



**Medina Marketing Agency**

Aaron Lien

Alex Gallegos

Anh Le

Sanchit Singh

Tiffany Wells

Waled Elkarim

December 8, 2017

Fall 2017

MKTG 351-10

Fri-12pm

Table of Contents

I.	Business Mission.....	3
II.	Situation Analysis.....	3
	A. SWOT Analysis.....	3
	B. Current Market Situation.....	3
	C. Consumer Interest.....	4
	D. Competitive Analysis.....	5
III.	Business Objectives.....	7
IV.	Marketing Objectives.....	7
V.	Marketing Strategy.....	7
	A. Target Audience Analysis.....	7
	B. Marketing Mix (Strategy).....	8
	1. Product.....	8
	2. Distribution.....	11
	3. Marketing Communications [Social Media].....	11
	4. Pricing.....	12

## **I. Business Mission**

The mission of PetMate is to be an exciting and enriching business, providing a perfect platform for owner to dog match-making. By exercising the present needs of both clients and their pets, and offering outstanding customer service, we will ensure a pleasant and secure atmosphere for all dogs and owners.

## **II. Situation Analysis**

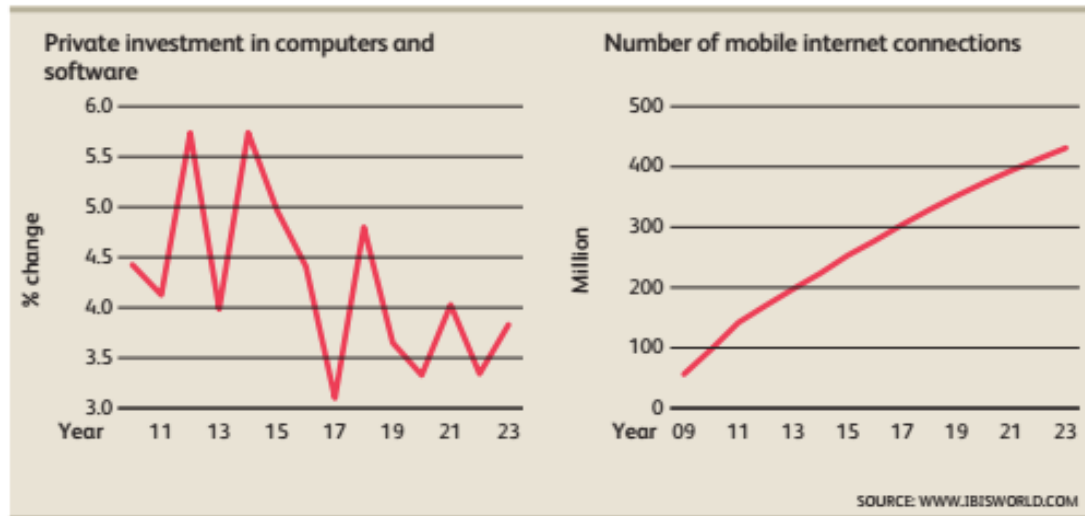
### **A. SWOT Analysis**

1. Strengths
  - a) Provide training tips for pet owners
  - b) Locate local dog training and grooming facilities
  - c) Free app through Apple Store and Play Store
  - d) Partners up with local animal shelters to assist in an increase of adoption frequency
  - e) Search feature allows users to locate local dog walkers
2. Weaknesses
  - a) No present facility for in-person customer service
  - b) No screening process to validate a profile
  - c) Exclusive to dogs only
3. Opportunities
  - a) Large market of animal owners in the United States
  - b) High growth market
  - c) Low cost startup
  - d) Low competition
  - e) High demand market
  - f) Expand to other animals (i.e. cats, rabbits)
4. Threats
  - a) Alternative apps in the Apple/Play Store that are pet related
  - b) Instagram is currently being utilized with owners creating profiles for their pets
  - c) Dog parks and beaches where animals meet organically
  - d) Dog breeders (American Kennel Club)

### **B. Current Market Situation**

#### *1. Industry Analysis*

- a) The industry for software generated about \$218.4 billion in revenue and is forecasted for annual growth rate of 2.9% from 2017-2022.
- b) The industry for pet market generated about \$18.4 billion in revenue and is projected to have an annual growth rate of 1.3% from 2017-2022.



With the current estimates of having more and more mobile connections, the mobile applications industry will continue to rise over the next five years.

## 2. *Mobile/Social Technology*

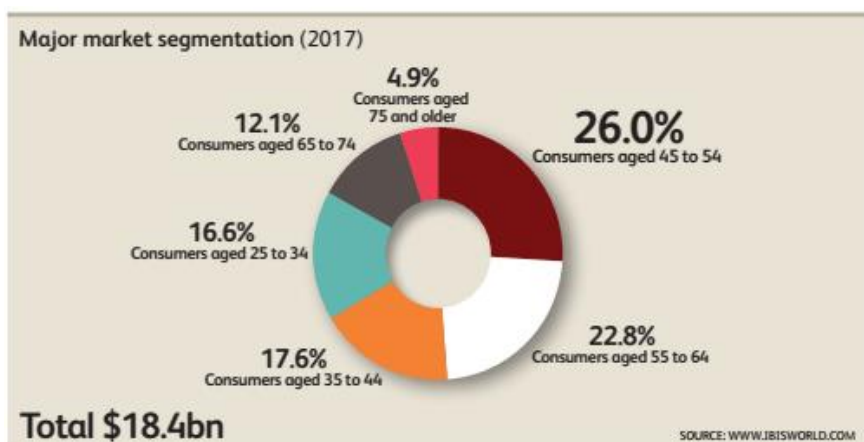
Since PetMate will be a mobile application and mobile technology over the past 2 years is rising exponentially, the value of our product will also rise with more technology usage. Furthermore, the growth of mobile technology would only strengthen PetMate's stand in the pet as well as software market.

## 3. *Market Size*

As of 2017, the estimated amount of pets in the American household is approximately 180 million. This is a relatively large market as survey organizations estimate about 65% of U.S. households own pets. There is an estimated forecast within 2 years that the number of pets will reach 200 million. With all these numbers being involved, there is a large audience for the PetMate to cater.

## C. Consumer Interest

- a) As per the below figure, the lion share of the pie is shared by the consumers between the ages 45 and 54 who account for an estimated of 26% of total revenue. Consumers in this age group are likely the sole providers of the family and are also established in their career with good income. Hence, targeting this large percentage will be financially rewarding for our company.



- b) Moreover, the consumers who represent 22.8% of the market, between the ages of 55 and 64. Per PetSmart Inc., this percentage is supposed to grow over the coming next five years as consumers aged 45 to 54 increasingly enter this age range.
- c) According to the American Pet Products Association, a reported 38% of family with under 18 years children old own at least one pet. Hence, focusing the consumers with age group between 35 and 44 are likely to have children under 18 and getting them pet companionship will benefit health and behavioral development in young children.
- d) The demographic group within the age of 25 and 34 accounts for a lower yet increasing share.
- e) The smallest consumer age group over the age of 75 has the lowest share of the pie as they have limited income which diminish their capability to own or spend on pets.

## D. Competitive Analysis

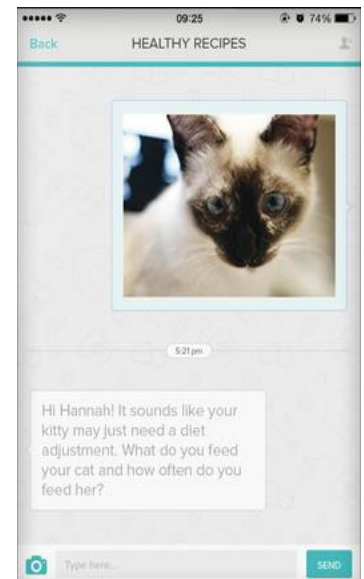
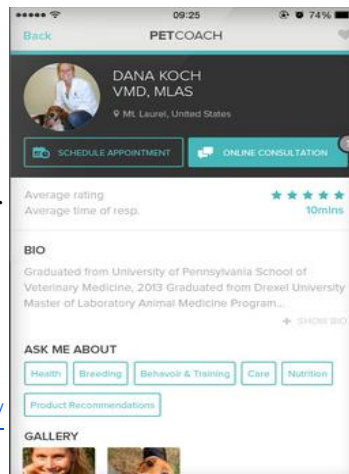
### 1. Pet Coach

- a) Owned by PETCO Animal Supplies Stores, Inc. Ability to advertise at over 1,500 of their locations across the United State, Mexico, and Puerto Rico.

- b) Target audience is 18-40 year old pet owners who are looking to “provide the best care and attention to your pet.”

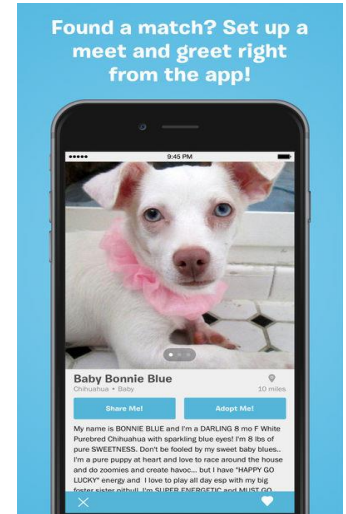
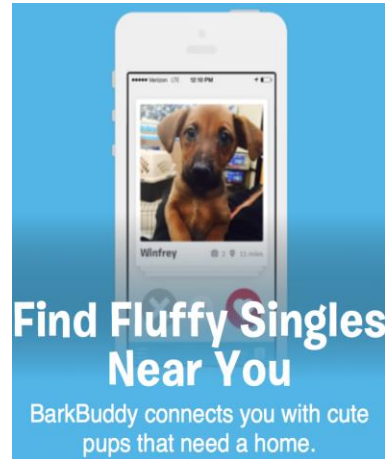
<https://www.petcoach.co/about/>

- c) Their mission is to help provide “healthier, happier, and longer lives to your pets.”
- d) Allows user to speak to a vet, pet trainer, or other pet professionals anytime, anywhere. Able to send photos to vets and pet nutritionists for better diagnoses.
- e) Launched the *Pet Project* in partnership with *Whistle*, inviting entrepreneurs and innovators in the pet care industry to submit their work, have a chance to win a cash prize for their winning idea and a chance to network with *Petco* and *Mars Petcare*.



## 2. BarkBuddy

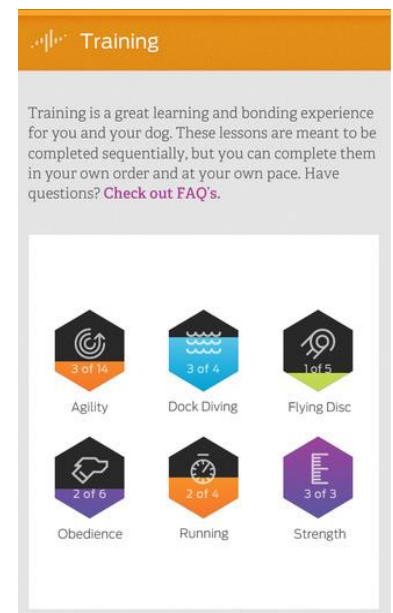
- a) Owned by *Bark & Co.*, the owners of the successful Barkbox, who ship a monthly box of dog goodies to subscribers.
- b) Target audience are adults who are in search of a dog and with the belief that “everyone should have a dog in their life, and every dog should have a human.” <https://barkbuddy.com>



- c) Utilizes *Twitter, Facebook, Instagram, and Pinterest* to promote through social media advertising.
- d) Contains dog profiles of pets up for adoption and in need of a home.
- e) Filters profiles that are local to the users' area. Recommendations improve the more the app is used.
- f) Ability to reach out and set a meet and greet with your perfect match.

## 3. Purina Pro Plan P5

- a) Owned by *Nestle Purina Petcare Company*, which has international presence and the ability to advertise.
- b) Target audience are dog owners looking to train their dogs and “spend more quality time together.”
- c) Advertises on social media through *Facebook, YouTube, Instagram, and Twitter*.
- d) Features training videos with routines owners must complete with their dogs to earn badges.
- e) Ability to track your dog's activity and progress anywhere.



### **III. Business Objectives**

- a) Fundraising events such as dog fashion shows, for iOS and Android apps in March and October to raise 1 million dollars
- b) Reach 1 million users in the FY 1, across all platforms
- c) Full capacity by year end FY 2
- d) Expansion of services by FY 3
- e) Create at least 10 dog training centers in Orange County

### **IV. Marketing Objectives**

- a) Build a community, based on the care and companionship of every dog species.
- b) Ensure that all the team members are trained with updated pet first aid and CPR for the pet's best care.
- c) Organize community meet-ups, such as a dachshund lovers' group, to build close relationship with pet owners.
- d) To support the adoption of homeless animals our company can provide quality medical care and charity missions.
- e) The company will send each registered pet owner, a celebratory email for each pet's birthday making them feel special and gain their trust.

### **V. Marketing Strategy**

#### **A. Target Audience Analysis**

- a) According to the American Pet Products Association (APPA) states that around 68 percent of U.S. households own some pet, so it is more than likely to reach a pet owner no matter who is targeted with the marketing.
- b) With an audience as broad as "U.S. pet owners," it is not viable to target individual segments of any age group instead expand the segmentation. Almost anyone of any age can have a dog: unmarried millennials, families with kids, dual-income couples and aging baby boomers.
- c) Moreover, segmenting the U.S. pet-owning population using geographic and demographic variables is appropriate, but has its limitations. When targeting pet owners, a substantial amount of importance has been placed on segmentation by the age, sex, and income, as well as the geographic variables of urban, suburban, and rural localities.
- d) According to the latest APPA survey, millennials are now the largest group of pet owners, with baby boomers in the second position.
- e) This APPA survey record that baby boomers spend time and money on premium pet products and services, while millennial pet owners look for discounts online, although they have the same consideration about what is best for their pets.

- f) Additionally, factors like psychographic help one understand the thinking of pet owners, what they value and how they behave. Using such factors in association with demographic as well as geographic factors is even better because it will give the most detailed portrayal of the target market.
- g) This characterization of different geographic and demographic factors can be used to create better personas and, subsequently, more prominent emotional connections with their target audiences.
- h) Segmentation and the personas derived from them will suggest different strategies, tactics, and messages to engage pet owners.

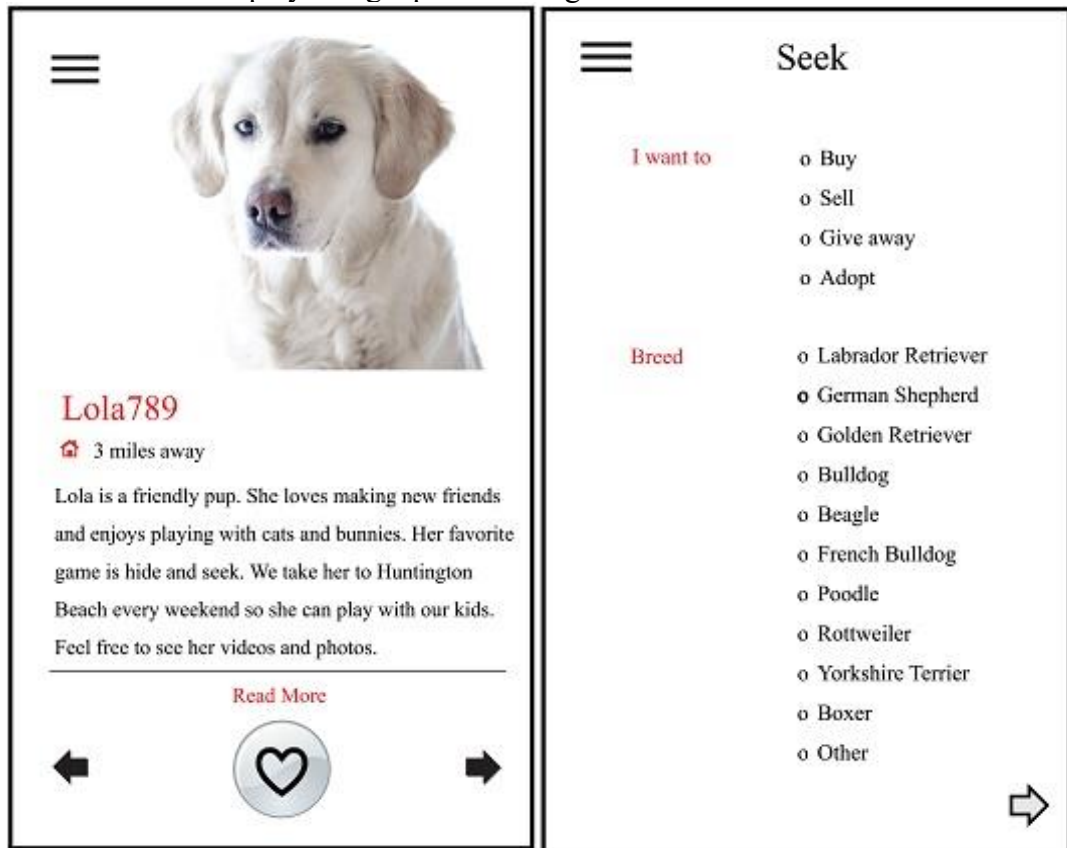
## **B. Marketing Mix (Strategy)**

### *1. Product*

- a) PetMate is a simple to use phone application tailor-made for pet owners and prospective pet owners by organizing gathered information from local animal shelters. That information is then electronically input into PetMate's system, where it will be used to make custom profiles for each dog looking for a home.
- b) To use the features on PetMate, a user must first create an account. They have the option to either manually input their own personal information in the required fields or they will link their Facebook account to automatically fill their information.
- c) Users will then be able to personalize their settings by choosing: which breed/breeds they prefer, setting the mile radius from their location, turning on notifications, etc.

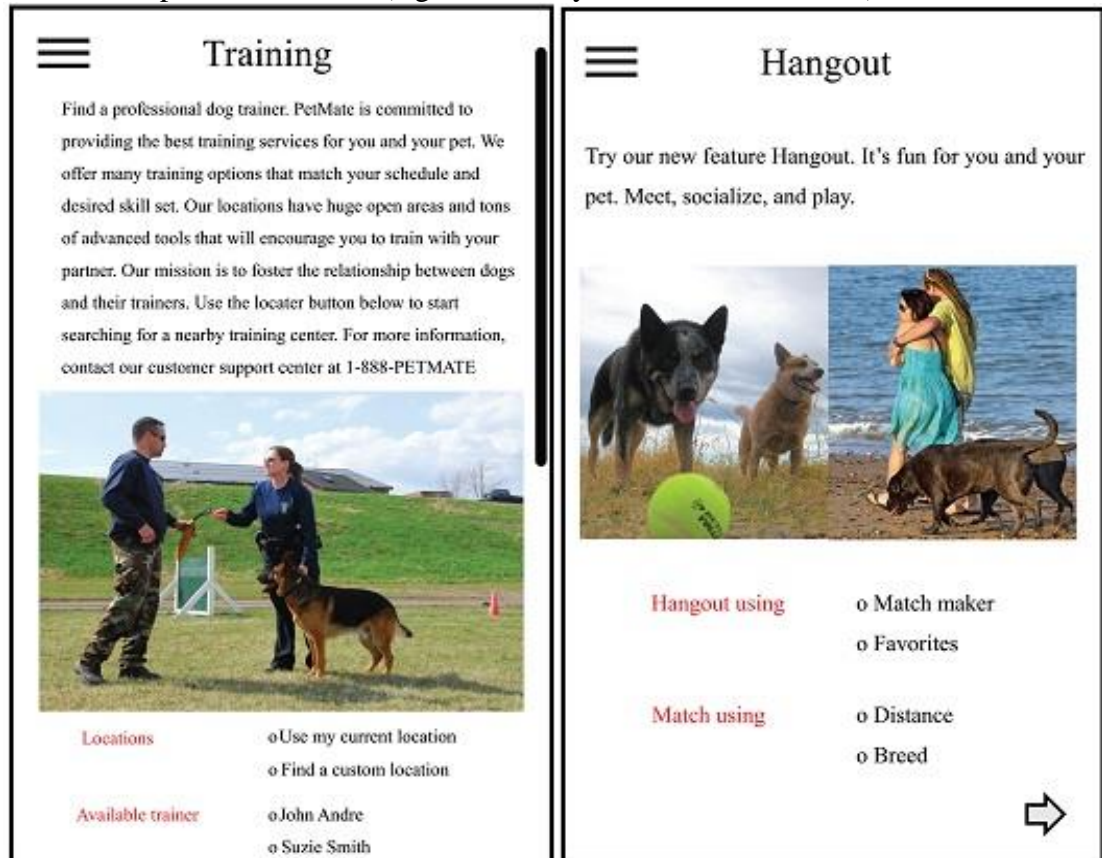


- d) Once a user has setup their account, they will be presented with their custom search results that will display a dog's picture along with their name and distance.



- e) Swiping right will connect the user with that profile giving them more detailed information, while swiping left will save the profile in an accessible location should the user decide to go back and have a second look.

- f) Two of PetMate's main features include Hangout and Training. With Hangout, users will organize an individual meet-and-greet for pets and their owners or create a social event for a specified location (e.g. Beach Day, Hike with Your Pets).



- g) Training is a feature that helps current and future pet owners find the best professional dog trainers in their area. Whether a user wants to housetrain their new pup or adult dog, PetMate will connect you with recommended training services.
- h) PetMate will have a 100% guarantee to connect users with certified animal shelters. The profiles presented will be checked daily for accuracy and updated with new profiles.
- i) The application will be free to download on iOS and Android phones. If a user wants to access profiles from a different county (i.e., LA County, San Diego County, etc.), then it will be accessible to the user at a reasonable premium price.
- j) Customer support for PetMate will be available within the app and provide a 24-hour live chat for its users.

## 2. *Distribution*

- a) PetMate is an app that will be available year-round. Each day, week, and month will present a national theme to help with the adoption of pets (i.e. National Mutt Day, National Animal Shelter Appreciation Week, National Train Your Dog Month).
- b) To help distribute and create awareness for PetMate, booths will be set up at animal shelters.
- c) Booths will also be set up on college campuses during midterm weeks. Students can interact with pets to alleviate the stress of studying and be informed of PetMate.

## 3. *Marketing Communications [Social Media]*

- a) PetMate is a new app that will be released in Android's Play Store and Apple's App Store. To promote the PetMate app on both platforms we will use featured ads on search results on the Play Store and App Store.
- b) In addition, PetMate ads will be featured on Google's search, Bing, Facebook, and Twitter. Moreover, our Facebook page ([www.facebook.com/petmate](http://www.facebook.com/petmate)) and Twitter account ([www.twitter.com/petmate](http://www.twitter.com/petmate)).
- c) According to MRI report of 2016, 17.79 % of Americans visit Facebook and 19.48% used a search engine. Therefore, using social media and search engine ads will help us target a large percentage of the American population.
- d) PetMate is primarily focused on making people know more about dogs and feel the need to take care of them. Our advertisements on Facebook and YouTube will focus on making the viewer feel emotionally attached to the idea of owning dogs.
- e) Our promotion strategy will feature videos of dogs that need protection and how fun is it to play with them. Other videos will educate the viewer about different breeds of dogs and their special features. For example, we can introduce a German Shepard and talk about its height, weight, running speed, nutritional needs, and fun facts
- f) PetMate is designed to appeal to Americans who are trying to know more about dogs, how to train and take care of them, or how curious they can be.
- g) The potential of this app in America is very big because according to MRI report of 2016, 45.54 % of Americans own at least one dog. So PetMate can provide useful services to those 45.54 % as well as introducing the idea of owning a dog to those who do not own dogs.
- h) PetMate will make it easy for you to find a nearby dog trainer and a dog to adopt without having to wait or visit many locations in person.

## 4. *Advertising*

- a) We will feature ads on Google's search and YouTube. Our Facebook page and twitter account will be a good way to promote the app and re-direct many social media users on mobile phones to download the app.
- b) Using a mobile app for this project allows us to target a large number of people because mobile devices are the most personal devices for many people across all ages.
- c) The usage of social media to promote the app is very cost efficient because it eliminates the need of hiring many workers and physically organizing events to promote the app. In addition, sponsored advertising will be arranged with college campuses to build a positive brand image and to encourage more students to use PetMate.
- d) Since PetMate's marketing strategy relies heavily on online ads and the use of social media platforms, it is important to run ads regularly to generate traffic and increase PetMate's downloads number. However, more sponsored ads can be used during holiday seasons.
- e) Organized events will be used to introduce pets to students at the end of the semester before final exams to market PetMate to students.

➤ *Sales Promotion:*

- From Jan 1st - Dec 31st 2018, \$5 off coupon for Chewy (pet's food) for new users.
  - From Jan 1st - Dec 31st 2018, adopt your first dog to receive a pet toy, and 10% discount on dog training.
  - New users receive a 15% discount offer at a PetMate certified grooming service.
- i) The promotion offers many products and services related to the pet industry which will be helpful to maintain business relationships and guarantees satisfaction for our customers.
  - ii) The sales promotions are directed to our new users.

➤ *Pricing:*

- i) Our app is 100% free for all users. An ad-free option will be offered at \$4.99. A premium priced option will be offered at \$9.99 which includes no ads and access to shelters in nearby counties.
- ii) This premium option turns a standard customer to Gold status, or "Golden Retriever" status, where they will receive special offers from other websites that we will link in daily advertisements.
- iii) We will accept all forms of Debit and Credit cards. This includes: American Express, Discover, MasterCard, and Visa.