

# **GLOBAL STRATEGIC PLAN FOR FUNCOSA`S SOLAR WATER HEATERS IN THE U.S MARKET**

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Countries:

- United States
- Spain
- Chile
- China
- Mexico

Strategic initiatives:

- Improvement of logistical transportation from China
- Establishing assembly plant in Mexico- use NAFTA
- Establishing strategic U.S distribution locations and partnerships
- Get involved in policy making for standards within the desired country
- Advocate government subsidy programs for customers to purchase products
- Develop a training program for solar water-heaters/certified by the government

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Everyday more U.S companies are turning to China for cheaply manufactured products. This is the message delivered in this campaign report for the management team of Funcosa. Companies that use Chinese labor can be more competitive; the success of Wal-Mart is a prime example of this (Smith, Young, 2004). However, there is also another business potential: cheap labor and products from China combined with cheap labor from Mexico to offer the ultimate cost competitive product to import into the U.S. This campaign is proposed to start the process of company expansion into the U.S with the strategy aimed at U.S American distributors who are always looking for cheaper products (Smith, Young, 2004).

Recently, Funcosa has turned to renewable technologically, especially solar-water heaters, this is quickly becoming a source of profit, and is expected to grow into the international market. The company is projected to become the leader in the industry within the next five years. Funcosa is located in Toluca, Mexico with distribution throughout the entire Republic of México to an average of 1,300 customers (Funcosa, 2009).

This communication campaign is for the company Funcosa. This is a Mexican company dealing in imports and exports of solar-water heaters and various products such as gas and water connections. The communication plan is to assist in the expansion of the company into the U.S market. The Primary message is primary about economic concerns and secondarily environmental concerns. The advantage is exploiting cheaper Chinese labor and products managed by cheaper Mexican labor to under price other companies in the U.S. The strategy the company will use is to take advantage of federal, state and local level tax credits and depreciation incentives combined with cheap labor to sell the product. The message that is personated to the primary target of distributors is a cheaper product with conjoined marketing efforts. The secondary market`s message to the homeowner is also economical one, but the environmental aspect is stressed more to as an emotional appeal. There will be various communication tactics used to reach sales objectives; such as mass media, direct media, sponsorship all allowing easy access in a changing market place that is turning to green energy.

This plan in its entirety is projected over a six month to 12 month time frame. All actions will be recorded for evaluation with contracts, spread sheets, invoices and research surveys. The plan time frame is fully listed in the appendix of the Gantt chart as well as the full budget showing the cost of labor and resources.

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## **Introduction**

In 2007 China's solar water heater market grew around 30 percent (U.S Department of Energy 2009). Currently, China's total solar water heaters have covered approximately 108 million square meters. Energy specialists believe the potential of the market for solar water heaters huge, especially in the rural areas (U.S Department of Energy 2009).

The United States is one of the more aggressive nations in promoting alternative energy technologies (Research Pike, 2009). The mentality and priorities of the U.S are changing slowly to accommodate a new future of reliable energy resources. The Obama administration is placing an aggressive goal on climate change stating that it will eventually filter into the main stream of American society, making the U.S. a global leader in solar PV market share by 2014 (Research Pike, 2009). Pike's extensive research interviews with both end-users and manufacturers conclude that for sustained growth in the U.S., incentives must be increased at the federal level. The state of California is well known for its leadership role in shaping national environmental policy, with such examples as refrigeration standards, car emission standards and recently power consumption of television sets (Energy Commission, 2009). In 1993, Pacific Gas and Electric Company installed the first grid-supported photovoltaic system in Kerman, California. The 500-kilowatt system was considered the first "distributed power" PV installation. It is because of its powerful economic clout and progressive minded population California is a great state to lead the market with solar-water heating technology. A five-year outlook is that the combination of federal and state incentives and falling module prices will work together to dramatically increase demand in the U.S (Research Pike, 2009). As more banks become comfortable with funding these projects, and find ways to securitize the cash flows, it will become an attractive revenue stream for solar lending divisions (Research Pike, 2009). This is the goal of the company Funcosa; to take advantage of the growing governmental support and community trend toward changing to technology.

## **Company Background**

Funcosa was founded in September, 1981 with the aim of filling the market's growing need for metal-mechanic molding in the construction industry (Funcosa, 2009). Recently, the company has ventured into the renewable technologically area with solar-water heaters, this is quickly becoming the main source of profit and is expected to grow the company into the international market (Funcosa, 2009).

Funcosa is located in Toluca, Mexico, with distribution throughout the entire Republic of México to an average of 1,300 customers, with plans in the year 2009 to expand into the rest of Latin America and the Southwest United States (Funcosa, 2009). In spite of the current distribution model serving Mexico, the company conducts business internationally with suppliers from six countries outside of Mexico. In total there are 22 current suppliers: 10 Mexican, from the U.S, 2 Chilean, 2 Italian, 1 Spanish, 1 German, and 4 Chinese (Funcosa, 2009). For 27 years Funcosa has developed a product portfolio that includes more than 1,500 products (Funcosa, 2009). In 2000 new management replaced Funcosa's struggling administration<sup>1</sup>. This progression was one of many changes throughout the years that have lead up to the current success of the company today. In 2001 the marketing of Chinese valves began, this would be the first of a trend moving the company more towards the Chinese market<sup>1</sup>. In 2007 the marketing

of solar heaters imported from China began a new business model for the company that is now looking at China and renewable technology as the future of the.

## **Situation Analysis**

Solar water heaters are an important product for Funcosa because of the potential growth opportunity that exists for this technology and the lack of current competition. Given its geographical location, México has an excellent source of solar energy (Research Pike, 2009). The average radiation is approximately 5,000 W/m<sup>2</sup> per day (Research Pike, 2009). However, up until recently the historically low prices of fossil fuel have discouraged the exploration of solar energy and its use (Research Pike, 2009). Currently, in Mexico, there are around 20 million water heaters using natural gas. Each year, around 1.3 million of these gas units enter the market (Funcosa, 2009). On the other hand, there are only 321,000 solar heaters in Mexico; this situation clearly represents a huge potential growth. Additionally, legislation on environmental policy is encouraging the use of eco-friendly products (Funcosa, 2009). In Mexico City all the swimming pools and buildings with over 51 employees that use within their facilities hot water must use a solar heater system for all new construction starting in 2005 (Funcosa, 2009).

The situation that is happening in Mexico is similar to what is beginning to happen in California (Huffman, 2007). California is leading the way in tax credits and public attitude change. Any company that joins the growing band wagon has the opportunity to enter an emerging market at its infinite stage and grow with it. Green energy legislation, which Funcosa is used to in México, will be used as the base of advertising and public persuasion in the California market.

## **SWOT Analysis**

### **Strengths**

- Mexico can import from China to the U.S cheaper than U.S manufacturing companies.
- U.S distributors have a faster direct delivery from Mexico rather than China.
- Company has an established reputation for excellence and customer service.
- Company has established relationships with Chinese suppliers to more easily meet product specification for the U.S.
- Company holds no debt, allowing for flexibility in letters of credit to customers and is able to maintain competitive profit margins.
- Mexico has cheaper labor additionally adding to a cheaper product.
- Low competition; the majority of solar companies deal with electric rather than water.

### **Weaknesses**

- Company has no established contacts in the U.S.
- A smaller company with limited resources to break into new markets.
- Company has no base of English speakers for direct marketing from Mexico.
- Currently has no Marketing Research on the U.S market.
- Currently there is no established logistical delivery system to import to the U.S.
- Imported product is cheaper, but still requires installation from U.S labor force wages.

### **Opportunities**

- The renewable Energy technology market is growing worldwide.

- Government is supporting, subsidizing and in some areas demanding the public change to green living technology.
- Recently obtained exclusive distribution rights with a Chinese supplier.
- California, the biggest state for solar has a large tax rebate for solar technology that diminishes each year putting pressure on consumers to act fast.
- The struggling U.S economy allows for immediate saving on water heating with gas and electricity, with longer term payment options in the future.
- High U.S unemployment allows job seekers to enter into job market of the distribution of Solar Heaters.

### **Threats**

- Inside the U.S there is high competition for solar electric, which confuses the public to the differences in solar-water heating and solar electric lighting.
- U.S companies already have established transportation logistics systems.
- U.S companies have more information and research about U.S market.
- Currently, High criticism of foreign products in a struggling U.S economy.
- Breaking into U.S market may cause company to incur debt, thus losing its competitive edge.
- Other similar companies who have more resources also see U.S as an opportunity.
- Trade agreements with China become disdained, losing its competitive edge.

### **Problem statement**

The U.S market, in spite of its lagging economy, holds immense growth for solar technology. Funcosa, has access to cheap, high quality solar products, does not currently have the resources or research to efficiently enter the market.

### **Opportunity statement**

Funcosa can team up with U.S distributors to take advantage of cheaper Chinese products and cheaper Mexican labor to import and sell solar water heaters. The U.S counterparts can be a cost-effective way to generate advertising and research for the solar market. Solar heaters can be used in virtually any climate, and since the fuel, sunshine, is free environmental eco-conscious people can be targeted as well as economical-conscious people.

### **Goals**

- To enter the U.S market with U.S distributors collaboration
- To assist primary target U.S distributors to sell solar water heaters in marketing efforts to end users
- To be recognized as the leader in all solar technology; providing the most up-to-date highest quality lowest priced renewable energy.

These are very goals are very achievable. In the recent years government has passed some new laws though congress that will help speed up the adaptation of renewable energy in the mainstream, allowing for the market to expand with new companies (Huffman, 2007). This

commission is very important for companies that want to do business in California with solar technology. The commission is required to implement elements of the California Solar Initiative, which modifies the self-generation incentive program for distributed generation resources and provides incentives to customer-side photovoltaic and solar thermal electric projects less than one megawatt (Huffman, 2007). The way this affects solar based companies is the commission is required to award monetary incentives for up to the first megawatt of alternating current generated by solar energy systems that meet the eligibility criteria established by the State Energy Resources Conservation and Development Commission (Huffman, 2007). This becomes a very big partner when selling to end-users who may not be the income target market. Additionally, the current economical recession is forcing business to look for ways to stay competitive; cheaper products and labor will pave the way to reach these goals. The combined marketing efforts will show a real interest in business relations with clients. This is to say that Funcosa is not just trying to sell their product to U.S distributors, but also wants to see the success of their clients to ensure long term business.

### **Objectives**

- Established partnerships with U.S distributors in southern California
- Establish consistent monthly sales of product within first few months in U.S.
- Obtain brand recognition among U.S distributors in southern California
- Obtain brand recognition among general public in the southern California

Funcosa's strategy to reach its objectives is to attach its marketing campaign with the Solar Water Heating and Efficiency bill that would make the promotion of solar water heating systems and other technologies that reduce natural gas demand (Huffman, 2007). The bill would require the commission to evaluate the data available and implement a program of incentives for the installation of 200,000 solar water heating systems in homes and businesses throughout the state by 2017 (Huffman, 2007). Once an established eligibility criterion for the solar water heating systems receiving gas is mainstreamed by the commission partnerships can be considered. Profitability is possible in a relatively short amount of time due to the Energy Commission, requirement to consider coupling rebates for solar water heating systems with complementary energy efficient technologies (Huffman, 2007).

### **Target Markets/Key Public**

#### **Group 1:**

The primary public in the U.S are pre-established distributors in the Southern California area. The intention is to build partnerships that will save money with a company that already has the foundation laid with customers, versus the cost incurred in starting a branch office. In addition, southern California is an excellent beneficiary for solar with 300 days of sunshine a year (Research Pike, 2009). These established distributors should have a customer base that covers 5% of market share. This will allow Funcosa to enter the market at a competitive edge. The key is to piggy-back on the reputation of an American company to sell Chinese products imported by a Mexican company.

## **Secondary Market**

The secondary market is the end consumer of home-owners. The cost of solar is reducing, but still is costly to purchase and install. There are many tax incentives provided by the Federal, state and local governments to help the conversion to clean energy. The secondary market with which Funcosa will assist to, are households with income of \$55,000 or more a year. This is enough of an income to make purchasing possible but not so much of an income where saving advantages are not a priority. Typically higher income is a result of higher education, which people tend to be eco-friendly in the purchase of products (ÖZMEN, KARAMUSTAFAOĞLU, 2006). A family that is established for some time and has long time future roots is a great target, since solar requires installation and a more permanent investment to payoff over time (GE energy, 2009). This does not necessary exclude low-income families; with the right partners of distributors a combined effort to use the commission requirement to allocate not less than 10% of the overall funds for installation of solar water heating systems for specified low-income residential housing (Huffman, 2007).

## **Primary messages**

“Take the heat out of your utility bill and putting it where it belongs in your water.”

Be a leader! California has always led the nation in energy standards, let`s keep it going.”

These messages are intended to highlight the company`s goal of saving money for the homeowner while still achieving environmental responsibility; heating water in the home with clean energy.

## **Secondary messages**

- California has incentives for changing to solar that can save you up to 50% of cost.
- Prices of solar technology are dropping but government incentives are limited.
- Various financing options exist to have solar in your home today.

## **Strategy for primary market**

The primary market of distributors is easily contacted with some research into the existing market of solar companies. Using phone calling to establish relationships is the most cost effective and fastest way to begin business. The pitch is a cheaper product and conjoined marketing and sales efforts. The company is not just offering to import a cheaper product for a competitive advantage, but also to pursue various tactics of marketing to promote the product through their company.

In store merchandising is a strategy to build brand recognition. Working with selected retailers to partner up with the intent to put the brand name on the outside of the building and have a cornered off part of the store that only promotes exclusively Funcosa products.

## **Strategy Appeal for Primary Target**

Belief: In the current economy companies have to look for cheaper products to stay competitive.

Value: Nowadays it is a generally accepted the globalized market of importing products from other countries. Wal-Mart, which is responsible for over 30 billion dollars a year of imported products from China, is still seen as an American company (Smith, Young, 2004). Even though Funcosa is Mexican, importing from China, the distributor can maintain its integrity as an American distributor.

Attitude: The appeal beyond just selling product is the concept of being partners, importing a cheaper product and then helping those products sell in the market. This will create a feeling of teamwork and will put up a barrier to other companies offering solar products. That is also the motivator.

## **Channels for primary market**

Telesales: To reach the primary market of distributors, phone calling is the key tool. This will allow for meeting to be set and basic business to business relationship to be built. Phone calling also is more cost effective and more appropriate for businesses.

Home shows: The 3 largest home shows in the southern California area to accomplish two ends; make contacts with suppliers and demonstrate solar products to public.

In store merchandising: work with selected retailers to promote Funcosa products.

## **Alternative Channels for primary market**

Personal written letter:

Billboard advertising at the location of potential client:

## **Tactics for primary market**

The intention is to establish a daily routine of phone calling to U.S California distributors, using the internet and directories to get contact information. Five contacts a day to set up one meeting.

Home shows are a key location to reach mass amounts of people in a short period of time and have the ability to distribute information and present the product. By using an interactive booth to demonstrate how the technology works consumer involvement is accomplished. To achieve this enroll in the 3 largest home shows in the southern California area is needed. Gathering information for leads to provide to end user distributors is an essential form of marketing. The top goal of a home show is to educate public about saving, tax credits, State and Federal law and environmental concerns.

In store merchandising: Using exclusive discounts of 5 percent with stores that partner with the network of distributors to allot a selected section within stores to exclusively promote the product. The placement should be towards the front of the store with a banner overhead clearly seen carrying the Funcosa brand and phrase solar technology for the home. Additionally, on the outside of the store the Funcosa brand needs to be displayed. This branding idea is similar to what the franchise of “ace hardware” does. Many hardware stores around the country franchise with the “ace” name next to their store name to create instant recognition and credibility with patrons (Ace, 2009).

Hand written to distributors outlining the proposal and requesting a meeting is an alternative channel. A personally written letter is a form to show that you are not spamming a company and you took the time to get in touch with them, making the proposal more serious.

Alternative channel for obtaining distributors would be in front of a distributor’s facility place advertisement displaying the solar product with the statement “sold here” with Funcosa’s direct contact number. When the distributor sees the sign in his favor will contact the number to inquire about it, from there the proposal can be presented.

### **Strategy for Secondary Target**

Saving money is the main message strategy, environment concerns are secondary. The idea is that money savings is an issue that the general population can relate to, especially in the current environment of economic recession. Environmental issues are still controversial; if the strategy focuses on environmental issues many others potential clients may be alienated.

This money saving strategy is a simple and obvious advantage for importing product to the primary target of U.S distributors. However, to assist in the marketing of the secondary market is carried out by making contact through a presence at Home shows to demonstrate product and distribute information to clients and potential partner distributors.

Reaching out to homeowners directly is one strategy. Another is to indirectly communicate with homeowners through partnering up with schools; using the educational aspects of studying solar technology to create eco-friendly lessons for classes and a school project in which students can participate. The incentive for the school is the money saving side, which nowadays school budgets are important issues. This partnership has high potential to create media attention as well as children communicating the message back home to the parents. The students are learning about it at school and they go home to educate their parents.

Media advertising is an expensive and resource consuming task. Solar is a relatively new product that is a realistic option for the general population. For one company to advertise could be overwhelming for one company’s budget to effectively and efficiently handle and in the end only benefit every solar company even if they do not participate in the advertising. This is why industries such as the cotton, beef, pork, milk and eggs etc. use that strategy of government funded ad campaigns that promote industries as a whole instead of individual companies. By importing to various distributors the proposal of combining marketing funding to produce

effective advertising campaigns for the product of solar and all the distributors will be named as places where it is sold.

The most profitable strategy could be from using Gas Company and the Solar Water Heating and Efficiency Act of 2007. This was enacted to obligate the state to fund clean energy programs. The bill would require the commission to evaluate data available and implement a program of incentives for the installation of 200,000 solar water heating systems in homes and businesses throughout the state by 2017(Huffman, 2007). The Energy Commission is required to consider coupling rebates for solar water heating systems with complementary energy efficient technologies (Huffman, 2007). Additionally, requiring the commission to fund the program of the Solar Water Heating for the service territories of the gas corporations, through a surcharge applied to gas customers in those service territories based on the amount of natural gas consumed, over the course of the 10-year program (Huffman, 2007).

### **Strategy Appeal for secondary market**

Beliefs: The belief of average citizens is that the government has a responsibility to provide and maintain public services at a reasonable price. When this responsibility is not met an alternative program such as solar will be accepted and encouraged by the public paving the way for a smoother transition.

Values: The idea of not using pollutants is a generally accepted value, but not necessary one that people go out of their way to change to. If it can be shown that a comparable price of purchase is available and a cheaper overall price of energy is available the public mind will accept that clean energy is more right.

Attitude: There is still an attitude that only hippies or green liberals promote alternative energy. However, in the midst of an economic crisis and power outages in hot summer months, solar becomes more enticing for economic reasons not necessarily environmental ones.

Motivators: There are two main motivators for solar; environmentally concise and/or money.

### **Channels for secondary market**

The next four channels are a part of the combined marketing efforts among distributors. Each channel will be an advertisement for solar technology with the brand name of Funcosa and promoting the various locations to purchase.

Radio, Television, Internet, Billboards

### **Alternative Channels for secondary market**

Setting up neighborhood demonstrations on a weekend when more people are home. **Tactics for**

## **Secondary market tactics**

School learning programs similar to the plant a tree program that many schools participate in, along with many other programs, create a relationship with schools to go solar. Money saving is the benefit for the school and solar technology topics can be incorporated into class discussion. The final motive of this tactic is to offer discounts to families of students to put solar in their homes.

**Media: Combined advertising**

Like the cotton industry, or beef, pork, chicken milk and eggs. Public messages are produced and distributed to promote the product not necessarily a specific company. This is cost effective and cheaper for each company to participate with a combined budget that raises awareness and sales of solar, all individual companies benefit.

**Radio:** commercials during the drive time hours; In addition to using talk radio stations as an outlet for solar giveaways and topic of discussion.

**Television:** running commercials in the channels of home and garden and other shows that are about home construction and remodeling.

**Internet:** Joining forums of social networking sites that are about green living as well as

**Billboards:** put up on highways and street close to the retailers that sell the solar products. With the main messaging and directions to the retailer that is within close proximity.

**Collaboration with Gas Company:** Information distribution through Gas Company Energy Commission is required to consider coupling rebates for solar water heating systems with complementary energy efficient technologies. The commission has to fund programs of the Solar Water Heating, for the service territories of the gas corporations, through a surcharge applied to gas customers in those service territories based on the amount of natural gas consumed. The law requires each publicly owned utility providing gas service to retail end-use gas customers, to adopt, implement, and finance solar water heating system incentive program meeting certain requirements, thereby imposing a state-mandated local program.

As a secondary channel tactic use block party style events. In a central location set up a stage with entertainment, food and a presenter. People are sent house to house to invite the family outside to the event. Here the block and have a discussion together about the information being presented as they enjoy music, food and entertainment. The sales pitch is if 80% of a neighborhood collectively goes green with solar there is a group discount of 20%.

## **Objectives Criteria**

The specifics of the communication campaign will be evaluated if it can meet the following for objectives.

1. By March of 2010 established 4 partnerships with U.S distributors in southern California. The month of March has been selected as the three month point after initial marketing research

has been conducted, a sufficient amount of time to contact and establish relations with four distributors.

2. Sell 100K dollars of product within first 4 months in U.S.

This number is what is calculated to cover all previous expenses from the months before entering the U.S and the initial months before sales are realized.

3. Obtain brand recognition among 20% of U.S distributors in southern California by December of 2010

One of the goals of the pre-marketing will be to determine how many possible distributors there are in the southern California area. This will be the lead database information of whom to contact for client collaboration. After a year of marketing efforts the objective is successful if 20 percent of retail distributors recognize the brand name of Funcosa.

4. Obtain brand recognition among general public of 5% in the southern California area by December 2010.

Ultimately if Funcosa is going to succeed in the U.S consumers have to be specifically their product. The number of 5 percent may seem low, but there are an estimated \$24 million people that live from the L.A county area down to San Diego. These number give the possibility to a secondary market of over a million people, a very good start within a year to establish a strong sales base.

## **Evaluation tools**

The tools to determine if these objectives criteria were met are simple, but effective. The first tool will be a county of four written distribution agreements between Funcosa and U.S distributors. The next tool used is a total tally of gross revenue invoices by December 30. The accounting department and account receivable will be the judges of a successful program to continue. After 3 months and 6 months a phone survey will be conducted to find out what percentage of the objectives was meet, 100 potential distributions will be participants who are specialist solar retailers. Also, the calculation of end users needs to be found out. This will also be done with surveys at home shows. The time for the surveys will be four months after entering the U.S market; 100 surveys collected randomly among expo patrons.

## **Success of Communication Plan Evaluation Criteria**

Aside from individual objectives, there also need to be consideration for the overall plan. If a single objective is unsuccessful that can be changed and adapted. However, if the overall campaign is not accomplishing its goal there has to be a decision of whether to continue or not. To decide if the communication plan is succeeding will be by evaluating objectives one and two by December 30; if these two goals are succeeding then that will justify continuation, because if established contacts are in place there is potential for brand growth recognition. Secondary to objectives one and two brand recognition among distributors and the population is also a criteria. The objective for distributors was 20 percent, however, if a minimum of 5 percent is achieved than that will show success just on a slower time frame than expected. The same is also true for

the recognition among the populace of southern California. After 3 months of advertising the company needs to see ten inbound sales inquires a month come into the website or phone calls to company. Furthermore, if the distributors of end user retailers increase orders of ten percent after three months this will show that the Funcosa brand and solar technology is increasing. Finally, by the beginning of 2011 if the work load of sales people are reaching the point for needing more to handle the increased in sales then a justification will be in place to continue and increase the campaign.

### **Evaluation Tools**

The tools to help evaluate the overall campaign will be first to use the accountants for proof on paper that all cost were coverage by revenue. A selected in store survey of 1000 clientele From October 2010 to December 2010 surveyed in stores at point of purchase will capture true buying behavior. As all companies should have a record of where customers are being informed of their product and service this is also true for Funcosa. Inbound salespeople surveying inquiries of the source of information as they talk to people who have contacted the company. A tally of all shipping invoicing will also show if there has been an increased from preexisting customers.

### **Evaluation criteria of tactics**

Each tactic has to be evaluated to help understand what is successful. The different parts of organization, strategy, and tactics all could fail. The school learning programs about energy resources incorporated into the public high school curriculum by December 2010 is the first criteria. Four solar distributors combined advertising budget for the months of August to December 2010 is an essential part of the plan as well as Gas Company provides mailing information by August 2010 to 30% of southern California territories to mail Information.

### **Tools to Tactics**

The tools to evaluate the tactics will start on January 4<sup>th</sup> with a follow up survey of the schools to inquire about program success and progress. A bank escrow of the four company advertising funds for the companies to safely contribute to the cause, therefore an outsourced company producing ads is also necessary so all interest are represented, not just one company brand. A database of Gas Company leads and website hits from registered leads that received mailing will quickly help decide if that is a viable channel to pursue.

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**Subject: 2010 Marketing Communication Solar Campaign in Denver Colorado for Funcosa**

### **Overview**

In July of 2010 Funcosa will enter the U.S market. The markets of California and Colorado have been chosen as the initial entry points. This campaign outline is focusing on the market of Denver Colorado. Since 1981 with the aim of filling the market's growing need for metal-mechanic molding in the construction industry (Funcosa, 2009) Funcosa has been operating from Toluca, Mexico. The current distribution is currently only throughout the Republic of México with 1,300 distributors. The company has rapidly grown into one of Mexico's leading renewable technologically companies with solar as its leading product.

The brand Funcosa is established and respected within the Republic of Mexico. It will be the strength of its brand and quality of management that will appeal to U.S retail distributors that are turning to foreign countries such as China, India and Mexico to reduce costs.

### **Objectives**

In accordance with company objectives to enter the U.S market the collaboration of U.S distributors will play a vital role to assist in the selling of solar water heaters and solar electrical panels. The secondary objective is to be recognized as the leader in solar technology; providing the most up-to-date, highest quality and lowest priced solar technology. The marketing campaign is to introduce the Funcosa brand to Denver Colorado and its surrounding

communities. The brand will be communicated as being synonymous with green technology. The strategies and tactics will be aimed at the target market of current existing retail distribution outlets. The campaign is projected over a 12 month time frame. It is estimated that 12 months is a sufficient amount of time to establish a base of business since the renewable Energy technology market is growing worldwide; combined with growing U.S government support with subsidies and a growing public demand for green technology. The struggling U.S economy allows for marketing opportunities to effectively be communicated with the appeal of immediate saving on water heating and household electrical use.

### **Strengths**

The strengths of this campaign are the established reputation of customer service excellence and product quality. Funcosa has strong established relationships with Chinese manufacturing suppliers which will allow Funcosa to more easily meet product specification for the U.S. market and bring product innovation quickly to the market. The Company holds no debt, allowing for flexibility in obtaining lines of credit to invest in the expansion to the U.S market while maintaining competitive profit margins.

### **Weaknesses**

The Weaknesses of the campaign are starting operations in a market with no previous established contacts. Funcosa is a smaller company with limited resources to break into new markets. In addition, being a Mexican based company there is a limited base of English speakers and cultural understanding to establish an expansion of business operations from México. No previous Marketing Research on the U.S market has been conducted by the company. Additionally, there is no established logistical delivery system to import products to the U.S. Imported products can be acquired cheaper from Chinese manufacturers, but there is still the requirement of U.S labor at U.S wages for installation.

### **Background**

Solar waters heaters and solar electrical panels are important products because of the potential growth opportunity that exists for this technology. The current underdeveloped competition and increasing interest and investment in green energy are the primary incentives. Funcosa's growth as a company and ability to expand operations to the U.S are largely due to the growth of the solar industry in Mexico. Given its geographical location, México has an excellent source of solar energy (Research Pike, 2009). The average radiation is approximately 5,000 W/m<sup>2</sup> per day (Research Pike, 2009). However, up until recently the historically low prices of fossil fuel have discouraged the exploration of solar energy and its use (Research Pike, 2009). In Mexico, there are around 20 million water heaters using natural gas. Each year, around 1.3 million of these gas units enter the market (Funcosa, 2009). On the other hand, there are only 321,000 solar heaters in Mexico; this situation clearly represents a huge growth potential. Additionally, legislation on environmental policy is encouraging the use of eco-friendly products (Funcosa, 2009). In Mexico City all the swimming pools and buildings, with 51 employees or more, that use within their facilities hot water must use a solar heating system for all new construction since 2005(Funcosa, 2009).The developments that are occurring in Mexico are similar to those in the U.S. The most important state for solar is California with Colorado a close second (Huffman, 2007). California and Colorado are excellent beneficiaries for solar with 300 days of sunshine a year (Research Pike, 2009). California and Colorado, like many other states are leading the way in tax credits and public attitude change. Recently the Obama administration awarded \$2.3 billion in tax credits for clean energy businesses, a beginning of what to expect in the near future (Rudolf, 2010).

### **Goals**

- By December of 2010 the primary goal is to have established 10 locations of U.S retail distribution outlets in the Denver area to communicate Funcosa's brand, products and messages.
- Sell 150K dollars of product within first 6 months of operations in U.S, from July to December 2010.

- Obtain brand recognition among 20% of U.S retail distributors in the Denver area by December of 2010.

### **Target Market**

The primary target market in the U.S is established solar retail distributors in the Denver Colorado and its surrounding area.

### **Denver Colorado Demographics**

City and county of Denver 598,707 (2008)  
 Surrounding Metropolitan area 2,506,626 / 3,049,562 with Boulder  
 250,906 households  
 City radius 550 miles  
 White 72.4%  
 Hispanics and Latinos 34.2%  
 African Americans 9.9%  
 American Indians 1.1%  
 Asian Americans 3.2%  
 69.9% of the city's population spoke only English at home  
 23.9% spoke Spanish.  
 37.7% of Denver's population had a Bachelor's degree or higher.  
 23.2% have children under the age of 18 living with them  
 34.7% are married couples living together  
 The average household size is 2.27 and the average family size is 3.14.  
 Age distribution is 22.0% under the age of 18, 10.7% from 18 to 24, 36.1% from 25 to 44, 20.0% from 45 to 64, and 11.3% who are 65 years of age or older. The median age is 33 years.  
 The median household income is \$41,767, and the median family income is \$48,195. The per capita income for the city is \$24,101. 14.3% of the population and 10.6% of families are below the poverty line. Out of the total population, 20.3% of those under the age of 18 and 9.7% of those 65 and older are living below the poverty line.  
 ([www.denvergov.org](http://www.denvergov.org))

### **Target strategy**

Cheaper products, higher quality  
 Win/Win marketing collaboration

The Marketing Communication plan uses a strategy model of marketing tactics that are directly tied in with the sales process. The beginning marketing strategies are constructed to move prospects from awareness, educating, and into a sales cycle of presenting and the final result selling of products. The intention is to build partnerships with retail distribution outlets to have physical location as channels to communicate Funcosa's brand, products and messages. This will save money for Funcosa by selling Funcosa's products through second party retail outlets that already have an established retail location and the customer base. The company will not have to invest the cost incurred in starting a branch office with multiple Funcosa retail outlets along with the time and expense in building a customer base.

The sales appeal to the retail outlets is based on the need for companies in a struggling market to find new and cheaper business strategies and partners that create a mutual advantage. Filling that need with high quality product and reinforced customer service will ensure long term business development. The mutual advantage is communicated as the solar industry in the U.S is still in its infancy; Funcosa is offering more than just a new product supplier, but also to work directly together with the retail distributors with collaboration marketing to increase solar awareness and demand drawing prospects into their retail location to buy Funcosa product.

### **Strategy Appeal for Target market**

Belief: In the current economy companies have to look for cheaper products to stay competitive.

**Value:** Nowadays it is a generally accepted practice of globalism to import products from other countries without losing national pride. Wal-Mart, which is responsible for over 30 billion dollars a year of imported products from China, is still seen as an American company (Smith, Young, 2004). Even though Funcosa is a Mexican company, importing from China, using U.S distributors to deliver brand, products and messages still allows for them to maintain their integrity as an American company.

**Attitude:** The appeal, beyond selling cheaper and higher quality products, is the added relationship of being partners in the marketing and selling to end user customers. The proposition is to import a cheaper product and then help those products sell in the market through various public relations, marketing, promotions and marketing campaigns. This will create a feeling of teamwork that forms a business relationship that is based on more than dollars and numbers.

### **Channels for target market**

**Phone appointment setting:** To reach the primary market of distributors, phone calling is the key tool. The objective is to set meetings for in person presentations and build business to business relationships. Phone calling is more cost effective and more appropriate for businesses.

**Trade shows:** To make contacts with suppliers to create partnerships for Marketing Communication distribution channels. Additionally, Trade shows are where industry leaders come together to build brand recognition and build credibility by having a presence among others in the industry.

**Social networking site:** Joining a few of the most popular industry related sites and publically popular sites to maintain industry interaction and learn about what other industry leaders are doing to market solar products. Making contacts is vital within the geographic region. SN sites are another way to establish a network of listeners or viewers positioning the company as a leader without the necessity of a physical presence such as numbers of stores, factories, offices, mass media advertising etc.

**Website:** The other marketing channels work in conjunction with the website. The website is the call to action of the other tactics. The end result to direct potential prospects to visit the site, make inquiries, view products and request more information. The website has interactive software for product design, installation and demonstration with products. One can speak live to a representative and/or contact the nearest distributor for follow up.

**Interactive software:** A program of interactive software that can be sent by disc to retail distributors or personal computer users to test solar product ideas, design, installation and costs. The program implements the information to create a preliminary visual design with installation requirements; the cost involved and estimated time for ROI of product purchase.

**Billboards:** Placed in the highest traffic areas close to the target market demographic business locations. The tactic is to use neighborhood houses and business in proximity to the target market retail outlet as locations for advertising displays. The objective is to draw attention to the product and the retail distributor with a call to action to inquire inside. In return for using the property for advertising free use and installation of solar product is provided in exchange. The boards serve two purposes: one to display the products in an education manner that informs both the saving of use and the money available for purchase. The second purpose is to drive traffic to the website or to enter the retail outlet for further information, interaction and in person consultation.

### **Copy Strategy by Channel**

**Phone appointment setting:** Phone calling is done by company representative not outsourced telemarketers. The objective is to contact decision maker (the person in charge of purchasing for the retail outlet) and introduce Funcosa and their operational strategy. The next step is to set an appointment to meet in person regarding a conjoined marketing strategy that will increase demand for the industry at a fraction of individual cost. The initial outreach is to establish a professional relationship promote a win/win situation for everyone and then speak about product sales.

**Trade shows:** Trade shows are used to gain professional contacts. The message presented at a show is that competitors can still work together in marketing efforts and still earn profit. The Booth will have slogans similar to “Sometimes being part of the crowd is a good thing” the goal is to intrigue others in the industry to ask the question of “why”, since most business philosophy will tell us that to succeed we have to differentiate from your competitor. The sign and educational material passed out will hold historical collaborative marketing information about industries such as: cotton, milk, eggs, beef, chicken. These industries have many brands and companies but their advertising is combined to promote the product with the intention to increase demand all around. The final displays are of the products and services of Funcosa.

**Social networking site:** SN sites are for both end users and industry partners. These are Informal sites such as Facebook combined with more professional green energy sites to maintain a web presence, provide media updates, press releases and interaction at a low cost. The messages are designed to deliver a few strong headers on the site that appeal to smaller, or independent, distributors that will be attracted to the idea of company seeking other in the solar industry to collaborate marketing efforts for mutual benefit. The SN will bring others on to join in topical discussion about the industry, thus leading to a more personal professional relationship. Gaining a list of “fans” or “friends” will be the form of permission marketing to send out updates and media messaging at a low cost weekly forum.

**Website:** The website will have two different entry points, one for end user consumers, and the other for retail distributors. The design is set up to have visitors visually see the new products, motivate them to look further into prices and the collaborative marketing strategy. The secondary entry port is for end users to learn about the company and products. Their information will be used to build databases and leads for the representatives to contact.

**Interactive software:** The software is a way to let business partners feel in control of the creative process and satisfaction of customers’ specific needs. Younger generations who grew up on video and computer games are more drawn towards interactive software; it lets fun be put into the sales process with customers. If a person can visually see beforehand how a product would apply to their property it is more of a reality. Many companies have free trials and guaranteed returned policies as a tactic based on the same concept.

**Billboards:** Designed to highlight solar benefits and reasons to make a buying decision. These ads will use different theories of persuasion to reflect negatives about oil and non-green energy. The other part of ads talk about the rising cost of energy and how solar can relieve the family pocket book that is needed in a struggling economy. The ads will reflect testimonials about how people are saving money and creating extra income with solar technology. These are all motivators that stimulate further investigation due to the need by so many to save money or create secondary income sources.

### **Evaluation tools**

- Tool 1. A count of ten written distribution agreements between Funcosa and retail U.S distributors that outlines the terms of using facilities as a channel for delivering the Funcosa’s Marketing Communications. Another tool is a total tally of gross revenue invoices by December 30.
- Tool 2. After 6 months a phone survey will be conducted to find out what percentage of the brand recognition objective was met, 100 potential distributions will be participants who are solar retailers.
- Tool 3. Surveys conducted at trade shows. The surveys will be conducted at each trade show; 100 surveys collected randomly among expo patrons.

Surveys serve two goals:

1. Find the percentage of brand recognition
2. Introduce the brand through soft advertising.

### **Success of solar campaign Evaluation Criteria**

Success is criteria are bases on how many of the goals were met and to what extent. The overall plan is considered; if an individual goal is unsuccessful it can be changed or adapted. However, if the overall campaign is not accomplishing its objectives the decision is whether to continue or not. To decide if the campaign is succeeding an evaluation of goals one and two are focused on; if these two goals are succeeding then that will justify continuation, if established contacts are in place there is potential for growth of brand recognition further in the future. The

objective for brand recognition among distributors was 20 percent. However, any minimum percentile will be acceptable as an achievement since it is the first year entering a new market. As long as sales continue through partnership distribution brand recognition can be continued.

**Measurement Strategy:** The strategy is aimed at one intention, to build a network of channels to deliver Funcosa's Marketing Communication via U.S retail distribution outlets in the Denver Colorado area. All the tactics are executed through interlinked media channels that follow the process of first contact prospects via direct phone, mail, Social networking sites, public advertising. Then, inform them of company services and products them through website, interactive software, and finally meet in person for presentations business relation building resulting in sales of product and increase in brand value and equity.

<b>Tactic</b>	<b>Measures</b>	<b>Measurement Goals</b>	<b>Source of Measures</b>
<b>Phone calling</b>	<ol style="list-style-type: none"> <li>1. Database</li> <li>2. Ratio of calls to conversation with decision maker</li> <li>3. Ratio of calls to meetings set</li> <li>4. Ratio of meetings clients</li> </ol>	<ol style="list-style-type: none"> <li>1. 100 target market contact leads per month</li> <li>2. 70 decision makers talked to a month</li> <li>3. 30 in person presentations a month</li> <li>4. 5 clients a month</li> </ol>	Tracking of measures will be kept on monthly excel program from daily phone calling log
<b>Trade shows</b> 1. Denver Home Remodeling Show 2. American Contract Manufacturers Show	<ol style="list-style-type: none"> <li>1. Number of leads collected</li> <li>2. Number of phone conversations with decision maker</li> <li>3. Number of follow up appointments set</li> <li>4. Number of clients produced</li> <li>5. Brand recognition</li> </ol>	<ol style="list-style-type: none"> <li>1. 250 leads collected per show</li> <li>2. 200 conversations with decision maker per show</li> <li>3. 125 appointments set per show</li> <li>4. 20 clients per show</li> <li>5. 20% recognize the brand and remember it from the tradeshow in the surveys conducted in total</li> </ol>	lead sheet information cards filled out with calendar confirmed follow-up appointments
<b>SN site</b> Facebook LinkedIn BeGreenNow Change.org	<ol style="list-style-type: none"> <li>1. "Fans" &amp; "Friends" joined on sites</li> <li>2. Weekly comments of discussion</li> <li>3. Direct weekly contact for more information</li> <li>4. appointments set</li> <li>5. Number of clients</li> </ol>	<ol style="list-style-type: none"> <li>1. 1000 minimum fans in total among all networks</li> <li>2. 100 weekly comments in response to posted discussion</li> <li>3. 15 weekly inquiries to company</li> <li>4. 3 weekly appointments set</li> <li>5. 1 client a week</li> </ol>	Using analytics to track traffic on sites
<b>website</b>	<ol style="list-style-type: none"> <li>1. Number of weekly hits</li> <li>2. Length of time on site</li> <li>3. Number inquires to company</li> <li>4. Number of appointment</li> <li>5. Number of clients</li> </ol>	<ol style="list-style-type: none"> <li>1. 1000 weekly hits</li> <li>2. 22 minutes per visit</li> <li>3. 100 weekly inquires</li> <li>4. 75 weekly appointment</li> <li>5. 25 weekly clients</li> </ol>	internal site analytic tracking
<b>Interactive software</b>	<ol style="list-style-type: none"> <li>1. Number of monthly connects to website from use of software</li> <li>2. Company contact from software use</li> <li>3. Number of appointments</li> <li>4. Number of product sales</li> </ol>	<ol style="list-style-type: none"> <li>1. 250 connects from use a month</li> <li>2. 75 company inquires a month</li> <li>3. 25 appointments a month</li> <li>4. 10 product sales a month</li> </ol>	Analytic tracking from website
<b>Billboard</b> 10 placed throughout the city	<ol style="list-style-type: none"> <li>1. Percentage of views a month</li> <li>2. Monthly in store inquiries from ads</li> <li>3. Website visits motivated by ads</li> <li>4. Company inquiry calls motivated by ads</li> </ol>	<ol style="list-style-type: none"> <li>1. 20% monthly views by target market, evaluated in survey measures</li> <li>2. 3000 in store inquires a month among all retail locations</li> <li>3. 3000 website visits a month</li> <li>4. 300 company calls a month</li> </ol>	using survey from in store reps, online website and call reps to measure views

	5. Number of appointments from company inquiries 6. Number of products sold in retail locations motivated by ads	5. 100 appointments a month 6. 1000 product sales among retail distributors a month	
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**Cost:**

The following cost breakdown includes development and set up costs and costs to manage each tactic during the first twelve-month campaign. Additionally, the following year continued costs are shown.

<u>Tactic</u>	<u>Production (\$)</u>	<u>Media &amp; Placement (\$)</u>	<u>Promotion Fulfillment (\$)</u>	<u>Total Activity Cost (\$)</u>
phone calling 1 person hired <u>For a period of 3 months</u> <u>Up to 4 contracts a year</u>	\$10. Hr / 6 Hr day / 5 days a week / 30 weeks \$1200 month \$800monthly potential bonus  End of 3 month potential \$3000 bonus	correspondence through local phone calling and email, no email cost involved \$0.	month bonus is based on fulfillment of monthly objective of obtaining a 25% appointment set and met End of 3 month bonus is based on % of meeting to client ratio	<u>\$3600 hard cost</u> <u>\$2400 potential monthly bonus</u> <u>\$3000 end bonus</u> <u>Total:9K 3month</u> <u>36K yearly</u>
Trade shows Once a year each show 1. <u>Denver Home Remodeling Show</u>  2. <u>American Contract Manufacturers Show</u>	<u>Per show</u> 1. \$500 entry fee 2. \$300 booth display & design 3.\$720 2 people work 2 days of event 4. \$100 Print material/ 5. \$200 event giveaways	Company flyers for hand out, 2000 at 5cents each printing \$100 Both signs designs/ \$20 hour x 10hrs + material \$100 Solar calculators to hand out with company brand name on them for patrons that speak with representatives at booth. \$1 each.	\$0.00	\$3,640
SN <u>One person 3 hr a week to posting and responding to comments</u>	\$16.6 Hr x 12 Hrs month=\$200 monthly		\$0.00	\$2,400.00 year
Website	\$25 Hr x 5 Hr week/ 20Hr month Domain name and server rental/ \$150 yearly	Initial design of site \$25Hr x 30Hr=750		\$6900 1 <sup>st</sup> year \$6150 yearly
Interactive software	\$7000 development \$300 CD copies \$500 mailing of 1000	\$50 x 140Hrs of development=\$7000 yearly update \$50 x 35Hrs=\$1750		\$7800 \$800 yearly CD copy and mailing \$1750 yearly update Total yearly=\$2550
Billboards <u>5 locations in targeted demographic areas</u>	\$50,000 yearly Rental of location \$1300 Design of board \$2500 Material of board	\$35 Hr x 37hr of design	Free consultation if mentioned saw ad from billboard Value of \$10 one hour sales person consultation/	\$53000 Total yearly



Social networking	1,000 followers for the first year	1200 a year	144 a year	48 a year	\$2400	2.1%	32%
Website	12,000 yearly visits	1200 a year	3600 a year	N/A	\$6900	6.3%	N/A
Interactive software	3,000 yearly website connects from software use	900 a year	300 a year	N/A	\$7800	7.1%	N/A
Billboards	36,000 yearly views	39,600 a year	36,000 direct in store presentations	N/A			N/A
			1200 from company	N/A	\$53,000	48.3%	N/A
<b>TOTAL</b>	<b>53,700 a year</b>	<b>44,140 a year</b>	<b>36,000 directly in store</b> <b>5,854 from company</b>	<b>148 a year</b>	<b>\$109,740</b>	<b>\$964 per client average a year to reach break even</b>	<b>1.04% value of each client to meet breakeven amount</b>

### MarCom Strategy Matrix

MarCom Strategy	MarCom Tactic (Media Choice)	Target Market for Media Choice	Rationale (What elements of the media choice align with the target market)	Campaign Goal for media choice	Proposed Measurement Criteria for Media Choice	Alignment of media choice Goals and Measures with Marketing Objective & Company Objective/s
Interactive Web	Facebook	25+ year old, man/ female, homeowners In Colorado area	Before making buying decision on products people like to read or hear feedback	1. 250 minimum fans in total 2. 25 weekly comments in response to posted	Facebook Statistics	Build brand, meet prospects, and learn what public and other industry leaders are discussing.

		Income above \$48K year	from others, engage in interaction first to get to know a company.	discussion 3. 4 weekly inquiries to company 4. .75 weekly appointments set 5. .25 client a week		Drive traffic to website, present products and obtain clients.
	LinkedIn	Business decision makers, owners, managers of retail outlets for home goods, Denver area,	Professional site where one feels connected to like minded people for business contacts.	1. 250 minimum fans in total 2. 25 weekly comments in response to posted discussion 3. 4 weekly inquiries to company 4. .75 weekly appointments set 5. .25 client a week	LinkedIn statistics	Build brand, meet prospects, and learn what public and other industry leaders are discussing. Drive traffic to website, present products and obtain clients.
	BeGreenNow	Men/Women in Denver area, employed in green energy industry, active in community	Specific site for those who are working towards active use of green products, building a relationship on this site will establish credibility	1. 250 minimum fans in total 2. 25 weekly comments in response to posted discussion 3. 4 weekly inquiries to company 4. .75 weekly appointments set 5. .25 client a week	Google Analytics	Build brand, meet prospects, and learn what public and other industry leaders are discussing. Drive traffic to website, present products and obtain clients.
	Change.org	Men/Women in Denver area, employed in green energy industry, active in community	belonging to this site will give access to the motivation of those who want fast change, the company can profit from those who are ready now for change, and buy solar now	1. 250 minimum fans in total 2. 25 weekly comments in response to posted discussion 3. 4 weekly inquiries to company 4. .75 weekly appointments set 5. .25 client a week	Google Analytics	Build brand, meet prospects, and learn what public and other industry leaders are discussing. Drive traffic to website, present products and obtain clients.
	Interactive software	Men/ Women 25- 55 Homeowners, video and computer game players, employed, income over	The profit will come from those who need interaction to make buying decisions, also for those that are more visual and	1. 250 connects from use a month 2. 75 company inquires a month 3. 25 appointments a month 4. 10 product	Analytic tracking from website	Get prospects using, creating and personalizing product before purchase.

		\$48K year,	creative in personalizing their own homes	sales a month		
WEB	www.funcosa.com.mx	Men/Women , Homeowners, Business decision makers, owners, managers, purchasing agents	Any company that is legitimate has a website; it is the first forum to learn about the company and provide a presentation to the prospect.	1. 1000 weekly hits 2. 22 minutes per visit 3. 100 weekly inquires 4. 75 weekly appointment 5. 25 weekly clients	Internal site analytic tracking	Build brand, meet prospects. Drive prospects to contact representatives from website with inquiries, present products and obtain clients.
DIRECT RESPON SE	Phone Calling	Business decision makers of retail distribution outlets,	Cost effective with a high speed of ROI verses other channels. It creates a personal connection between 2 people that is alive and active.	1. 100 target market contact leads per month 2. 70 decision makers talked to a month 3. 30 in person presentations a month 4. 5 clients a month	Tracking of measures will be kept on monthly excel program from daily phone calling log	Build brand, meet prospects. Drive prospects to contact representatives from website with inquiries, present products and obtain clients.
	Billboards	Homeowners, business leaders in Denver area	Delivers messages to mass audience continuously verses mass media via television or radio that last only seconds.	1. 20% monthly views by target market, evaluated in survey measures 2. 3000 in store inquires a month among all retail locations 3. 3000 website visits a month 4. 300 company calls a month 5. 100 appointments a month 6. 1000 product sales among retail distributors a month	using survey from in store reps, online website and call reps to measure views	Build brand. Drive prospects to contact representatives on website with inquiries, present products and obtain clients.
	Trade Show	Industry leaders in Colorado.	The most cost efficient to present message to thousands of people in a single location. In person interaction	1. 250 leads collected per show 2. 200 conversations with decision maker per show 3. 125 appointments set	lead sheet information cards filled out with calendar confirmed follow-up appointments	Build brand, meet prospects, and learn what public and other industry leaders are discussing. Drive traffic to website, present products and obtain clients.

				per show 4. 20 clients per show 5. 20% recognize the brand and remember it from the tradeshow in the surveys conducted in total	
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## Summary

Funcosa will be ready to enter the U.S market by July of 2010. This is the perfect time for solar products; therefore the continued search for newer, cheaper and more adaptable clean energy is essential. Extreme temperatures in the Colorado summers have caused rolling blackouts combined with extreme freezes in winters are increasing gas heating and electrical utility bills. The public's attitude towards alternative energy is becoming stronger every day, by preparing to take action now Funcosa can position itself as the leaders in the industry. The costs involved in entering a new market are great, too overwhelming for a single mid-size company to successfully handle. Therefore, the collaboration among similar interest companies will be the key for the success of Funcosa to enter the U.S Market. Solar technology has been around from a number of years, but has never been viewed as a realistic alternative for the common homeowner. Up until recently, within the last 10 to 15 years with heated debate about environmental pollution, global warming and scarcity of resources causing more expensive consumption there has been a search to develop and incorporate renewable energy into the mainstream. The U.S is on the brink of new technological explosion; with the support of legislation for renewable technology and investment into the industry a clear opportunity exists for solar heating and electrical systems. Helping homeowners finance alternative energy is what will help break ground to launch sales. The advantages are clear and beneficial, like that of financing of a home. The world is changing and the once thought impossible, a competitive alternative to fossil fuel burning, is quickly becoming a reality. All the Marketing Communication channels chosen show a positive return on investment in a timely manner. The strategies are combined new media with traditional proven media tactics. The Campaign is designed to be executed with a small team making the plan cost effective in expenses and marketing investment.

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