

# Marketing Plan Proposal



**MSU-NORTHERN  
ADVANCED MARKETING APPLICATIONS  
SPRING 2012**

# Agenda



**THE AGENDA IS:**

- 1. INDUSTRY TRENDS**
- 2. STATE OF THE BUSINESS**
- 3. SWOT ANALYSIS**
- 4. OBJECTIVES**
- 5. STRATEGIC INITIATIVES**
- 6. TACTICS**
- 7. RISKS AND CONTINGENCIES**
- 8. MILESTONES**

# Industry Trends



**NORTH AMERICAN INDUSTRY  
CLASSIFICATION SYSTEM**

**CODE: 541712**

Agriculture research and development laboratories or services

# Highlights of Industry Analysis

## Market Analysis

- U.S. biotechnology market experienced accelerated growth from 2008-2010
- Market expected to grow slowly from 2011 reaching maturity in 2015
- U.S. biotechnology market total revenue in 2010 \$84.8 Billion

# Highlights of Industry Analysis

## Biotechnology Market Total Revenue 2010

- U.S. \$84.8 Billion
- European \$65.5 Billion
- Asia-Pacific \$63.1 Billion

## Compound Annual Growth Rate (CAGR) 2006-2010

- U.S. 9.8%
- European 10.7%
- Asia-Pacific 11.6%

# Highlights of Industry Analysis



Market Segmentation of Biotechnology	Percent of US Market
Medical/Healthcare	67.3%
Service Provider	24.5%
Food and Agriculture	4.2%
Technology Service	3.9%
Environmental and Industrial Processing	0.1%

# Highlights of Industry Analysis



Global Biotechnology Market Value	Percent by Global Region
United States	33.9%
Europe	26.2%
Asia-Pacific	25.2%
Rest of the World	14.6%

# State of the Business



ENERGY  
Independence  
through  
**SUSTAINABLE**  
**FARMING**





# Vision Statement

The SARE Project in partnership with The Oil Barn produces culinary oil to restaurants made from safflower.



## Values

- Environment
- Innovation
- Being all natural
- Promoting the market
- Farmer and customer relationships

## Long Term Vision

In their partnership they aim to develop a closed loop, community-based oilseed industry to promote the local production and use of bio-diesel in Montana.

# Positioning Statement



**TO: LOCAL RESTAURANTS TO PROVIDE HOME GROWN ALL NATURAL SAFFLOWER OIL THAT PROMOTES HEALTH THAT IS HIGH IN OMEGA 3 FATTY ACIDS AND LOW IN MONO AND SATURATED FATTY ACIDS.**



# SWOT Analysis:



## SWOT Template

	HELPFUL (for your objective)	HARMFUL (for your objective)
INTERNAL (within organisation)	<b>Strengths</b> • • • • • • • • <b>S</b>	<b>Weaknesses</b> • • • • • • • • <b>W</b>
EXTERNAL (outside organisation)	<b>Opportunities</b> • • • • • • • • <b>O</b>	<b>Threats</b> • • • • • • • • <b>T</b>

# Strengths:



- Locally grown and produced
- PhD Staffed
- Environmentally friendly
- Healthier than currently used oils
- All natural
- Supports local economy
- Lowers food miles



# Weaknesses:



- Dependent on The Oil Barn
- Limit on production due to size
- Flavor and smell of the oil
- Lack community awareness
- Community lacks an environmentally friendly focus

# Opportunities:



- Building a market for oil seed commodities
- Building a market for the sale of MT grown MT made safflower oil and bio-diesel
- Increase number of restaurants using the safflower oil
- Increase overall customer base
- Give local restaurants a marketing edge
- Partner with bigger more profitable and well known companies

# Threats:



- Funded by government grants
- Being a new small research based business
- Competition with larger established businesses
- Farmer dependency

# OBJECTIVES STRATEGIC INITIATIVES TACTICS



## Objectives

Increase the number of restaurants that use the all natural safflower oil by May 2013.

## Strategic Initiatives

Build Awareness

Expand Distribution

Increase Referrals

Tactics

Tactics

Tactics

Tactics

Tactics

Tactics



# Objective



**INCREASE THE NUMBER OF RESTAURANTS  
THAT USE THE ALL NATURAL SAFFLOWER  
OIL PRODUCED BY THE OIL BARN IN  
PARTNERSHIP WITH SARE BY MAY 2013.**

# STRATEGIC INITIATIVES



**BUILD AWARENESS**

**EXPAND DISTRIBUTION**

**INCREASE REFERRALS**



## Build Awareness

If customers don't know about your product, they won't buy it. This is the basic reason why people worry about awareness so much, and why building it shows up in so many marketing plans.





## Expand Distribution

People won't buy a product if they can't. A product that is not in distribution has no hope of generating sales. A basic task, then, is to ensure that a product of service has good distribution.





## Increase Referrals

Referrals can be essential for a business; in some categories, referrals play a critically important role in driving trail. Dentists, for example, depend heavily on referrals for new patients.



# Table Tents



## What are Table Tents

- Informational tents located on tables of the restaurants are educational, positioned well, advertising without outsourcing, and low cost so in all table tents are a great way to build awareness.

## Why Use Table Tents

- Double sided display of information
- Focuses on positive information about the product
- Health benefits, reduced food miles, made in Montana product, The used oil is converted back to fuel

# Table Tents



## Why use Table Tents

- They have been proven to increase sales of a certain product
- Great medium to emphasize product
- Can also boost public relations
- Can serve as a nice decorative element to your tables
- Secret weapon of guerrilla marketers
- Table tents put your ads right in front of your customers

# Table Tents

## Cost:

### Table Top Display

Quantity	Each
50 - 81	\$1.22
82 - 262	\$1.14
263 - 915	\$1.09
916 - 2,598	\$0.96
2,599 - 6,593	\$0.91

### Printed Insert

Size 4"x6"

Full color front and back

Quantity

250 - (\$45.00)

- Acrylic Holder:  
4" wide insert display; plastic table tent
- Great for displaying 4" x 6" graphics or menus.
- Great as a countertop or table top display for any location!
- Great way to market your business or event is with premium UV coated flyers.
- Printed 4/4 full color both sides
- UV coated high gloss on both sides





# QR Codes



## What are QR Codes



## How to use them

Quick Response or QR codes came from Japan and are becoming very popular. Unlike barcodes QR Codes can store much more data, including url links, geo coordinates, and text. And today all you need to read them is your smart phone.

# QR Codes



## Where to use them

- Add them to any print advertising, flyers, posters, invites, TV ads etc. containing:
  - Product details
  - Contact details
  - Offer details
  - Event details
  - Competition details
  - A coupon
  - Twitter, Facebook, MySpace
  - A link to your YouTube video

## Why you need one

- They allow you to reach customers in a new way. Sharing information about your product and allowing them to enroll in other programs.



## Cost:

In September this year, Chili's put up QR codes in its restaurants to celebrate its eighth annual Create-a-Pepper to Fight Childhood Cancer campaign. Chili's included QR codes on table tents and on coloring sheets and invited its patrons to scan it. QR codes were also placed alongside campaign posters around the restaurant that showed a cancer patient saying thank you.

The codes were scanned a total of 291,000 times and donations reached more than \$5 million dollars!

- Free codes are offered on a number of sites
- Only cost would be the cost of the paper and ink used to print

<http://www.qrstuff.com/>



# Event Day Tactic



- One day fully committed to reaching the target market by informing the public of the program.
- Consumers (restaurant managers, community members, etc.) will have the chance to experience the Oil Barn product and learn about the Bio-Energy Center's program surrounding the Safflower Oil.
- Current consumers of the oil can speak to the public of the success and their experience of using the Safflower Oil

# Event Day Tactic



## Build Awareness

- Reach a high number of community members
- Promote the oil against others with a cook off
- Increase referrals
- New contracts may be made
- Demonstrations made to explain the process
- Include a tour of the on-campus facility



## Cost:

Mary Liz Curtin and her husband, the shop owners of Leon & Lulu look forward to their event days. In 2010 Leon & Lulu held 65 events. 53 of which benefitted charities.

- Promoting the Event
- Food costs
- Timing of the event
- Cost of hosting the event

# Fanminder



## Mission

- ***Fanminder powers fan relationships for small businesses.***
- From one easy do-it-yourself place on the web, we help businesses publish gorgeous offers that reach and reward their fans on the social web, online, and mobile. It's completely free to use with add-ons for price.
- ***Fanminder is leading the way in Fanbase Marketing.***
- Launched nationally in 2010, Fanminder is privately-funded by top angel investors and based in Silicon Valley, California. The company is happily satisfying artisan donut shops, hip urban clothiers, and edgy tattoo parlors, among thousands of customers.

# Fanminder



## Why use Fanminder

- Your control panel
- Reach fans anywhere
- Real-time dashboard
- Gallery of offers
- Gorgeous offers
- Grows your fan base
- Custom Facebook page
- Mobile web-perfect
- It's all free
- Starring your brand
- Built-in viral sharing

## Uses of Fanminder

- Facebook
- Twitter
- Mobile phones



# Fanminder



## Your control panel

- Manage all your promotions and offers from a single place on the web.

## Real-time dashboard

- See how your offers are performing without having to ask staff.

# Fanminder



## Gallery of Offers

- Select from Coupons, Alerts, Specials, Sales, and more...

## Gorgeous Offers

- We host gorgeously formatted online and mobile web pages for each offer.

# Fanminder



## Grows your fan base

- Our custom in-store signs get fans to join right in your store.

## Custom Facebook page

- Incent fans to 'Like' you with your branded Facebook Welcome Page.

# Fanminder



## Mobile Web-perfect

- Fans 'grab' your offers to their phones via text message and redeem it from a mobile web page.

## It's all Free

- Even our text messaging is free, up to 100 mobile phone numbers.

# Fanminder



## Starring your brand

- Be fabulous by uploading your logo and business or product photos.

## Built-in viral sharing

- Each offer allows fans to virally spread it to their friends.



## Cost:

Social networking is a key ingredient of Psycho Donuts' success, and we have specifically tested the results of immediate text offers across every social networking platform. In virtually every test case, Fanminder produced the most effective results by far.

The program is painless to set up. We offer customers a free donut to sign up; a few months later, we have hundreds of mobile fans who await our text messages – often reacting to offers in minutes.

- Free app
- 100 text per offer free
- Only cost would be salary time it takes to make the offers



# Small Bottles Available to Individual Customers



- Producing small bottles for sale gives the customer of the restaurant the option to buy the culinary oil for home use.
- A small display at the cash register may also be an incentive for customers to inquire of the oil.
- Sale of individual bottles rise revenue.

# Small Bottles Available to Individual Customers

## Expand Distribution

- Reach more customers
- Increase referrals from current customers
  - Murphy's Pub
  - China Garden
  - MSUN Sub
  - Montana University Dining Services
- Restaurant expansion
- Restaurants to gain a competitive advantage
- Discounted price to restaurants for selling individual bottles





## Cost Evaluation:

Tom Martin vice president of sales and marketing of Klocke of America stated, “We have more and more customers looking to put more than one product into a sample delivery package.” In the interview

- Bottling information can be acquired by contacting The Oil Barn’s distributor J.F. Shelton – The Northwest’s leading distributor of specialty chemicals and containers
  - Consolidated Container Company  
1-888-831-2184
  - Hedwin – Precision Performance Packaging 1-800-638-1012

# Production of Individual Bottles of Oil for Retail Sale

## Expand Distribution

- Market to supermarkets that support local products-IGA
- Producing small bottles for sale gives the customer of the restaurant the option to buy the culinary oil for home use
- A small display at the cash register may also be an incentive for customers to inquire of the oil
- Sale of individual bottles rise revenue
- Give stores a competitive advantage

# Production of Individual Bottles of Oil for Retail Sale

## Expand Distribution

- Rise revenue
- Increase customer exposure
- Increase public awareness
- Support local markets





## **Cost would be minimal:**

An unlimited number of products are sold in retail stores around the globe. It is a very successful way of getting products available to everyday consumers.

- **Transportation costs**
- **Sales and distribution arrangement**
- **Distribution time**
- **Possible extra bottling costs**
- **Contact John Malisani or Tracy  
Job at IGA 1(406)265-1229**

# RISKS AND CONTINGENCIES



**WHAT ARE THE RISKS?**

**WHAT MIGHT GO WRONG?**

**WHAT IS THE BACKUP PLAN?**

# RISKS AND CONTINGENCIES



## Risks

- Technical difficulties with QR codes and social media sites.

## Contingencies

- Send out an email notifications along with text message alerts.

# RISKS AND CONTINGENCIES



## Risks

- Weather and/or scheduling conflicts on event day.

## Contingencies

- Have multiple event days with secondary locations available.

# RISKS AND CONTINGENCIES



## Risks

- Unable to utilize the smaller consumer bottles.

## Contingencies

- Make available for sale at the MSU Northern Bio-Energy Center.



# MILESTONES



**WHAT NEEDS TO HAPPEN FOR THE PLAN TO  
WORK?**

**WHAT ARE THE KEY DATES?**



## Milestone

QR codes have been completed already.

Activity	Timeframe
Fanminder	Singed up for offers by May 31
Table Tents	Printed by June 15
Event Day	August 1 or prior to harvest
Small Bottles/IGA	Distributed by December 31

# Questions?



**THANK YOU FOR YOUR TIME**

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