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This is a real student assignment based on a real company. The student received a mark of 100% on this assignment.

# **BATTERY BOY INTEGRATED MARKETING COMMUNICATIONS PLAN**



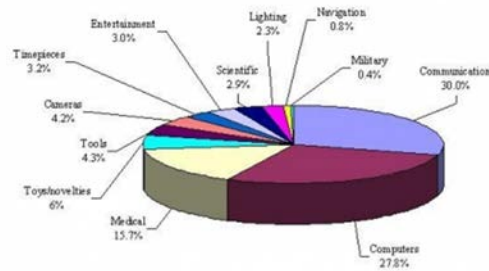
**MKTG420 - Assignment 3**

**Submitted By:**

**Date: May 9, 2014**

## EXECUTIVE SUMMARY

The market for portable, battery-powered products has grown considerably from a niche market of watch batteries and flashlights to a diverse and rapidly growing market that encompasses a plethora of cellular, computing, entertainment, photographic and cordless tool devices. As the demand for consumer electronics increases so does the demand for batteries. Battery Boy carries a wide variety of batteries to fill the needs of this expeditiously expanding market.



("Portable Battery Powered Products: Global Markets", 2012)

Battery Boy's integrated marketing communications plan was prepared strategically on the basis of past performance and future company expectations. It is designed to target the general needs of Chatham-Kent's battery market as well as the individual product categories of consumer household batteries. This plan has been crafted to increase brand awareness, develop comprehension regarding Battery Boy's product and service offerings, while further building brand loyalty among its current customers.

The beginning of this report provides a SWOT analysis, target market break down, market analysis, and this provides the overall communication and behavioural objectives of the integrated marketing plan. This report outlines Battery Boy's strategies and tactics for advertising, sales promotions, direct marketing, personal selling and public relations. The results of the IMC plan are to create a measureable framework to use as a benchmark base for future promotions as well as increase current sales in the consumer household battery product category.

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## **INTRODUCTION**

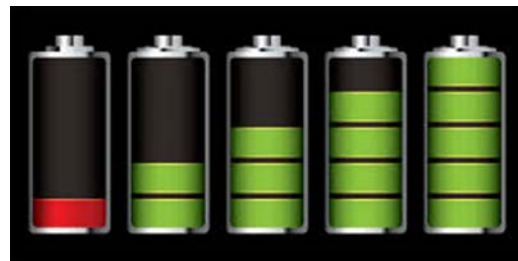
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Battery Boy has been serving the Chatham-Kent, Ontario community for over 30 years. The store is Southwestern Ontario's leading supplier of premium batteries. ("Battery boy," 2013).

The business offers a wide array of batteries from large farm, marine, automotive, and industrial items to smaller hearing aid and watch batteries. In the late 1990's, the company saw the future battery needs of consumer household devices (laptops, smartphones etc.) and started specializing in these products.

Batteries are a very important source of energy. The increase in consumer reliance on electronic handheld devices and other technological advancements to increase our freedom and mobility hinges on the quality and functionality of batteries. Modern consumers have an unquenchable thirst for portable and household electronics with inexhaustible pools of energy that come in small and inexpensive packages. That is where the future of the household consumer battery market lies.

The current owners of Battery Boy have created a sustainable, profitable, and growing small business in the local community. However, there are no formal written business procedures in place. This report will provide Battery Boy with an Integrated Marketing Communications Plan that will coordinate the company's marketing efforts across multiple communication channels.



## SITUATIONAL ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Niche market</li> <li>• Low Pricing</li> <li>• Free Installations</li> <li>• Reputable Suppliers</li> <li>• Informational Website</li> <li>• Building and Location</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of formal planning</li> <li>• Web site only being informational</li> <li>• Product limitations</li> <li>• Consumer awareness</li> <li>• Trade Dress</li> <li>• Hours of Operation</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• On line market</li> <li>• New product markets or expanding existing ones</li> <li>• Size – Expanding reach further into the community</li> <li>• Increasing operating hours</li> <li>• Greater focus on customer service</li> <li>• Social media</li> </ul>	<ul style="list-style-type: none"> <li>• Downturn in the economy</li> <li>• Competitive battery market</li> <li>• Product using conventional batteries becoming extinct</li> </ul>

## STRENGTHS

**Niche market** –Battery Boy offers one stop battery shopping.

Supplying an array of batteries to satisfy consumer's specific battery requirements. **Pricing** - Low price competitor in the household battery market. Price leader in the local watch battery market. \$2 watch battery. Creates a substantial amount of foot traffic. **Suppliers** - Uses a variety of well-known and dependable suppliers for various products to guarantee quality batteries at great prices to the customers.



**On line presence** - Battery Boy has an online presence with its current informational website.

The company also has a Facebook page. **Building and Location** – Convenient location, ample parking, and numerous work stations and cash registers to process customer's purchases.

## WEAKNESSES

**Lack of formal planning** – Battery Boy does not have a formal business or marketing plan.

There are very few benchmarks in place to track business objectives. **Web site** - Informational website. Battery products cannot be purchased on the site. **Product limitations** – Batteries have varying shelf lives. Consumer's usually only buy batteries when they are required. **Consumer awareness** – Battery Boy is not known well in certain demographics. Many younger customers are unaware of the product variety the business offers. **Trade dress** – Company colours and logo are still somewhat transitional. **Hours of operation** – Store hours: 8am – 5pm weekdays, and 9am – 12pm on Saturday.

## **OPPORTUNITIES**

**On line market** – Offering products online would give Battery Boy the ability to greatly expand their business. **New product markets or expanding existing ones** – Adding related battery accessories to the product mix. (Example - Battery Boy is considering selling apple products in their store.) Emphasising environmental consciousness with rechargeable battery lines. **New markets** – Target consumers who have a lot of technological gadgets. Focus on selling AA, C and D's to young families who have a need for battery operated toys. **Size** - Chatham-Kent provides a solid customer base. Battery Boy has shown steady growth in the past 7 years. Expand its reach further into the community. **Operating hours** – Increase store hours to evenings and longer weekend hours in order to reach consumers who have time constraints due to work. **Customer service** – Greater customer service emphasis online and in the store. **Social Media** – Increase social media presence with current Facebook page. Also look into other social media applications such as Twitter.

## **THREATS**

**Downturn in the economy** – High unemployment rates in the community and loss of income decreasing the number of potential customers. **Competitive battery market** – Local retailers decreasing prices of their batteries to remain competitive. Another battery retailer opening a store in Chatham-Kent. Online competition from existing websites. **Products with conventional batteries becoming extinct** – New technological advances not requiring batteries.



## ENVIRONMENTAL FACTORS

- **Competitive Forces** - Major competitors in the community are big box stores. They have more foot traffic in their stores, buying power, and convenience. They lack the variety of battery products Battery Boy offers. A battery franchise store opening in the future (Ex. Interstate Battery). Online battery stores in Canada.
- **Economic Forces** – Chatham-Kent has a high unemployment rate and a weak economy. The municipality is working hard to attract new industries to the area. Canada is rebounding from the recent recession and consumers are more confident. The battery industry is increasing due to the use of technological gadgets.
- **Legal and Regulatory Forces** – Certain types of batteries are labelled as dangerous goods because they may pose a potential hazard while being transported. High tax rates for small business will put on strain on the bottom line.
- **Technological Forces** – Increased reliance on battery operated techno gadgets in our everyday lives is increasing the need for batteries. New alternative power inventions may have a negative effect on battery consumption.
- **Sociocultural Forces** – The general population’s attitude is favourable to the battery industry. Environmental factors come into play such as the promotion of rechargeable batteries, safely shipping batteries, and the proper recycling techniques of scrap.



## TARGET MARKET

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Chatham-Kent is a low income community. Citizens are mostly middle aged and middle class with varying educational backgrounds. The population base is approximately 108,000 thousand and its economy has a base in the agricultural and automotive sectors. (“Chatham-Kent, Ontario”, 2014) A generalization of Battery Boy’s target market for household

consumer batteries are people who live in Chatham-Kent and rely heavily on small electronic devices that are used in their everyday life. Battery Boy sells a variety of products that can be classified into the household consumer battery categories. The following is a more specific breakdown of each group:

### **Medical Device Batteries**

Approximately a third of people affected by hearing loss are at the age of retirement. (Dufort, “Over 3 Million Canadians Affected by Hearing Loss). The majority of the customers who purchase hearing aid batteries from the Battery Boy are seniors. Battery Boy also stocks batteries for insulin pumps. Consumer’s age range varies for this product. Consumers usually purchase back up batteries for their medical devices to ensure that they are working properly.

### **Toys and Baby Related Items**

Young families who are in constant need of AA, AAA, C, D, and 9V batteries. Children’s toys, gaming systems, baby monitors and swings are regularly used throughout the day. Parents or caretakers who want to stock up on these batteries in order to have a ready supply.

## Watch Batteries

Price sensitive customers who are in need of an installed replacement watch battery. Customers will purchase a watch battery when their current battery is no longer satisfying a need.



## Cell Phone & Laptop Batteries

Cell phone users and businesses that are in need of new batteries for their products.

Demographically speaking, this market varies age wise but it is dominated by younger individuals. Battery Boy would like to target these younger individuals.

## Digital Camera, Camcorder and Portable Phone Batteries



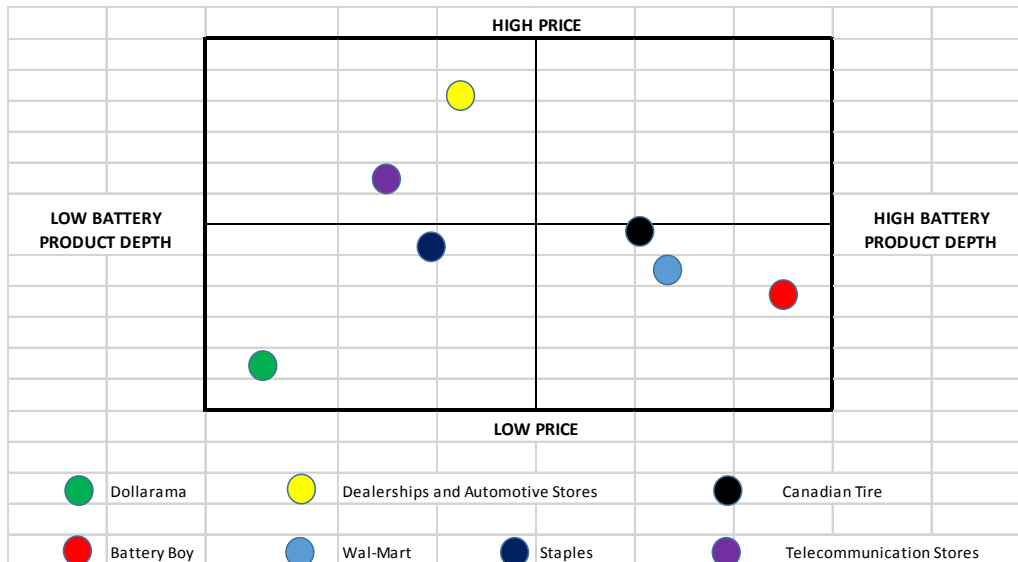
Consumers who use these devices that need new dependable batteries for their products. People like to guarantee that the device is charged and ready at a moment's notice. New digital camera and camcorder batteries will be purchased before special occasions.

## MARKET ANALYSIS

The global consumer batteries market is estimated to reach \$55.4 billion (USD) by 2017. (PRWeb, 2011). In Chatham-Kent there are various big box stores (Walmart, Staples and Canadian Tire) that are Battery Boy's direct competitors. Indirect competition are the various alternatives to battery power such as solar power. Battery Boy is the only one stop battery shop in Chatham-Kent. No other competitor offers the product variety that Battery provides.

## BRAND POSITIONING

Battery Boy is known for having a broad product depth at great prices. It positions itself by end benefit and tries to identify salient attributes and benefits for the products it provides. The retail establishment provides batteries for all of the customer's needs. From hearing aid batteries, cell phone, laptop, camcorder, watches, household batteries, marine, automotive, and farm requirements. If there is a battery a customer needs, Battery Boy usually stocks it. If it is not in stock then it can be ordered. They use a variety of suppliers to ensure competitive pricing. Since overhead costs are lower than the bigger competitors, Battery Boy does not have high mark ups and are able to sell product at great prices to customers.



## **COMMUNICATION OBJECTIVES**

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Currently the Battery Boy does not have any formal tracking mechanisms in place. Any previous promotional campaigns were not measured. Year to year financial spreadsheets are available that present an overview of sales volume increases and decreases in each general product category. With this in mind, the following marketing communication objectives are provided:

- **Brand Awareness**

- Develop and increase brand awareness in the Chatham-Kent market by generating awareness and building brand preference.
- Create interest by communicating information regarding features and benefits of Battery Boy.
- Create a consistent brand image across all business functions.

- **Develop Comprehension**

- Increase overall sales 5% by communicating to consumers what products are offered at Battery Boy and why Battery Boy is the best place to buy them in Chatham-Kent. Especially cell phone, lap top, and small cell battery categories.

- **Reinforce and Remind Customers**

- Increase sales 5% by reminding current customers of the store's location, great prices, and product assortment. Keep Battery Boy in consumer's evoked set.



## **BEHAVIOURAL OBJECTIVES**

- **Brand Trial Purchase**

- Initial brand purchase from the store.
- Influence purchase intentions. Getting consumers to start purchasing their household consumer battery products from the Battery Boy.

- **Brand Switching Purchase**

- Get consumers to obtain batteries from the Battery Boy instead of the local big box stores Wal-Mart, Canadian Tire, Staples, and Dollarama.

- **Repeat Purchase and Consumption**

- Develop repeat purchase behaviour in Battery Boy customers. Use reinforcement advertising and promotions.
- Encourage action from our target audience.

- **Develop Positive Feelings Toward**

- Battery Boy**

- Create favourable attitudes toward the Battery Boy brand.





Clair College aiming at the younger target market informing them of the cell phone and laptop products Battery Boy carries and at great prices.

- Continue radio advertising on local UCB to keep the target audience informed, to create awareness, and to remind current customers of Battery Boy brand.
- Continue to use Google AdWords to attract consumers to Battery Boy when they use the internet to search local retail battery establishments.

- **Time Frame**

- **Newspaper**

- Place ads in newspapers continually throughout the year.
- Update these ads according to seasonal and promotional offers.

- **Outdoor Advertising**

- Place ads targeted at the younger market in late August and September (beginning of the school year) to inform potential consumers of the cell and computer batteries and accessories that are available.
- Use billboards (Keil, St. Clair, or Park Ave locations) to create brand awareness or to promote a particular offering.

- **Radio**

- Continually advertise on UBC.
- Advertise on CKSY for specific promotions.



- **Cost Approximations**

- Regular newspaper ads \$25,000 per year. (This is for all newspapers)
- Billboard and outdoor ads varying depending on location.



- UBC radio continuous advertising approximately \$300 a month.
- Google AdWords capped at \$300 a month.



## **BATTERY BOY SALES PROMOTIONS**

- **Sales Promotion Goals**

- Create brand and product awareness.
- Inform customers of the products that are available at Battery Boy.
- Increase foot traffic in the store, on the Facebook page, and on web site.

- **Strategy**

- Cultivate a sales promotion program that works in conjunction with the other communication tools. Use these sales promotion programs to create awareness within the targeted markets, to inform consumers, and to generate foot traffic in the retail establishment, to the Facebook page, as well as increase web site clicks.

- **Tactics**



- Execute a Christmas colour contest for children in Chatham-Kent. Theme is “Don’t forget the batteries Santa!” Colouring page will be in a local newspaper. Submissions must be delivered to the Battery Boy. This will generate foot traffic while creating brand and product awareness. Battery Boy will also promote the

colouring contest in store, on Facebook, [www.batteryboy.ca](http://www.batteryboy.ca), and on signs throughout the community. Prize to be an age appropriate toy and batteries to make it work.

- Create a Facebook promotion. Once Battery Boy reaches 300 “likes” a prize will be given away. Prize option would be to give away a box of 24 AA batteries. This can be advertised via Facebook as well as in store and on the web site.
- Continue using “The home of the \$2 watch battery” sales promotion. This strategy has been a huge success at increasing foot traffic into the store as well as product awareness. Make sure small cell batteries are visible to customers when entering the store and ensure prices are clearly marked. Continue to advertise this promotion in newspapers, online, Facebook, and on the radio.

- **Time Frame**

- Christmas colouring contest to be placed in local newspaper (The Voice or Chatham This Week) at the end of November. Entrants must submit their picture to Battery Boy by December 14<sup>th</sup>. Winners to be decided by December 21<sup>st</sup>.
- Facebook “like” promotion to be held starting July first. The promotion to end once Battery Boy’s Facebook page hits the required likes. Battery Boy will continue to post new sales promotions on Facebook site as it increases the amount of followers.
- Continue advertising “The home of the \$2 watch battery” sales promotion indefinitely.



- **Cost Approximations**

- Colouring page will be placed in a newspaper that Battery Boy regularly does business with. A price has not been determined as of yet. Facebook page “like” contest will be a minimal amount. Advertising for watch battery will be same cost as current. Prizes for contests will be approximately \$12 - \$20 in value.



## **BATTERY BOY DIRECT MARKETING**

- **Direct Marketing Goals**

- To communicate directly with the citizen of Chatham-Kent informing them of battery boys product offerings and creating brand awareness. Also can be used at remind current customers and to gain increased sales.
- Try to get consumers to come into the store to purchase batteries from Battery Boy to fill their current battery needs.
- Draw attention to Battery Boy’s website and Facebook page.

- **Strategy**

- Produce a creative post card sized advert that catches the target market’s eyes and informs them of Battery Boys household consumer battery offerings.

- **Tactics**

- Newspaper Inserts. Place post card sized advert in various local newspapers throughout the community.
- Canada Post. Insert post card sized advert in the mail circulation.

- **Time Frame**

- Battery Boy would prefer to administer this direct marketing program during the late summer or early fall to ensure the ad is kept in the best condition and to spur fall and winter sales. (Usually slower sales months.)
- **Cost Approximations**
  - Newspaper inserts approx. \$2100/month. Insertion costs approx. \$780/month.
  - To date, Battery Boy has not secured an exact quote through Canada Post.



## **BATTERY BOY PERSONAL SELLING**

- **Personal Selling Goals**
  - To interact and communicate with target audiences.
  - Increase sales by increasing brand and product awareness, creating goodwill, developing product and brand comprehension by creating interest, and reminding customers by staying in their evoked set.
- **Strategy**
  - Disseminate product and brand information directly to intended audiences to procure increased sales in small cell batteries as well as medical devices.
- **Tactics**
  - Set up trade booth at the Chatham Youth Fest as well as the Mom to Mom swap at the Retro Suites. A Battery Boy representative can disseminate product information to young families who are attending these events. Small cell batteries will be for sale as well. Can also create a giveaway promotion to create foot traffic at the booth. Participants can fill in a ballot to win a prize associated with children's toys and the batteries needed to run them.

- Travel to local retirement community homes to deliver medical device batteries (hearing aid etc.) to elderly citizens who lack mobility. (Creating goodwill).
- **Time Frame**
  - When the festivals are running and monthly times for retirement communities.
- **Cost Approximations**
  - Booth set up costs, prizes, employee payroll, gas costs and time related expenses.

## **BATTERY BOY PUBLIC RELATION ACTIVITIES**



- **Public Relations Goals**
  - Increase awareness among Battery Boy's target market.
  - Increases positive social media traffic.
  - Increase positive community involvement within Chatham-Kent.
- **Strategy**
  - Develop a public relations program that supports all other communication programs by creating a consistent and positive brand image of Battery Boy in the local community of Chatham-Kent.
- **Tactics**
  - Sponsor children's story time on the local UCB radio station.
  - Sponsor various youth sports teams in the community and youth events.
  - During time changes (twice a year), the Chatham Fire Department goes to homes in Chatham and inspects homeowner's smoke detectors and will provide new



batteries to ensure safe working systems. Battery Boy would like to sponsor this program by donating the needed 9V batteries to the Fire Department.

- Battery Boy currently sponsors an annual Christmas concert and donations are given to the Canadian Hero fund. In the future it would like to continue this tradition.



- Battery Boy would also like to create an environmental tree planting initiative to give back to the community while promoting its battery recycling program.

- Battery Boy will use a plethora of marketing tools (print, radio, social media) to ensure that these programs are viewed in various media outlets and that a positive brand perception is created.

- **Time Frame**

- UCB story time sponsorship will occur throughout the year.
- Sponsorship of youth athletic programs will happen when the scheduled sports season begins.
- Sponsoring the Chatham Fire Department's smoke detector initiative will occur semi-annually when spring ahead and fall back time changes happen.
- Annual Christmas concert usually occurs the second week in December.
- Tree planting coordinated with Earth Day, April 22.

- **Cost Approximations**

- UCB story time sponsorship is approximately \$200/month.
- Youth athletic sponsorships vary with the sport involved.
- Donation of 9V batteries to the fire department approximately \$400/ semi-annual.

- Tree planting Earth Day initiative still needs to be priced out according to demand.



## **IMPLEMENTATION AND CONTROL**

In regards to promotional programs, Battery Boy does not currently have measurement or control procedures in place. The current owners of the establishment can only base growth on sales and income determined by the firm's financial statements. This integrated marketing communications plan is not only to be used as a guide to implement marketing programs, it is to serve as a benchmark for all future programs as well. The owners of the Battery Boy will be managing the marketing programs and will be in charge of collecting relevant and measureable data to ensure marketing goals and objectives are being met. The following are ways in which to track performance from this plan. More measurement systems will be added on an as needed basis.

- Increase in Facebook likes and followers. Increase in follower participation in posts that are made to the Battery Boy page.
- Increases of visits to [www.batteryboy.ca](http://www.batteryboy.ca). Increase in customer inquiries.
- Clicks for Google AdWords usage.
- Participant entries in the Christmas colouring contest.

- Increased sales of small cell batteries.
- Use of a customer survey to determine an increase of brand awareness and brand perception.
- Increase in younger customers frequenting the store will be easily determined just by a visual inspection. Current customer age demographics are middle aged to older individuals. In the future the business hopes to be using a CRM program.



## **CONCLUSION**

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This integrated marketing communications plan for Battery Boy is a combination of marketing tools and business processes that will implement, coordinate, and measure the Battery Boy brand's communications using advertising, sales promotion, direct marketing, personal selling, and public relations platforms.

The goals and tactics outlined in this integrated marketing communications plan is designed to set a basic standard marketing procedure for Battery Boy. It will be used in the future to further promote the Battery Boy brand to the various target audiences within the community of Chatham-Kent.





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