

Welcome to the Session

Presented by:



Marketing Strategies

TO IDENTIFY AND GAIN NEW CUSTOMERS

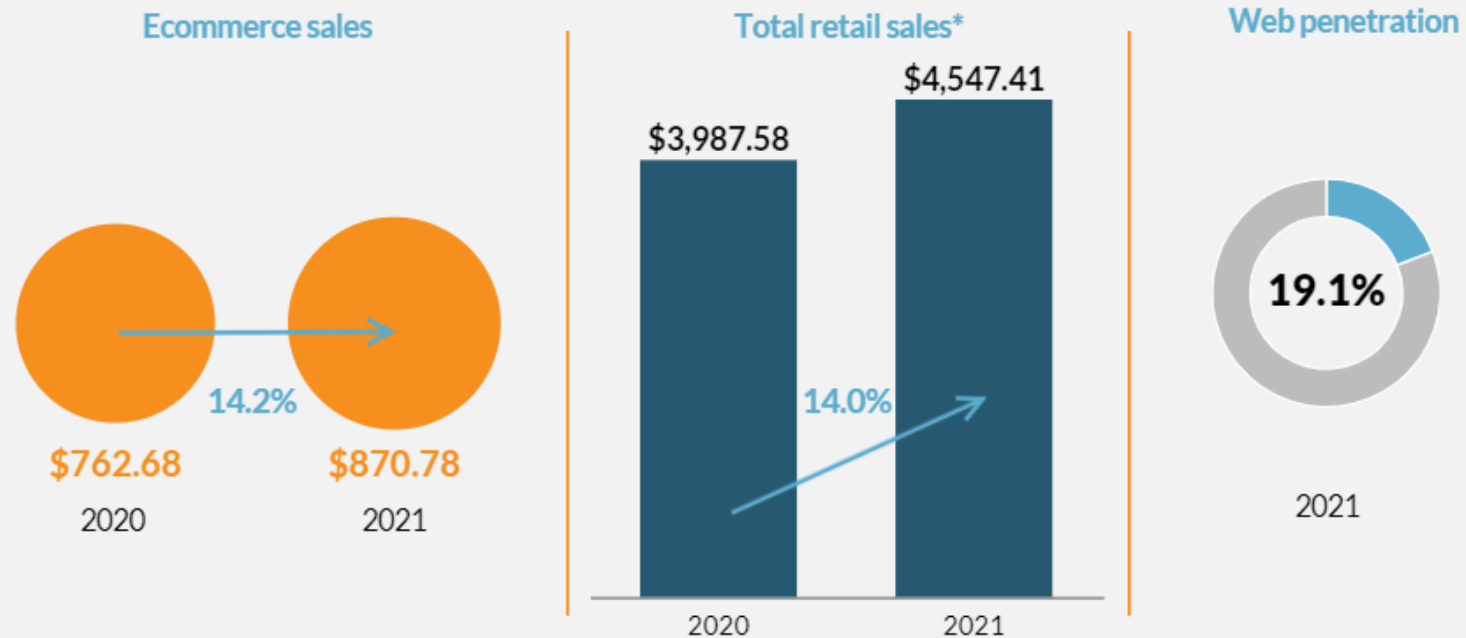
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Planning in Today's Market

The Growth of eCommerce

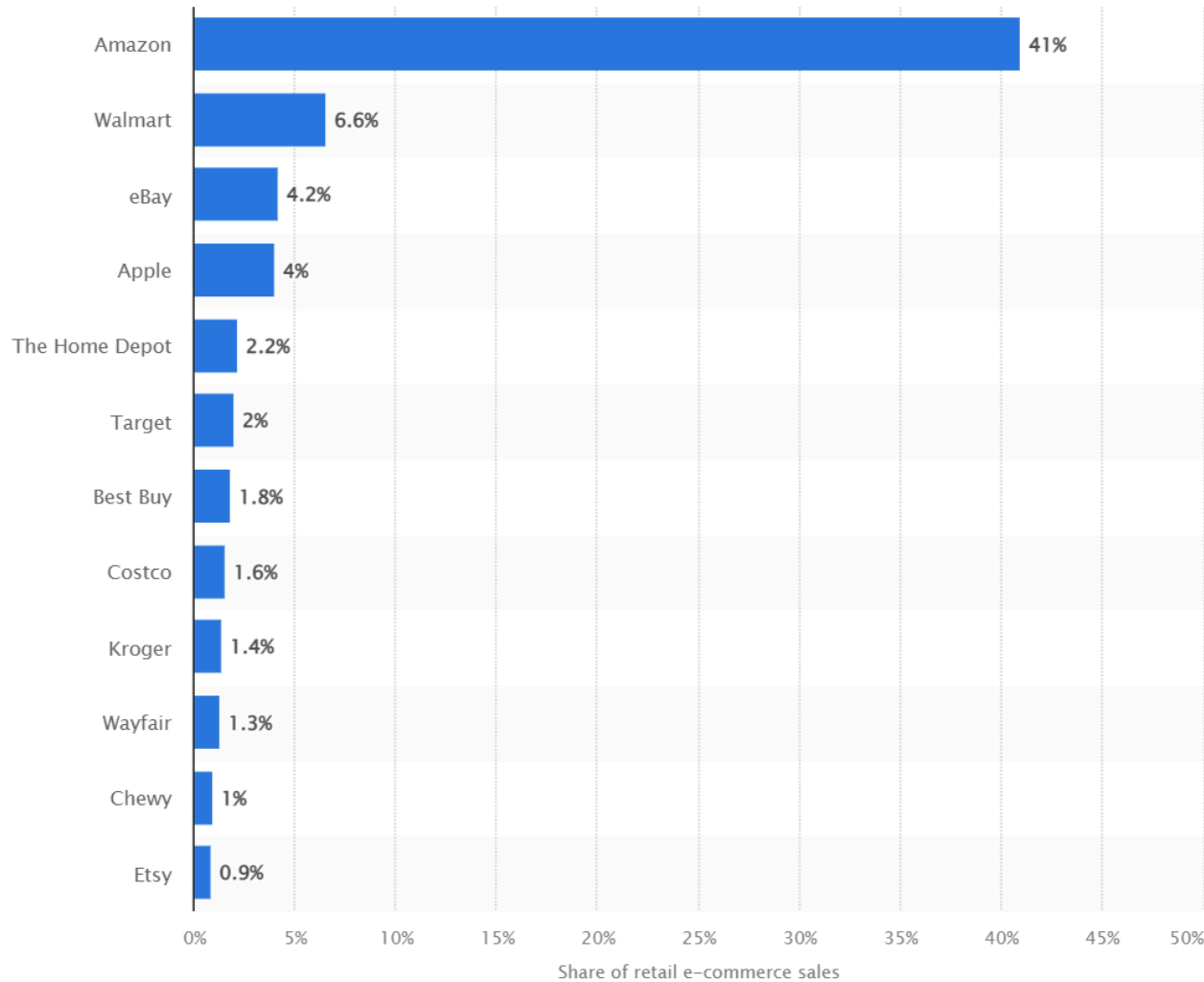
US ecommerce sales, in \$billions of USD



eCommerce in the U.S. grew **14% YOY** in 2021.

Total retail sales grew **14% in the U.S. to \$4.5M.**

Amazon has the Largest Share of E-Commerce



**Amazon accounted for
41% of U.S. online
retail sales. (as of Oct. 2021)**

2nd Place: Walmart 6.6%

3rd Place: eBay 4.2%

The Good News: People are still buying!

Two main purchase considerations:

- **Needs:** Items important to survival each day/week/month
- **Wants:** Items desired to create an escape or improve mood

Planning: Divide and Conquer

Find new ways to **connect** to create new opportunities

New Audiences

New Products

New Distribution Channels

New Communication Methods

New Audiences

The Evolution of the Frugal Consumer

Consumers spend cautiously with the growth of inflation.



- Consumer expenditures dropped 0.4%
- Retail unit sales dropped first 9/10 weeks of 2022
- Experiential spend is increasing
 - Restaurants + 8% YOY (2022)
 - Travel is increasing, despite high ticket prices
- Discount retailers are seeing growth
 - Dollar General adding 1,110 new stores
 - Five Below adding up to 400 new stores
- Shoppers buy across channels for the “best deal”

Sharpen the **Focus**: Customer Identification

MASS COMMUNICATION

Undifferentiated Audience

Appeals to a broad spectrum of people, efficiently and affordably

SEGMENTATION TARGETING

Differentiated or Concentrated Audience

Selecting one or more distinct customer groups with similar wants/needs

ENGAGEMENT

Customized Audience

Tailor specific messages to meet the needs of a group of individual customers

Divide the Market into Segments

- Demographics (“people facts”)
- Lifestyles (value-oriented, impulsive)
- Behaviors (shop online vs. in-store)
- Psychographics (AIOs)
- Geography (County, Zip)
- Relationship with a Product

**What are the
meaningful, shared
characteristics of the
audience?**

User Status: Non-User vs. User

Usage Rate: Light, Medium, Heavy

Benefits Sought: Performance-Oriented vs. Price

Loyalty Status: None, Moderate, Strong, Advocate

How do you define your **BEST** customers?

- Demographics?
 - ✓ Family Life Cycle?
 - ✓ Generational Cohort?
- Financial Data?
 - ✓ Dollars Spent? (weekly, monthly, yearly)
 - ✓ Basket Size? (per visit)
 - ✓ Income level?
- Behaviors?
 - ✓ Frequency of Purchase?
 - ✓ Number of Visits?
 - ✓ Products Purchased?

Who are your most profitable customers?

Who is your secondary target?

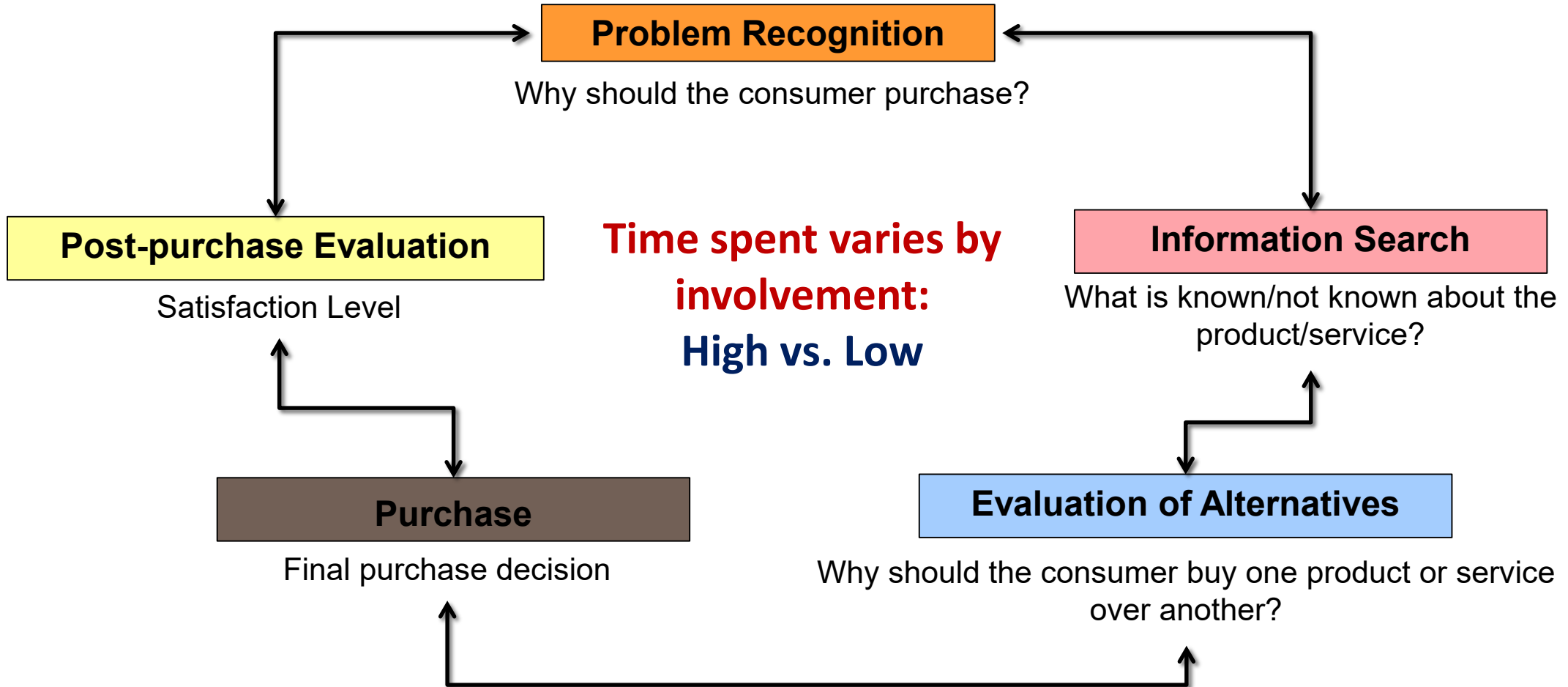
Are these viable targets?

Identifying Useful Target Segments

A viable segment should be:

- **Distinguishable:** similar as a group, but different from others
- **Measurable:** have size and purchase power
- **Profitable:** have enough scale to drive current/future sales
- **Reachable:** access to a variety of marketing channels
- **Serviceable:** can be served through your expertise and resources

Understand the Consumer Buying Cycle



Align Strategies to Purchase Decision Criteria

Think about how the consumer will frame the purchase decision.

- How might the consumer **problem/need** be addressed?
- What **competitive options exist** to satisfy the need?
- What **factors** might be used to make a decision?
- Where can the consumer **gain access** to the product/service?
- How will a consumer choose **where to buy**?

New Products

Consumer Behavior is Key to Success

Selling in tough economic times is not “business as usual”.

Consumer Challenges:

- **Reduced income**
- **Lower discretionary funds**
- **Budget constraints**
- **Price Increases**
- **Additional media options**

Consumer Actions:

- **Decreased spending**
- **Purpose-based buying**
- **More price comparison**
- **Eliminate non-necessities**
- **Negotiate or Cancel**

Value propositions have to be **strong** and align with **needs**.

Create Products/Packages that Fulfill Needs

Financial Stability

- Reduced expenses - coupons, sales promotions, value packs
- Alternative saving methods

Food / Pantry

- Meal packages, recipe swap, cooking lessons
- Meatless Mondays, Taco Tuesdays, Pizza Fridays
- Pantry / Freezer “challenge” meals

Clothing / Shoes

- Consignment – selling slightly used items for cash
- Upcycling - redesigning old items for new uses

Health / Wellness

- Health items (vitamins, medicines)
- Wellness visits – physical and mental

Indulge the “want” with Enrichment

Personal Wellness / Pampering

- Enhance personal space (sell linens, furniture, organization items)
- Spa time (beauty items, relaxation, “staycation”)
- Services (haircuts/color, cosmetic dentistry (whitening, cleaning))

Comfort / Relaxation

- Renovations (contractors, painters, kitchens/baths)
- Backyard Oasis (lawn & garden facilities, landscapers, DIY ponds, bird sanctuaries)
- Redecorating (furniture, accessories)

Enrichment

- Teach new skills: crafting, cooking, drawing, learning/reading/ education
- DIY Projects (Kitchens, baths, bedrooms, basements, backyards, playrooms)

Social Events/Entertainment

- Party planning, day trips, community events (yard sales, BBQ), sports activities

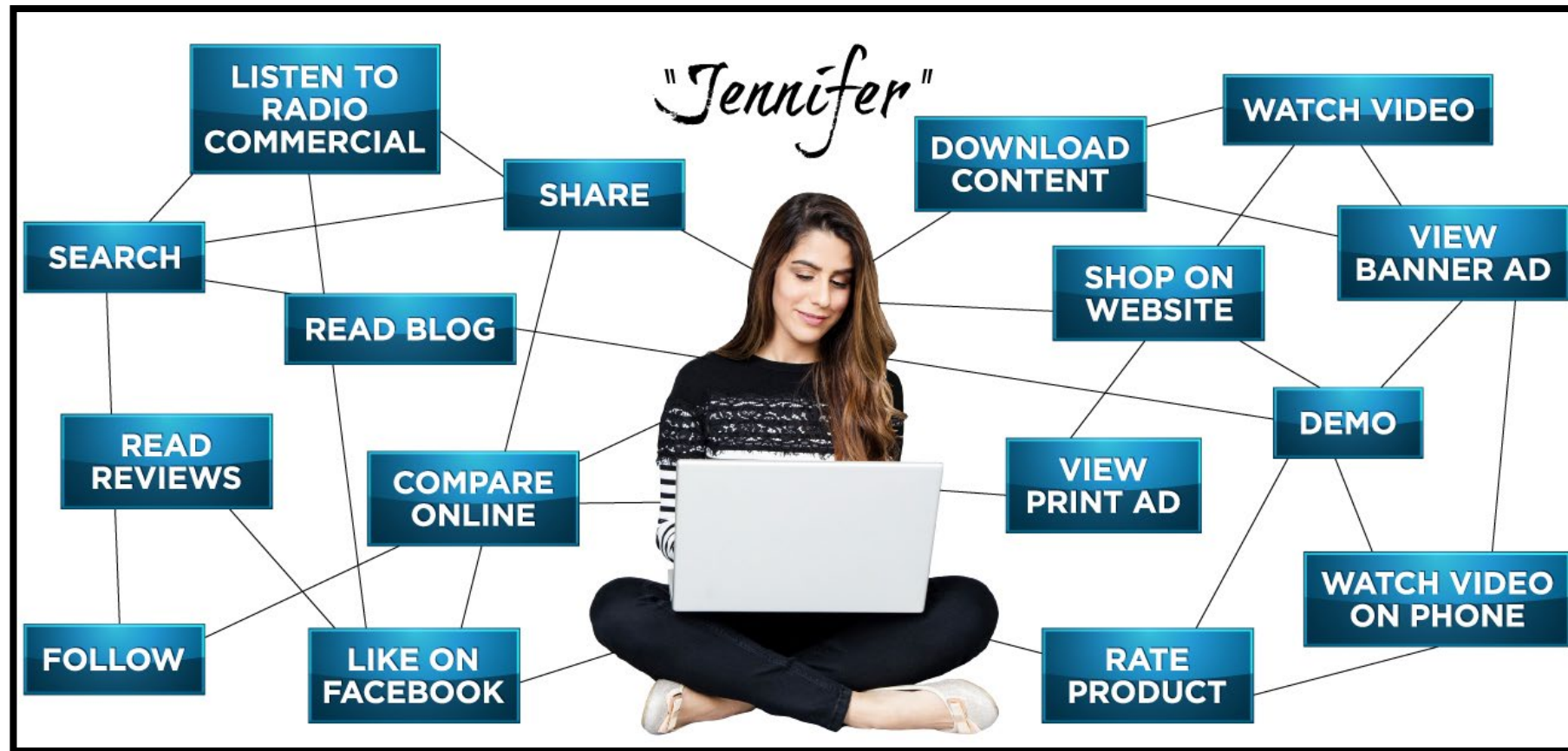
Sales Strategies

For your clients, it's all about “the cash”! Focus on activities that drive revenue.

- Use alternative sales methods to in-person shopping
- Create a Pre-Order Strategy
- Create a loyalty program or a subscription service
- Implement or remind about gift card programs
- Update your website for UX and eCommerce
- Reduce inventory for top-selling items and underperformers

New Distribution Channels

Reach Consumers When/Where They Are



Sell through Other Channels

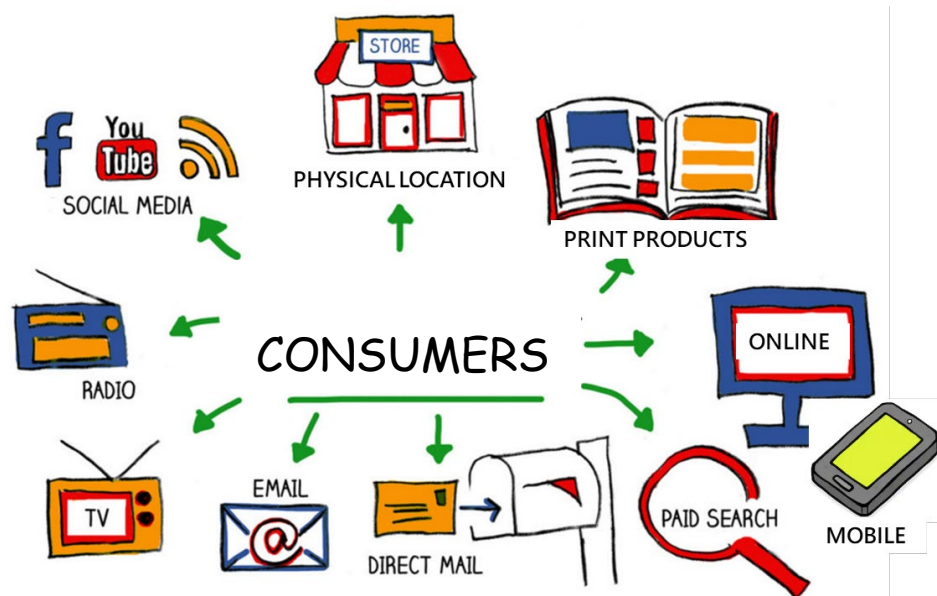
Find other ways to connect buyers to product and services.

- Add delivery options: curbside, home-delivery
- Create/redesign the website for eCommerce and/or ship-to-home
- Use third-party partners (Amazon, eBay, Etsy) to gain visibility
- Sell through social channels (FB MarketPlace, Instagram, Pinterest, YouTube)
- Build a subscription service / auto-renewing program
- Create “kits” to increase multiple items sales and “bundle buys” for savings

Promotion Planning

The Importance of Media Decisions

Media decisions are critically important for **four** key reasons:



- Media connects advertiser and consumer
- Media communicates a variety of information
 - Product
 - Brand
 - Shopping
- Media can be aligned with message objectives
- Media can be targeted to the desired audience

Marketing Strategy Challenge:

If the consumer **doesn't see** your message – no matter how creative or brilliant the idea – it is not an **effective** message.

So what should you do?

Engage Consistently with the Market

Consumer **needs and wants** are constantly changing.
Consistent communication is necessary to be a buying choice.

Target the right customers, understand **how they buy**, and
create messages that **drive action**.

The Marketing Mix (4 P's)

Used to create a desired response among predefined consumers.

- **Product** a good, service, idea, place, or person
- **Price** the assignment of value or amount to be exchanged
- **Place** availability of products when and where desired
- **Promotion** activities used to inform, persuade, and drive consumer action

An integrated advertising campaign is **key to success and media companies like **you** can help.**

Steps in Promotion Planning

1. Identify the Target Audience
2. Understand Buying Behavior
3. Establish Communication Objectives [AIDA]
4. Communicate the Brand [USP/Differentiation]
5. Reinforce Position

Our focus: Steps 3,4, and 5.

Establish Communication Objectives

AIDA Model



What are you trying to accomplish?

Communicate the Brand

- Branding Creates Trust
- Reduces Decision-Making Criteria
- Increases Equity / Value in the Product
- Anchors Differentiation/USP/Positioning



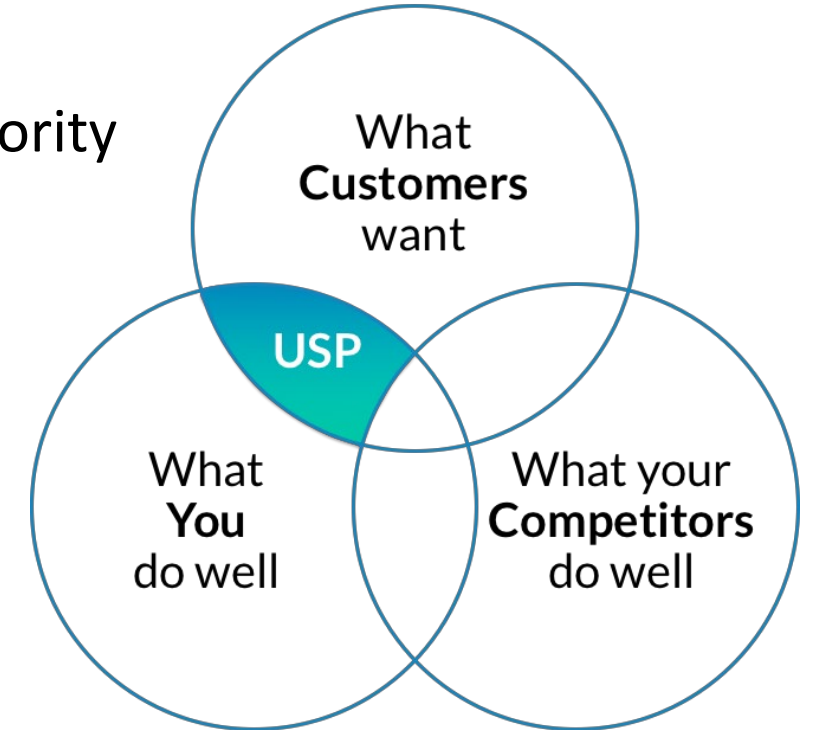
Commodity vs. Brand?

No Distinct Differentiation Attributes, Easily Substituted

Unique, Differentiated, Not easily Substituted

Communicate Differential Benefits

- **Differentiation** - distinguishes your company, product, service from competitors
 - ✓ Usually through innovation, quality, or service
- **Competitive Advantage** – factors that create superiority
 - ✓ Benefits your customers truly need and value
- **USP** – helps attract and retain customers
 - ✓ Explain the problem you solve
 - ✓ Communicate what you do well

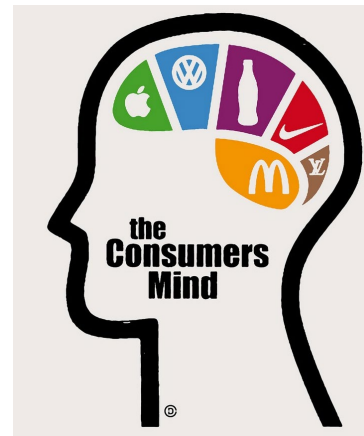


Establish Your Positioning Strategy

- Positioning – the space occupied in the consumer’s mind
 - ✓ Relative to competition

“Positioning is not what you do to products. It is what you do in the mind of the prospect.” - Al Ries & Jack Trout

- Understand what makes your product unique
- Create associations or adjust existing associations
- Communicate your competitive advantage



Advertising inspires consumer action.

Vote

Buy Now

Redeem

Follow Us

Come in for great deals!

Sign-Up

Share

Review

Free Trial

Call Now!

Visit our Website

Always have **ONE, clear call-to-action.**

Identify the Advertising Goal

- Build Brand Awareness
- Provide Information
- Persuade to Act
- Support Other Marketing Efforts
- Encourage Action

Only **one** goal should be emphasized in a message.

Design the Advertising Strategy

What do you need to “tell” the consumer?

- **Informative** - product marketing, price changes, communicating value, available services
- **Persuasive** - building brand preference, purchase now, switching brands/products
- **Reminder** - maintaining relationships, reminder advertising, off-season, upcoming season

Design the Advertising Strategy

Time the campaign to remain top-of-mind.

- **Continuous** – a steady stream of regular advertising
- **Pulsating** – steady with small, short bursts around holidays
- **Flighting** – only run at certain times of year (seasonal)

Create the Concept or Idea

Choose the appropriate mood or attitude for the creative.

- **Straightforward** – present info in a clear manner
- **Humor** – use with caution, humor varies among people
- **Dramatic** – a problem and solution in exciting manner
- **Romantic** – can be attention getting (perfume ads)
- **Apprehension/Fear** – consequences of not using the product

Maintain Consumer Interest

Interest in an advertisement is impacted by several things:

- Ineffective Messaging, Layout or Design
- Distrust in Product, Brand, or Company
- Access to More Media Channels
- Increased Ad “Clutter”
- Reduced Attention Span

Break through the clutter – give consumers a **reason to act!**

To Sum it Up:

Developing an effective marketing strategy for your business is the key to growth, expansion, and long-term success.

Take the time to plan it out.

Thank you for your time.



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