users to simply scan their grocery receipt, a compatible shopping lists, and convenient suggestions for recipes which resemble eating habits. This upgrade is estimated to cost \$2.99/ monthly. Of our 15 customers a week our target goal is 2 or 3 people upgrading to our premium features in the

first month. Estimating 10 people per month spending \$2.99 which will directly create profit of around \$30 for the first month.

- Secondly, we plan on incorporating data sales into our revenue model. After gaining a customer base, we will have limitless access to spending habits, eating habits, search habits, and internet use. This data is extremely valuable to wholesalers and advertising companies. We plan to sell the customer's data habits not only to wholesalers, but advertisers interested in specific marketing tactics to our customers based on their consumption. Over time we can increase the price of our data sales based on the increasing value of information with more customers utilizing the site. We plan on selling to companies like BDEX for an estimated \$1 per 10 users.
- Once we have perfected our premium features we plan to target a larger portion of weekly customers to upgrade to premium by advertising these features on our facebook page, website directing traffic to downloading the application, and on the application itself to users initially utilizing our application for free. In the first few months we plan to increase our target consumers per week from 15 to 45 tripling our initial customer base due to increased advertising and word of mouth. Of these 45 weekly and around 200 customers monthly, we plan on having 30 of these consumers upgrade to the premium feature within the first 3-5 months of our product on the market. We hope to maintain a 15% upgrade premium of the total customers utilizing the product.
- As our technical capabilities and advertisement ramps up within the first year, based on increased earnings and selling data to advertisers, we estimate 400 to 500 users downloading our app and visiting our website per month. This would generate revenue for the first year if we maintained 400 downloads and 15% premium upgrades monthly to be around \$100 a month for each month on average earning us \$1200 revenue from premium upgrades. Compounding that, 400 user's data every month for the first year will create a user basis of 4,800 users. Selling to BDEX for \$1 per 10 users in the first year generating around \$500 additionally for data sales. In the first year we expect to generate around \$1700 in revenue.
- We expect our yearly user base to triple between the end of the first year and the end of the second year. This would generate around 15,000 users on our application and website. Selling this data for an increased price based on our increased access and increase in spending habits for consumers having utilized the product for longer than a year. We expect to ramp our data sales to \$3 per 10 users in the end of the second year. Generating \$4500 in revenue by selling to companies like BDEX and potentially selling the data to specific wholesalers like Red Bull, Nature's Own, Kroger, etc. These brands would likely pay over \$3 per 10 users to advertise specifically to our users by utilizing the data provided to target consumers already purchasing their products and possibly consumers that could purchase their products. This extension of data sales could generate us an estimate \$2250 more due to our increased consumer base. Similarly, of the 15,000 users we plan to maintain the retention rate of 15% of premium upgrade

users generating an additional revenue of \$2250. The end of our second year we estimate revenues around \$9,000.

- In the third year we plan to expand our market by advertising specifically to other college campuses to create a more national presence. We want to maintain our brand loyalty and our creator's original skills that are marketed specifically to a younger audience but to expand this to other campuses across the nation. Also, with the efficiency and technical capability of our application after two years of use we plan to expand our marketing technique to older users including household families, young adults looking to diversify their cooking skills, etc. We would expect to maintain growth rate by advertising to this new audience by tripling our user base from 15,000 to around 50,000 users. This will sustain the same premium upgrade users generating a revenue of \$7,500. Compounding this revenue with data sales we estimate to earn revenue around \$12,000 to \$15,000 by maintain company relations with brands willing and able to market to our specific users. We want to maintain relations with brands over 3 years to ensure our customers still have the same user experience without compromising our brand that entails ease of use and customer satisfaction. This totals between \$19,500 to \$22,500 by the end of year three.
- We expect slight variation in the frequency of our users based on holidays and colder seasons where cooking in the home becomes a primary habit for most consumers. As consumers seek comfort and ease over colder months from revisiting the grocery store we expect our application use to be doubled in the winter season compared to summer.

### **Possible sales pitch:**

What are you going to eat tonight when you get home? ....*Wait for response.....*

If say eating out: Did you know the average American spends \$230 a month eating out? Think of the things you could buy with even half of that money. By visiting or downloading the new product Pantry Pros you could save money and eat enjoyable food that you made. Pantry Pros takes the food you already have in your refrigerator and pantry to find recipes and videos of meals that can be made.

If say not sure

If they know what they are eating

*Their response: That is neat where do I find it?*

Just visit the Pantry Pros website or download the app from the app store. Its FREE!!!!

Yooo pretty sure he just wanted us to think about it as a group because it says we dont have to turn it in or do anything but its good to have in mind before we start our consumer research next week