August 2013

To: Gayle Binney – NU COM6 30

From: Lauren Bishop – NU COM 630

Subject: 2013 MarCom Campaign for Skin Care by Ana

**Introduction:**

This document details an exposure expansion campaign for the business Skin Care by Ana. The following provides a situation analysis, target market description and rationale, communication objective including messaging taglines, summary of tactics, measurement criteria, goals, and sources, ROI breakdowns, and a summary of total costs and total return necessary in order to break even. The timeline for this campaign is twelve months.

**Situation Analysis:**

In 2012, Skin Care by Ana opened its doors as a small, privately owned business in Riverside, California. Ana Villegas, a certified esthetician is the sole operator of Skin Care by Ana. Although she is her own boss, Ms. Villegas does not own her own studio. Rather, she rents a treatment room from within an existing venue, Elite Salon and Spa. As per the rental agreement, Ana is allowed to maintain her existing client appointment schedule while grandfathering in a portion of Elite Salon and Spa’s walk in clients. However, this system of chance is the only means by which she may increase her client database at present, since Elite Salon and Spa does not publicly advertise her services as an option within their spa. Additionally, as per an interview with Ana, it was disclosed that there are six spas within a three mile radius surrounding Elite Salon and Spa, which also would affect Skin Care by Ana. While Ana maintains thirty clients on a regular basis, she aims to increase that number to forty two by August 31, 2014. Thus, Ana seeks to expand overall business exposure through various media channels by implementing strategies and tactics tailored to communicate specific messages for segmented target audiences, e.g. current non active database clients and prospective clients.

Previous research into Ana’s attempts to utilize new media as a way of generating exposure illuminates the fact that Skin Care by Ana maintains a fair business presence within social networking. Although Skin Care by Ana boasts a business Facebook page, Ana revealed in an interview that many Facebook friends are not clients, but personal relations. And, while current efforts to update posts and photos are fairly consistent, messages are not public specific. Additionally, Skin Care by Ana’s twitter account could be considered inactive. While an account remains open serving primarily as a place holder, communication attempts via tweets, hash tags, links and photos are non-existent. Skin Care by Ana has zero followers. Finally, the website skincarebyana.com may be in need of updated digital imaging in order to maintain consistency with her desired perception e.g. a clinical esthetician. Thus, this plan will see the business’s presence in social media, web positioning, and direct media so as to position it as a credible opinion leader in skin care in order to expand exposure to prospective clients and current non-active database clients.

In short, the aim of this Marketing Communication Plan is to generate exposure for Skin Care by Ana through use of multi-media communication channels. This increased exposure will aid in prompting current client base growth, attracting new clients, and maintaining product revenue (Bishop, 2013).

**Target Market Description and Rationale**

 **Current Non-active Database Clients:**

Although Ana’s database boasts 429 clients, she only sees thirty on a regular basis. Ms. Villegas defines regular

clients as those who schedule treatments once every one to three months. Thus, it is assumed that non-active

clients are knowledgeable about skin care in general and the benefit of treatment options. However, for

whatever reason they no longer schedule consistent or ongoing appointments.

In an interview, Ana relayed that the majority of her non-active database clients are female, baby boomers. As research has shown that women make up the largest percentage of spa goers worldwide (71%), reports also indicate they are motivated to seek out treatments for various reasons including “to relieve stress, feel relaxed, feel indulged or feel better about themselves” (ISPA, 2003). Additionally, a study published by the research company Skin Inc. states that “…baby boomers are looking for the full spa experience” (Rodriguez and MacLellan, 2013).

Therefore, direct media has been chosen as the best strategy to use as it is the umbrella over which appropriate tactics dwell (Bishop, 2013). To begin, Hannover Research (2008) published a study in which it was found that 80% of baby boomers favor direct mail and 67% favor email as a means of communication (Hannover Research, 2008). Additionally, both young and old boomers make up larger percentages of internet users (Koeppel, 2103). Thus, by incorporating both email and direct mailing tactics, this campaign aims to cover each channel that may be of favor to this particular public.

**Prospective Clients:**

Prospective clients have been segmented by generation, gender and skin care needs. This way, Ana may more accurately pin point motivating self-interests. For example, research indicates that the average age range of Riverside and Corona city residents falls within the category of generation x (city-data, 2012). One study reports that individuals within this bracket prefer “…shorter, effective treatments, such as lunchtime peels, 30-minute power facials and various 30–45-minute results-driven services” (Rodriguez and MacLellan, 2013). Additionally, findings show males make up 31% of spa–goers worldwide (Delagrange, 2008). Thus, there is an entire market growth opportunity for men who desire to incorporate regular spa treatments into their grooming rituals. Finally, it is known that individuals within any segment suffer from skin care needs.

Therefore, multiple channels within new media have been deemed appropriate in reaching this widespread audience. For example, Pew Research Center (2013) published a report in which it was found that Facebook is the predominant social media site for 81% of women, while twitter caters to younger females (Bennet, 2013):

 

[*Source: http://www.mediabistro.com/alltwitter/women-social-media\_b37283*]

Additionally, Anderson Analytics (2009) reported the ratio of Facebook and Twitter users by gender is about 60% female and 40% male (Anderson Analytics, 2009):

 

[*Source: http://gesterling.wordpress.com/2009/08/02/demographic-segmentation-and-social-media/]*

Needless to say, prospective clients segmented by skin care need undoubtedly fall into an existing category: gender/and or generation. Thus, they will be targeted using aforementioned strategies, tactics and channels.

**Market Demographics:**

The target market consisting of current non-active database clients and prospective clients will reside in or around Riverside, California. Thus, this portion includes demographics of the neighboring city, Corona, California. According to Ana, many non-active clients live within thirty minutes of the spa. And while theoretically, prospective clients could include those located anywhere around the world, realistic projections will target those residing in Riverside, Ca. and surrounding cities (Bishop, 2013).

In this campaign, age, gender and income will serve as the primary focus of demographics. According to relevant findings from city data (2012), the estimated income of each target audience is between $56,000– $75,000 (City-data.com, 2012). These demographics align with spa international data of spa goers worldwide, in which it was reported the average age and income of spa goers worldwide is around 40 years old at about $72,000 (ISPA, 2003). Additionally, the average age range of Riverside and Corona city residents is approximately 30 to 45 years old, while both cities include a 50/50 ratio percentage of males and females (City-data, 2012).

 Riverside CA: Corona CA:

 

*[Source:* [*http://www.city-data.com*](http://www.city-data.com)*]*

**Market Psychographics:**

As stated, current non-active database clients are made up largely of female baby boomers. Thus, they may be persuaded and/or dissuaded to make a decision about spa going based on the economy and/or the needs of their household (Bishop, 2013). Next, prospective clients are segmented by generation, gender and skin care need. Thus, multiple factors influence their decision to seek out spa treatments. For example, members of generation x are reported to be “…technologically advance, seek balanced based solutions, and lead an on the go lifestyle (Rodriguez and MacLellan, 2013). Thus, Skin Care by Ana must tailor messages that appeal to this

need. Additionally, males and females are motivated by different factors. Westerbeke (2008) describes the male prototype that is of focus here: “He wants to be a part of that exclusive guys-only club where guys can be guys and yet feel good about their image” (Westerbeke, 2008). “By establishing spa procedural boundaries based on the insights of male business leaders, Ms. Villegas can more accurately promote her menu of services to appeal to gender preferences” (Bishop, 2013). Finally, motivating factors for those desiring skin care solutions depend largely on their skin care concerns (Bishop, 2013). Thus, within the target market of prospective clients, overlapping psychographic details may exist.

**Primary and Secondary Messages by Market:**

Messages will be tailored to each communication channel’s key public with the intent to persuade and motivate each segment. Primary messages will serve as key sound bites, while secondary messages will support primary messages in the form of research and testimonials. Primary messages will appear as taglines on social media, website, and non-incentive based emails, and will provide a link to view secondary messages via a landing page through her website.

**Current Non-Active Database Clients:**

**Primary Message:**

Regular spa appointments aid in overall well-being. Let’s catch up face to face by scheduling an appointment today (Bishop, 2013).

**Secondary Messages:**

* Depending on the treatment, regular spa appointments aid in purifying the external skin organ by exfoliating dead skin cells, refining pores, and stimulating both blood circulation and the lymphatic system (TNN, 2011).
* Baby boomers desire to maintain their appearance by defying the effects of aging (NMI, 2011). This pursuit may be aided by regular spa treatments such as peels, microdermabrasion and LED light therapy.
* Skin Care by Ana Testimonial (Tricia, 2012)
	+ Ex: “I’ve been going to Ana for facials and waxing for well over 5 years now and I absolutely love her. Ana is extremely knowledgeable in all the products she uses which is incredibly reassuring as a client! Since going to Ana my face has been transformed. I feel more confident in my skin and I’m actually happy to show it off.”

**Prospective Clients:**

***By Generation:***

According to city-data reports, the average age range of Riverside and Corona city residents is approximately 30 to 45 years old (city-data, 2012). Thus, this includes individuals categorized as generation X (Bishop 2103). As stated in market psychographics, members of generation x tend to be” …technologically advance, seek balanced based solutions, and lead an on the go lifestyle (Rodriguez and MacLellan, 2013). Thus, their spa experience must be geared to accommodate “…shorter, effective treatments, such as lunchtime peels, 30-minute power facials and various 30–45-minute results-driven services” (Rodriguez and MacLellan, 2013). Therefore, tagline and secondary messages were created to attract clients with these characteristics.

**Primary Message:**

Thirty minutes is all it takes for a little to go a long way. Schedule a power facial with Skin Care by Ana and your co-workers will ask what you had for lunch (Bishop 2013).

**Secondary Messages:**

* Due to time constraints, “Mini treatments offer a quick fix during our busy daily lives” (Bemis 2008).
* Mini treatments also serve as a menu sampler to try new procedures (Bemis 2008).
* Skin Care by Ana offers an Express Facial: Includes cleansing, exfoliation and treatment mask. Great for when you are short on time (Skin Care by Ana, 2012).

***By Gender:***

Segmenting key publics by gender is important in understanding what motivates men and women to seek out spa services (Bishop 2013). According to city-data reports both Riverside and Corona include a 50/50 ratio percentage of males and females (city-data, 2012). As aforementioned research has stated that women make up the majority percentage of spa-goers, the International Spa Association reports that males make up 31% of spa–goers worldwide (Delagrange 2008). Thus, there is an opportunity for growth in both markets (Bishop 2013). With preference in mind due to gender difference, the following tagline and messages were created.

**Primary Message:**

Preference is priority. At Skin Care by Ana, men and women may seek relief and relaxation with the expectation of privacy and professionalism (Bishop, 2013).

**Secondary Messages:**

* Ana helped improved the condition of her husband’s acne prone skin through regular spa treatments.
* Skin Care by Ana is located within Elite Salon and Spa, however, the spa waiting area is a separate and private entity (Bishop, 2013).
* Ana never sees more than one patient at a time. Privacy during treatment is guaranteed (Bishop, 2013).
* Current Client Testimonials:
	+ “Ana is very friendly and professional. I'll be back soon” (Kathy, 2012)
	+ “Ana is professional and does great brows!” (Kathy, 2012)
	+ “Ana is the best person that you can possibly go to for skin care needs! She is very professional, friendly, and careful” (Veronica, 2012)

***By Skin Care Concern:***

According to research compiled by Bishop (2013):

“Skin care needs are widespread across most individuals, encompassing all ages and genders. Thus, it is impossible to categorize who suffers from what specifically in Riverside and Corona. Therefore, general findings have been included to show an overlap of this segment into others. For example, a study published in the Journal of American Dermatology found that individuals in every age range from twenty to fifty plus, both men and women had experienced acne at one time or were still battling it (Skin Inc., 2007). Additionally studies found that while “…a significant proportion of adults continue to be plagued by acne well beyond the teenage years. In particular, women experience acne at higher rates than their male counterparts across all age groups 20 years and older” (Skin Inc., 2007). Similar patterns of differences and overlap can be seen in other skin care categories such as anti-aging concerns and basic grooming”

Thus, the following tagline and secondary messages were created for this segment group.

**Primary Message:**

Skin Care by Ana specializes in overall skin improvement. Ms. Villegas maintains the highest quality skin treatments through product knowledge and continuing education in a professional and caring atmosphere (Bishop, 2013).

**Secondary Messages:**

* “Some of the services [Skin Care by Ana] offer are custom facials, microdermabrasion, derma-filing, peels, full body waxing, eyelash extensions, professional makeup and airbrush makeup” (Skin Care by Ana, 2012).
* Client Testimonial:
	+ “I have been seeing Ana for over a year now. I even moved from Riverside to Los Angeles and still commute back to Riverside to see her. She really personalizes the treatments to your skin and I have received the most amazing results. I have had many facials over the years and at many spas and have found her service to be the best. I always opt to purchase the package of 6 because the cost is better overall and you will get continued results. It is amazing” (Brandi, 2012).

**Marketing Communication (MarCom) Plan Objective:**

This objective of this campaign will be to expand exposure by August 31, 2014 using multi-media communication channels to prompt current client base growth, attract new clients, and maintain product revenue (Bishop, 2013).

**MarCom Goals:**

The following goals have been developed using the SMART methodology. Thus they are specific, measurable, attainable, related, to the mission, and time bound.

1. Increase “regular” clients from 30 to 42, (drawn from the current client database) by August 31, 2014 (Bishop, 2013).
2. Increase website visitors from 300 to 5000 to the website skincarebyana.com by August 31, 2014 (Bishop. 2013).
3. Increase Twitter followers from 0 to 250 by August 31, 2014 (Bishop, 2013).
4. Increase Facebook likes on each holiday campaign from 0 to 40+, beginning September 1, 2013 through August 31, 2014 (Bishop, 2013).
5. Obtain 100 views on each YouTube tutorial video surrounding school festivities campaign, beginning September 1, 2013 through August 31, 2014 (Bishop, 2013).

**Summary of Tactics included in Plan:**

Various tactics across multiple media channels have been developed for this plan including email blasts, postcards, digital positioning, website messaging, Twitter, Facebook, and YouTube tutorial videos. Each is designed to support the communication objective e.g. expanding exposure, by reaching multiple segments within the target audience. These include current non-active database clients, as well as prospective clients segmented by generation, gender and skin care needs.

Tactics are designed to be accomplished within a one year time frame. However, some take precedent over others. For example, digital positioning must be completed prior to website messaging in order to ensure maximum reach through the creation of relevant meta-tags. Additionally, Skin Care by Ana’s website will be updated monthly so as to reflect relevant specials and holiday treatment campaigns. Email blasts, post cards, and social media messaging will coincide with website messaging to create streamline dissemination across all communication channels.

**Measurement Criteria, Goals and Source of Measures:**

**Criteria:**

The measurement criteria, goals, and sources for each tactic will provide a means by which to accomplish measurement accountability including proof of advertising performance, return on objective (ROO) and return on investment (ROI). Multiple measures have been created to gauge audience reaction to tactics. As Skin Care by Ana has not attempted exposure expansion pursuits, implementation of this campaign marks inaugural efforts. A minimum of three measurements are included per tactic. See measurements in the table below.

**Goals:**

Goals for this campaign may appear relatively small, but they are deemed realistic. To begin, Skin Care by Ana is

a small business. Although database records indicate 429 clients, only thirty are seen on a regular basis. Thus,

only thirty schedule an appointment within a one to three month time frame. During a personal interview, Ana disclosed that her goal is to increase regular clients from thirty to forty two. Additionally, any action from prospective clients would be considered a bonus since Skin Care by Ana does not hurt for business, but rather desires to see what will come of inaugural exposure attempts. Upon measurement evaluations, data will be available for tailoring goals, if need be.

Goals exist within a 12 month time frame and include monthly and weekly measurement dates. Goals are consistent with the SMART methodology. Thus, they are specific, measurable, attainable, related to the mission and time bound. Goals were also calculated for a 12 month projection. Those listed as “approximately” were rounded up to the nearest ten or hundred. (Ex: 240 was rounded to 250/ 480 was rounded to 500.) See goals in the succeeding table.

**Source of Measure:**

These measurement sources primarily come from Google Analytics. This company was chosen because it is free.

In addressing social media, multiple sources are needed to measure both hard data (Google Analytics) and influence percentages (Klout). In every case, measurement sources align with criteria and goals. See measurement sources in table below.

**Tactic 1** **[Email Blasts]**

Beginning October 1, 2013 two email blasts will be sent out to all database clients. Monthly email blasts will include one incentive and one non-incentive email. Incentive based emails will surround monthly holiday treatment campaigns. Non-incentive based emails will relay relevant industry updates and address skin care concerns. In sending out non-incentive emails, the goal is to create an intimate skin care community while padding Ana’s credibility as an informed opinion leader. Thus, upon the send out of incentive based emails, current non-active clients may be persuaded and motivated to schedule an appointment. Email blasts will accomplish all three forms of measurement accountability including proof of advertising performance, return on objective and return on investment.

 **Measurement Criteria and Source:**

Monthly Email Blasts include incentive and non-incentive emails. New Clients obtained from the non-active database will be used to measure incentive based email success. Open Rate and Forwarding rate will be used to measure non-incentive emails. Next, Ana is the measurement source for incentive based emails, since she will be the person scheduling appointments from the promotion offer. (In this case: $10 off a facial of $60 or more. For non-incentive emails, Vagaro is the web host company Ana uses. She paid a one-time fee of $100 in 2012 for use of their services which includes email marketing. Thus, email blasts through this company are free to generate and measure. Google analytics is also free and will be used to measure website visits.

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| **Tactic**  | **Measures** | **Measurement Goals** | **Source of Measures** |
| **Monthly Email Blasts** |  | **Monthly/ 12 Months** |  |
| *Incentive Based*  | Promotion Offer | 3 new regular clients from non-active database/ 36 new clients from non-active database | Ana Villegas |
| *Non-Incentive Based* | Forward Rate (FR) | 150 FR / 1800 FR | Vagaro |
|  | Website Visits (WV) | 200 WV / 2400 WV | Google Analytics |

 **Cost:**

Cost figures were calculated using value estimates. Although Ana is currently expected to generate email blasts on her own, she may wish to hire someone in the future. Thus, I estimated the cost of 1 person generating email blasts at $8.oo/hour for 6 hours/month. $8 is 75 cents over minimum wage. This comes to a total of $48 a month or $576 for the 12 month campaign. Ana may wish to employ her teen daughter to aid in this tactic.

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| **Tactic**  | **Production ($)** | **Media & Placement ($)** | **Promotion Fulfillment ($)** (redemption costs for coupons, Click through costs, donations from merch sales, etc.) | **Total Activity Cost ($)** |
| Incentive Email Blasts | 2.5 hours to generate email message including graphics and link. @8$/hr. | 30 minutes | Included in the minimum wage fee paid for production and media placement cost. | 3 hours : $24 |
| **Total Cost****Tactic**  |  |  |  | 6 hours for twice a month: $4836 hours for 12 months: $576 |

**Return**:

In this case, product gross margin was determined by subtracting the amount it costs Ana to conduct a facial (due to product re-stocking fees) from the facial price: %10 per facial with the cheapest facial costing $50 after the promotion offer: ($10 off a facial of $60 or more”) -$44. Next, $44 was divided by the total costs of the campaign: $576, causing the break even unit to be 14 $60 facials within 12 months. Thus, to project a successful ROI, Ana would need to obtain 2 $60 facials a month that scheduled due to the promotion offer. One facial per month would be effective if a minimum of two clients scheduled a more expensive facial to make up the lost ROI. This is deemed potentially a highly successful tactic. Forward Rate and Website visits measure ROO, thus aiding in accomplishing the overarching communication objective e.g. expanding exposure.

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| **Tactic** | **Product Gross Margin $** | **Break-Even Units** |
| Email Blasts | Minimum: $44 | Minimum: 14 Facials/yr.1 or 2 facials/month |

**Tactic 2** **[Post Cards]**

Beginning October 1, 2013, one post card will be sent out to all database clients. Post cards will

coincide with incentive based email blast campaigns and timelines. The purpose of implementing post cards is to ensure a complete reach of all database clients. In an interview, Ana disclosed that not all database clients have access to a computer. Thus, post cards are meant to cover digital media holes, as well as satisfy certain baby boomer clients who prefer this form of media delivery. Post cards will accomplish all three forms of measurement accountability including proof of advertising performance, return on objective and return on investment.

 **Measurement Criteria and Source:**

Post Cards will be measured through the appointments scheduled online and in the spa for clients without access to a computer. Additionally, Phone inquiries will measure ROO, unless the result of an inquiry is an appointment, in which case, it will be added to ROI calculations. Vagaro is Ana’s web host company for the site skincarebyana.com. Thus it serves as the measurement source for tracking appointments made using the post card promo code. All potential costs for redemption cost for coupons were included in Ana’s one-time fee. Next, Ana will serve as the measurement source for phone inquiries and in spa appointments as she is the only employee of Skin Care by Ana at this time.

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| **Tactic**  | **Measures** | **Measurement Goals** | **Source of Measures** |
|  |  | **Monthly/ 12 Months:** |  |
| Post Cards | Appointments scheduled through website using promo code | 25 facials scheduled /300  | Vagaro |
|  | In spa appointments made with post card promo | 25 in spa appointments made/ 300 | Ana Villegas |
|  | Phone Inquiries from Post Card | 15 phone inquiries from non-active database clients/ 180 | Ana Villegas |

 **Cost:**

In calculating production costs, figures include the price for printing 500 4x6 color copy post cards (1 month’s supply) at Moreno Valley’s location of PIP Printing. The cost is $20. A twelve month supply would cost $240. Next, cost of postage is included in media production costs. This came to $140/month & 1,680 for a twelve month campaign. Finally, a $100 a month production fulfillment fee is included for paying Ana’s teenage daughter to take charge of printing and mailing. This came to $1200 for a twelve month campaign. Thus, the total activity cost is $3,120.

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| **Tactic**  | **Production ($)** | **Media & Placement ($)** | **Promotion Fulfillment ($)** (redemption costs for coupons, Click through costs, donations from merch sales, etc.) | **Total Activity Cost ($)** |
| Post Cards | Printing: $20/month$240/yr. | Postage: $140/month$1,680/yr. | $100/month$1200/yr. | $260/month$3,120/year |
| **Total Cost****Tactic**  |  |  |  | $260/month$3,120/year |

**Return**:

In this case, product gross margin was determined by subtracting the amount it costs Ana to conduct a facial (due to product re-stocking fees) from the facial price: %10 per facial with the cheapest facial costing $65 after the promotion offer: ($10 off a facial of $75 or more”) -$44. Next, $44 was divided by the total costs of the campaign: $3,120 causing the break even unit to be 71 facials within 12 months or 6 $60 facials a month using the post card promotion. To project a successful ROI, Ana would need to obtain roughly 7 $60 facials a month per the post card promotion. This is deemed potentially a highly successful tactic. Phone Inquiries measure ROO, thus aiding in accomplishing the overarching communication objective e.g. expanding exposure.

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| **Tactic** | **Product Gross Margin $** | **Break-Even Units** |
| Post Cards | Minimum: $44 | Minimum: 71 facials/yr.6 facials/month |

**Tactic 3** **[Digital Positioning]**

Digital positioning is included as a tactic because it is necessary for exposure reach. Currently, skicarebyana.com is listed eighth in a general web search. By hiring a competent web designer capable of developing an exhaustive list of meta-tags, Skin Care by Ana can accurately assess maximum exposure scope. Digital Positioning will aid in measuring proof of advertising performance and return on objective.

**Measurement Criteria and Source:**

Digital Positioning will be measured through creating and tracking traffic driving key words. The development of key words and meta-tags will aid in increasing search engine ranking. As ranking increases, Ana may experience more visits on her website, which may translate to sales if visitors schedule an appointment. Google Analytics is the measurement source listed as it is able to track these factors for free in the basic package.

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| **Tactic**  | **Measures** | **Measurement Goals** | **Source of Measures** |
|  |  | **Monthly/ 12 Months** |  |
| Digital Positioning | Traffic Driving Key Words | 100 key words/ 500 key words | Google Analytics |
|  | Search Engine Ranking | Increase business ranking from 8th to 1st./ Maintain 1st place positioning | Google Analytics |
|  | Appointments made from Website visits during off-campaign dates | 10 appointments/ 120 | Google Analytics |

**Cost:**

The cost for this tactic is applied to the hiring of a web designer. The cost was estimated at $750 for a one time session. This price estimate was found through the site <http://www.pdwensolutions.com>. Since Ana needs only basic meta tag creations, only a one-time session is necessary to begin implementation.

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| **Tactic**  | **Production ($)** | **Media & Placement ($)** | **Promotion Fulfillment ($)** (redemption costs for coupons, Click through costs, donations from merch sales, etc.) | **Total Activity Cost ($)** |
| Digital Positioning | $750 set up fee for web designer | Included in fee for web designer | Included in fee for web designer | $750 |
| **Total Cost****Tactic**  |  |  |  | $750 |

**Return**:

In this case, product gross margin was determined by subtracting the amount it costs Ana to conduct a facial (due to product re-stocking fees) from the facial price: (%10 per facial with the cheapest facial on her menu being the express facial at $55) -$49.50. Next, $49.50 was divided by the total costs of the campaign: $500 causing the break even unit to be 16 express facials within 12 months or 1 $75 facial a month. A variety of factors could project successful ROI, including three customers purchasing a $300 package each etc. This is deemed potentially a highly successful tactic. Website visits due to traffic driving key words and search engine ranking measure ROO, thus aiding in accomplishing the overarching communication objective e.g. expanding exposure.

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| **Tactic** | **Product Gross Margin $** | **Break-Even Units** |
| Digital Positioning | Minimum: $49.50 | 16 $55 facials/yr.1 $75 facial/ month |

**Tactic 4** **[Website Messaging]**

The website skincarebyana.com will be utilized as a tool to communicate Ana’s location, certifications, capabilities, treatment offerings and client reviews (Bishop, 2013). Website imaging, messaging, pricing and menu selections will be updated to coincide with holiday treatment and school festivity campaigns (see YouTube tactic). The website will also provide links to Ana’s three social media channels including Twitter, Facebook, and YouTube. The website skincarebyana.com will aid in measuring proof of advertising performance, return on objective, and return on investment ( when clients schedule an appointment through the website.)

 **Measurement Criteria and Source:**

Website messaging will be measured through visits to the website and appointments scheduled at any time. Thus, the measurement goal for this tactic is a bit higher than on-campaign/ off-campaign tactics since it includes those goals, as well as Ana’s goal to increase regular clients from 30 to 42 (1 new regular client/month for 12 months). Vagaro, Ana’s web hosting company can track scheduled appointments, while Google Analytics can track site visits and click through rate for the “menu” tab. (Reasoning beckons prospective clients would schedule an appointment after viewing the services offered.)

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| **Tactic**  | **Measures** | **Measurement Goals** | **Source of Measures** |
| Website Messaging |  | **Monthly/ 12 Months** |  |
|  | Visits to Website | 400 visits/ 5000 visits | Google Analytics |
|  | Appointments made from visitors to website | 40 appointments/ 480 | Vagaro |
|  | Click Through Rate on menu tab | 100/ clicks /1200 clicks | Google Analytics |

**Cost:**

Costs were calculated using assigned value estimates. Although Ana is currently expected to update website messages on her own, she may wish to hire someone in the future. Thus, I estimated 1 person updating website messages at $8.oo/hour for 2 hours/month. $8 is 75 cents over minimum wage. This comes to a total of $16 a month or $192 for the 12 month campaign. Ana may wish to employ her teen daughter to aid in this tactic.

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| **Tactic**  | **Production ($)** | **Media & Placement ($)** | **Promotion Fulfillment ($)** (redemption costs for coupons, Click through costs, donations from merch sales, etc.) | **Total Activity Cost ($)** |
| Website Messaging | $0 | 2 hrs./month @ $8/hr. to update messages surrounding email blasts: incentive and non-incentive | Included in media placement payment$0 cost for click through rate. Included in services offered through Vagaro’s one-time fee. | $16/month$192/ yr. |
| **Total Cost****Tactic**  |  |  |  | $16/month$192/ yr. |

**Return**:

In this case, product gross margin was determined by subtracting the amount it costs Ana to conduct a facial (due to product re-stocking fees) from the facial price: (%10 per facial with the cheapest facial on her menu being the express facial at $55 )-$49.50. Next, $49.50 was divided by the total costs of the campaign: $192,

causing the break even unit to be 4 express facials within 12 months. Thus, to project a successful ROI, Ana would need to obtain a minimum of 6 express facials within one year. This is deemed potentially a highly successful tactic. Website visits measure ROO, thus aiding in accomplishing the overarching communication objective e.g. expanding exposure.

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| **Tactic** | **Product Gross Margin $** | **Break-Even Units** |
| Website Messaging | Minimum: $49.50 | 4 facials/yr.  |

**Tactic 5** **[Twitter]**

Currently Ana has an inactive Twitter account. Thus, digital imaging will be employed to create a profile worthy of follower attraction and retention. As a tactic, twitter will reinforce email blasts to disseminate incentive and non-incentive based messages (Bishop, 2013). For example, during a holiday or school festivity campaign, Ana will utilize Twitter to tweet about specialty treatments, packages, and pricing. Additionally, she will simultaneously provide tweets and links to a landing page with information on relevant industry facts, updates, photos and articles to support non-incentive campaigns; which as stated, serve the purpose of creating an intimate community while establishing Ana as an opinion leader. Next, Twitter will provide links to skincarebyana.com, Facebook, and YouTube; and will be used interactively to receive and address feedback. Twitter will aid in measuring proof of advertising performance and return on objective.

**Measurement Criteria and Source:**

Twitter will be measured through # of tweets generated, # of followers obtained, # of re-tweets tracked, an

influence percentage score assigned by Klout, and appointments made via Twitter’s link to Ana’s website

appointment scheduler. Vagaro, Ana’s web hosting company can track scheduled appointments. HubSpot and Twit Sprout are measurement sources needed to track tweets, followers, re-tweets, and administrative details

of the Twitter tactic. Vagaro, Ana’s web hosting company will track scheduled appointments, and Google Analytics will measure traffic from twitter to the web site.

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| **Tactic**  | **Measures** | **Measurement Goals** | **Source of Measures** |
| Twitter |  | **Monthly/ 12 Months** | HubSpot |
|  | # of tweets | 10 tweets a month/ 500 | “My Top Tweet” Twit Sprout |
|  | # of followers | 20 a month/ 250 |  |
|  | # of re-tweets | 20 a month/ 250 |  |
|  | Influence Percentage Score | 70+ Klout Score/ 85+ | Klout |
|  | Appointments made from twitter link to website appointment scheduler | 30 quarterly/ 120  | Vagaro & Google Analytics |

**Cost:**

Production costs were calculated using assigned value estimates. Although Ana is currently expected to generate Twitter messages on her own, she may wish to hire someone in the future. Thus, I estimated the cost of 1 person generating Twitter messages at $8.oo/hour for 2 hrs./wk. for 4 weeks/month. $8 is 75 cents over minimum wage. This comes to a total of $64 a month for the 12 month campaign. Ana may wish to employ her teen daughter to aid in this tactic. Additionally, the cost for using the measurement sources HubSpot and My Top Tweet were added within production fulfillment as they are necessary to measure this tactic. Measurement tools within Vagaro have been covered in Ana’s on-time fee of $100, thus there is no cost associated with tracking appointments. Klout and Google Analytics are also free.

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| **Tactic**  | **Production ($)** | **Media & Placement ($)** | **Promotion Fulfillment ($)** (redemption costs for coupons, Click through costs, donations from merch sales, etc.) | **Total Activity Cost ($)** |
| Twitter  | 2 hrs./week @ $8/hr. | $0 to generate messages | HubSpot: $200/monthMy Top Tweet: $10/month  | $274/month$3,288/yr. |
| **Total Cost****Tactic**  | $16/wk. $64/month$768/yr. |  |  | $274/month$3,288/yr. |

**Return**:

In this case, product gross margin was determined by subtracting the amount it costs Ana to conduct a facial (due to product re-stocking fees) from the facial price: (%10 per facial with the cheapest facial on her menu being the express facial at $55 )-$49.50. Next, $49.50 was divided by the total costs of the campaign: $3288, causing the break even unit to be 67 express facials within 12 month or 6 express facials a month. Thus, to project a successful ROI, Ana would need to obtain a minimum of 7 express facials a month or 5 or 6 more expensive facial packages. Generating tweets, obtaining followers, and tracking re-tweets measure ROO, thus they aid in accomplishing the overarching communication objective e.g. expanding exposure. Tactic effectiveness will be determined after first quarter evaluations.

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| **Tactic** | **Product Gross Margin $** | **Break-Even Units** |
| Twitter | Minimum: $49.50 | 67 express facials/yr.6 express facials/month |

**Tactic 6** **[Facebook]**

Like Twitter, Facebook will be used to reinforce email blasts in disseminating messages about non-incentive and

incentive based campaigns. Next, Facebook will provide links to landing pages, as well as other social media accounts and Ana’s website; and will be used interactively to receive and address feedback. Facebook will aid in measuring proof of advertising performance and return on objective.

**Measurement Criteria and Source:**

Facebook will be measured through # of new friends, # of campaign likes, Influence percentage score, and appointments made from Facebook’s link to the website’s appointment scheduler. Facebook details will be measured using the Facebook Administrator page and HubSpot. Klout will measure Facebook’s influence percentage score, while Vagaro will track scheduled appointments on the website. Google Analytics will measure traffic from Facebook to the Web site.

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| **Tactic**  | **Measures** | **Measurement Goals** | **Source of Measures** |
| Facebook |  | **Monthly/ 12 Months** |  |
|  | # of new friends | 20 a month/ 250  | Facebook Administrator |
|  | # of campaign likes | 40+ likes each campaign/ 500 likes | HubSpot |
|  | Influence Percentage Score | 70+ Klout Score/ 85+ | Klout |
|  | Appointments made from FB link to website appointment scheduler | 30 quarterly/ 120 | Vagaro & Google Analytics |

**Cost:**

Production costs were calculated using assigned value estimates. Although Ana is currently expected to generate Facebook messages on her own, she may wish to hire someone in the future. Thus, I estimated the cost of 1 person generating Facebook messages at $8.oo/hour for 2 hrs./wk. for 4 weeks/month. $8 is 75 cents over minimum wage. This comes to a total of $64 a month for the 12 month campaign. Ana may wish to employ her teen daughter to aid in this tactic.

Additionally, Ana must pay for Facebook Ads. In using Facebook’s tool to generate appropriate campaign pricing for Ana’s range of influence, Skin Care by Ana was estimated at $350. This strategically priced campaign would aid in increasing likes and friends. Click through Rates cost 1 cent per click, but only affect internal deductions from the life span of the ad campaign. The campaign ends after fees are reduced to zero or Ana ends the ad life, in which case she’d be given a credit if excess funds remained.

HubSpot was not included in cost calculations since it was calculated in the Twitter tactic, and HubSpot also measures Facebook essentials. Measurement tools within Vagaro have been covered in Ana’s on-time fee of $100, thus there is no cost associated with tracking appointments. Klout and Google Analytics are also free.

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| **Tactic**  | **Production ($)** | **Media & Placement ($)** | **Promotion Fulfillment ($)** (redemption costs for coupons, Click through costs, donations from merch sales, etc.) | **Total Activity Cost ($)** |
| Facebook | 2 hrs./week @ $8/hr. | $350 for “lifetime” fee of campaign ad per month | CPC $0.01 determines length of campaign life.  | $4,200/yr. for ads$768/yr. for labor  |
| **Total Cost****Tactic**  | $16/wk. $64/month$768/yr. |  |  | $414/month$4,968/ yr. |

**Return**:

In this case, product gross margin was determined by subtracting the amount it costs Ana to conduct a facial (due to product re-stocking fees) from the facial price: (%10 per facial with the cheapest facial on her menu being the express facial at $55 )-$49.50. Next, $49.50 was divided by the total cost of the campaign: $4,968, causing the break even unit to be 101 express facials within 12 month or 9 express facials a month. Thus, to project a successful ROI, Ana would need to obtain a minimum of 10 express facials a month or between 7-9 more expensive facial packages. Obtaining friends and likes measure ROO, thus aiding in accomplishing the overarching campaign goal e.g. expanding exposure. Tactic effectiveness will be determined after first quarter evaluations.

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| **Tactic** | **Product Gross Margin $** | **Break-Even Units** |
| Facebook |  Minimum: $49.50 | 101 express facials/yr.9 express facials/month |

**Tactic 7 [YouTube Tutorial Videos]**

YouTube tutorial videos will serve as the primary tactic to aid Ana’s school festivity campaigns in which she will market her services for homecoming, winter formal, Sadie Hawkins, and prom festivities. They will also address

skin care concerns relevant to this age group e.g. acne, hyperpigmentation, clear skin habits, etc. By visibly displaying her skill in makeup artistry and skin care, she may attract potential clients e.g. high school girls and young twenty year olds within or around Riverside, CA. who currently watch YouTube tutorials for knowledge based advice from informative opinion leaders. Additionally, videos will serve as a secondary tactic to pad holiday campaign exposure. For example, during a holiday campaign, Ana may upload a video in which she demonstrates Halloween make-up applications or a glamorous New Year’s Eve party look. YouTube will coincide with direct media strategies as well as align with website and social media messages that communicate holiday campaign and school festivity spa packages. Furthermore, videos will provide the information necessary to find Ana on Twitter, Facebook, and the website. Thus, YouTube videos will aid in measuring proof of advertising performance and return on objective.

**Measurement Criteria and Source:**

YouTube tutorial videos will measure through the #of views each month, #of video likes, and appointments made from YouTube’s link to the website’s appointment scheduler. Measurement Sources include YouTube’s Account Administrator page, HubSpot, Vagaro, and Google Analytics. YouTube’s Administrator page and HubSpot will measure views and likes, while Vagaro will track scheduled appointments on the website. Google Analytics will measure traffic from YouTube to the web site.

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|  | **Measures** | **Measurement Goals** | **Source of Measures** |
| YouTube |  | **Monthly/ 12 Months** |  |
|  | # of views each month# of video likesAppointments made from YouTube link to website appointment scheduler.  | 100 a month/ 1200 yr.85+ likes a month/ 1200 yr.30 quarterly/ 120 yr. | YouTube Account Administrator PageHubSpotVagaroGoogle Analytics |

**Cost:**

The cost for generating a quality YouTube tutorial video is $500 per session, using a professional company. This cost includes labor fees, time spent, production equipment, production, editing, and the final polished video. As Ana wishes to upload 1 video a month, this tactic will cost $6,000 a year.

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| **Tactic** | **Production ($)** | **Media & Placement ($)** | **Promotion Fulfillment** | **Total Activity Cost ($)** |
| YouTube Tutorial Videos | 500 per video includes labor cost and production | $0 | $0 | $500/month$6,000 yr. |

**Return:**

In this case, product gross margin was determined by subtracting the amount it costs Ana to conduct a facial (due to product re-stocking fees) from the facial price: (%10 per facial with the cheapest facial on her menu being the express facial at $55 )-$49.50. Next, $49.50 was divided by the total cost of the campaign: $6,000

causing the break even unit to be 122 express facials within 12 month or 11 express facials a month. Thus, to project a successful ROI, Ana would need to obtain a minimum of 13 express facials a month and/or between 10 -12 more expensive facial packages a moth. Video views and likes measure ROO, thus aiding in accomplishing the overarching campaign goal e.g. expanding exposure. This is most likely not effective in generating ROI.

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| **Tactic** | **Product Gross Margin ($)** | **Break-Even Units** |
| YouTube Tutorial Videos. | Minimum: $49.50 | 122 express facials/yr.33 express facials quarterly |

**Plan Economics Summary:**

In summarizing the details of this plan, key factors are reviewed. First, Skin Care by Ana is a small privately owned business currently lacking exposure due to a locational land lock. Competitively speaking, there are six additional spas located within a three mile radius of Skin Care by Ana. Thus, the communication objective of this campaign is to expand exposure by August 31, 2014 using multi-media communication channels to prompt current client base growth, attract new clients, and maintain product revenue (Bishop, 2013). SMART goals were developed to measure achievement of that goal to segmented target markets, which include non-active database clients and prospective clients. Next, messages were created to target each market using social media, direct media, and web strategies. Among those strategies the following tactics were selected: Email Blasts, Post Cards, Digital Positioning, Web site messaging, Twitter, Facebook and YouTube Tutorial Videos. Measurement criteria, goals, sources, cost estimates, and return were calculated and discussed for each tactic.

In summarizing strategy costs, social media will cost $14,256, direct media will cost $3,696, and web strategies will cost $942. Thus, the total campaign cost is $18,894. A note was made that YouTube is most likely a non-effective strategy in generating high ROI, thus to provide an idea, social media costs without YouTube would cost $8,256. The total campaign cost without YouTube would cost $12,894.

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| MarCom Campaign Cost |
| With YouTube | $18,894 |
| Without YouTube | $12,894 |

If the overall MarCom goals are achieved the minimum gain from investment is $1,280.

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| Tactic 1 | $616 - $567 = $40 |
| Tactic 2 | $3696-$3120 = $576 |
| Tactic 3 | $841.50 -$750 = $91.50 |
| Tactic 4 | $247.50- $192 =$55.50 |
| Tactic 5 | $3366 – 3288 = $78 |
| Tactic 6 | $5049-$4698 =$351 |
| Tactic 7 | $6088.50 – $6,000 = $88.50 |
| Total Tactic Gain from Investment | $1280 |

Thus, the ROI for the campaign with YouTube is -0.93([Gain from investment –Cost of investment]/ cost of investment]) is ([1,280 -18,894]/18,894 = -0.93]) Therefore, with YouTube this campaign needs to make $18,894 to break even. At Ana’s minimum margin profit per tactic being 49.50, (18,894/49.50) Ana needs to schedule approximately 382 facials a yr. or 31 facials a month. This aligns with her current schedule booking 30 regular clients once every one to three months.

Therefore, if you are in agreement with funding estimates and projections, Skin Care by Ana asks for concurrence to begin executing this plan.

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| --- |
| Name: |
| Section | Pts Avail | Pts Earned | Comments |
| **Short introduction as to what follows in the memo/paper** | 15 |  |  |
| **Situation Analysis*** Where are we now?
* Competitive Context
 | 15 |  |  |
| **Target Market:*** Demo, Psycho variables?
* Segmentation of Target
 | 15 |  |  |
| **Communication Objective:*** Comm. Obj. not Biz or Mktg. Obj.
* Include the core elements of their messaging – tag lines, slogans etc.
 | 25 |  |  |
| **Summary of Tactics included in Plan*** Variety of platforms?
* Aligns with Target Market?
* Suitable to deliver Comm. Objective?
 | 15 |  |  |
| **Measurement Criteria, Goals and Source of Measures: [separate section for each tactic]*** Narrative introducing Measures
* Include Measures Table
* Narrative introducing Costs
* Include Cost Table
* Narrative Introducing Return Results
* Include Return Table
 | 115 |  |  |
| **Paper Summary/Conclusion*** Summarize the entire plan, costs, reach across multiple tactics, alignment with target , **total costs and total return necessary to break-even**
 | 30 |  |  |
| **Format, Flow and Logical Arguments, timeliness, spelling, grammar, file naming, paper length etc.** | 20 |  |  |
| **Total** | **250** |  |  |