



Russell's Group

8TIPS

For Your 2016 eCommerce Marketing Plan



Creating Your 2016 eCommerce Marketing Plan



- As 2015 is drawing to a close, now's the time to start planning and strategizing for 2016 and your ecommerce marketing plan should be on the top of your list.
- Your marketing plan is a map to guide you toward your goals
- A marketing plan outlines and supports the key marketing fundamentals of your business and defines directions, objectives and tactics for the business and its employees.
- A detailed marketing plan sets clear, realistic and measurable objectives, provides a budget, and allocates responsibilities based on your current situation and your future company goals.

1

Analyze Your Business' Current Situation

Strengths

- Advantages
- Capabilities
- Resources, Assets, People
- Marketing - reach, distribution, awareness



Weaknesses

- Lack of competitive strength
- Financials
- Our vulnerabilities
- Timescales, deadlines and pressures
- Continuity, supply chain robustness



Opportunities

- Market developments
- Business and product development



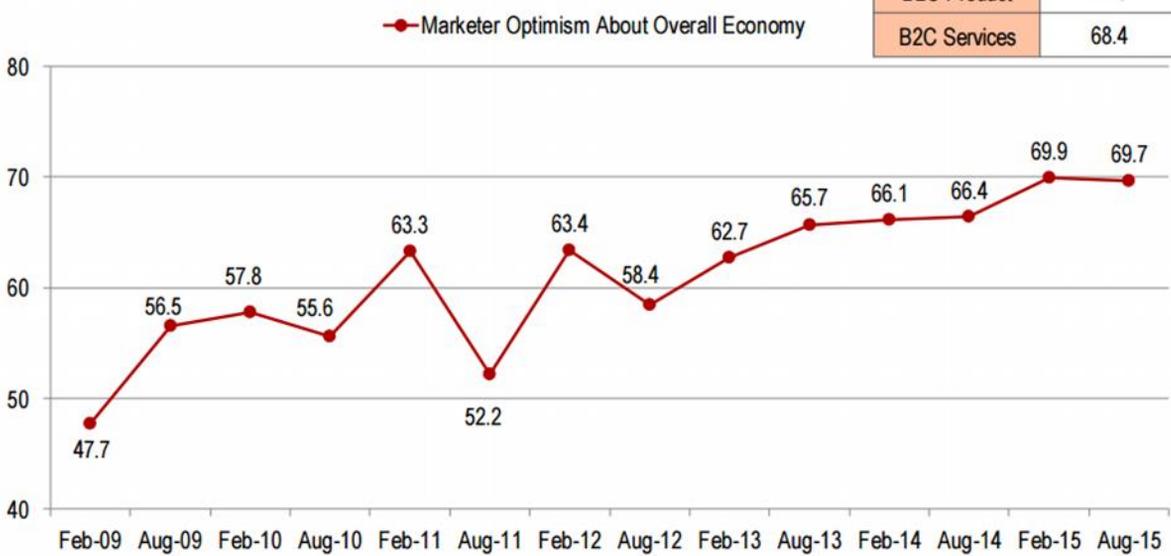
Threats

- Environmental effects
- Market demand
- Obstacles



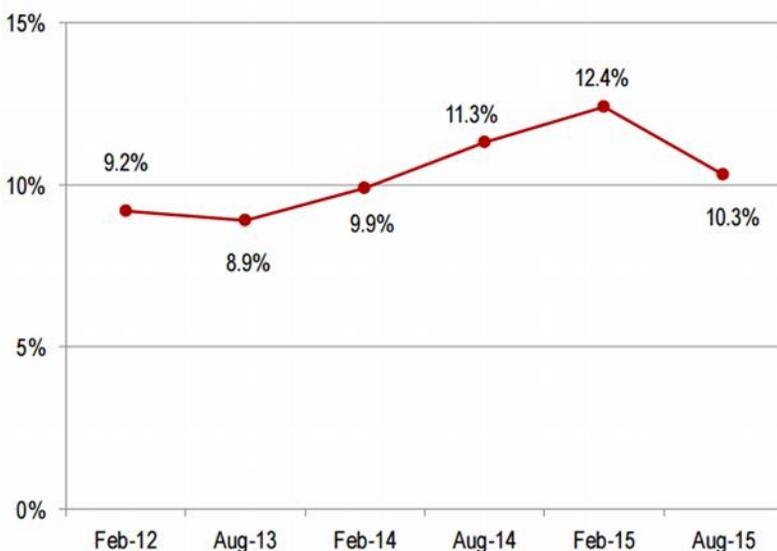
The first step is to understand your brand's current overall situation. This should include an analysis of your current financial position (revenue, expenses, etc.), as well as your brand's strengths, weaknesses, opportunities, and threats (SWOT).

Figure 1.1. How optimistic are you about the overall U.S. economy on a 0-100 scale with 0 being least optimistic and 100 most optimistic?



B2B Product	70.2
B2B Services	68.6
B2C Product	72.8
B2C Services	68.4

Figure 2.2. Percent of company sales from internet



	Feb-15	Aug-15
B2B Product	10.2%	7.5%
B2B Services	10.8%	9.2%
B2C Product	13.2%	15.2%
B2C Services	21.7%	13.9%

Sales forecast. Again using data from the CMOSurvey.org helps plan for expected Internet sales.

2

Set Your Marketing Goals and Objectives



Your marketing goals provide the framework for your marketing plan. To begin, you must ask "What do I want to accomplish and how do I get there?" You need to define specific goals that you want your marketing to achieve for you with measurable outcomes.

- Your annual ecommerce marketing plan should include both quantitative and strategic goals.
 - ➔ Examples of quantitative goals are total revenue, profit, number of new customers, number of new leads, units sold, etc.
 - ➔ Examples of strategic goals are expanding into new markets or channels, increasing your brand awareness, engaging more with customers, strengthening customer loyalty, customer education etc.
- Your goals need to be realistic and achievable. They should not be too easy and they should also not be unattainable. Setting realistic, yet challenging, marketing goals will be a huge factor in your marketing success
- Your goals must be specific and include a timeframe.
- It is critical that your goals are measurable in order to calculate the success of your marketing strategies.

SMART GOALS

Definition



SPECIFIC

What exactly do you want to achieve?



MEASURABLE

Establish clear definitions to help you measure if you're reaching your goal.



ATTAINABLE

What steps can you take to reach your goal?
Outline the exact steps to accomplish your goal.



RELEVANT

How will meeting this goal help you? Does your goal relate to your mission?



TIME-BOUND

How long will it take to reach your goal?

3

Develop A Marketing Budget



Creating a marketing budget is one of the most crucial elements of doing business. A marketing budget prevents a company from overspending on low-priority marketing activities with little return on investment while ensuring that the funds are available to carry out all high-priority phases of your marketing strategy including research, development and implementation.

Your plan should revolve around your budget. On average the following graphs from CMOSurvey.org show what other eCommerce businesses are spending on their marketing as a percentage of the firm's budget and as a percentage of the company's revenue

Figure 3.6. Marketing budget as a percent of firm budget*

B2B Product	10.1%
B2B Services	10.0%
B2C Product	17.5%
B2C Services	11.3%

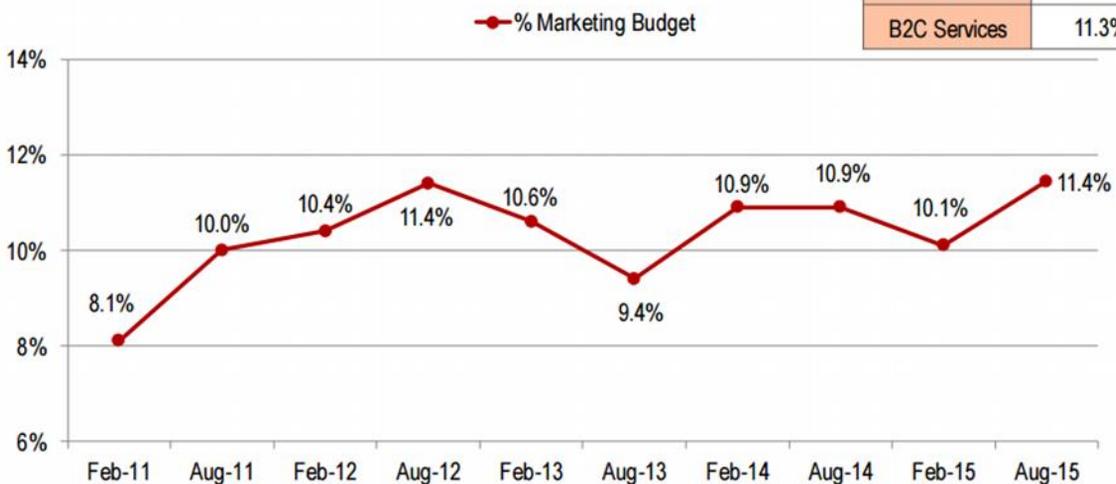
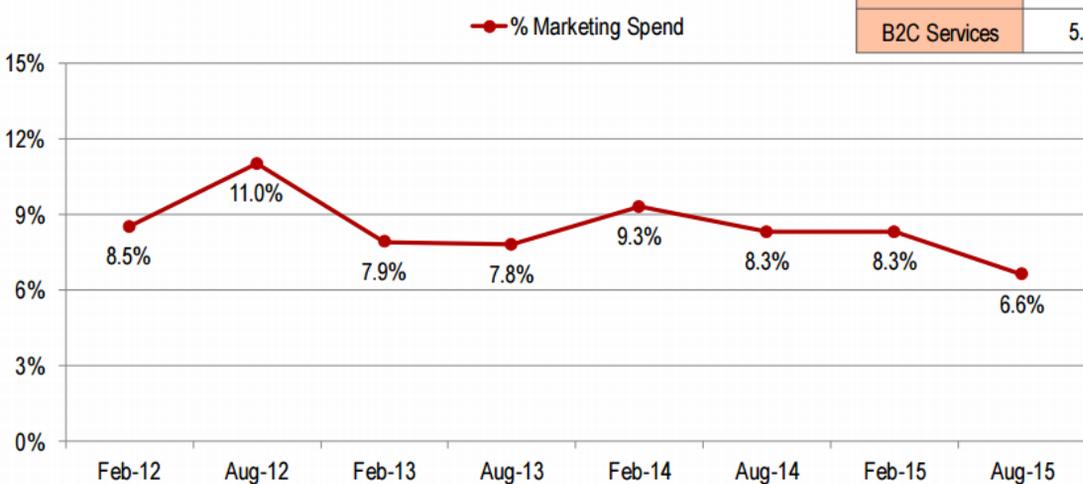


Figure 3.7. Marketing spending as a percentage of company revenues*

B2B Product	6.2%
B2B Services	5.9%
B2C Product	10.4%
B2C Services	5.3%



*Question asked in Feb-12 for the first time.

This is only a guide but gives some nice insight into what other companies are doing. If you are too far from center on either of these percentages you may want to review your strategy.

4

Develop Buyer Personas



An integral part of any marketing plan is to know who your target market is, and more importantly, to **understand** exactly who your target customer is. This customer is defined as your “buyer persona”. Developing buyer personas offers a valuable way to understand customers’ behaviors and needs and results successful, more cost effective marketing.

- A successful marketing plan starts with an in-depth understanding of what motivates and drives your potential consumer to make a purchase, what their biggest problems are, how they search for information and solutions, and what influencers play a role in their final decision.
- Once you have established your buyer personas, you can deliver targeted messaging to your customer exactly where they are using language they are used to, and provide solutions that align with their exact needs.
- Buyer Personas are developed using internal research (surveys and interviews), independent research and market research and should include demographic/background information and behavioral information.
- Marketo created a great 2-page cheat sheet on developing buyer personas, [how you can create buyer personas and map them to your buyer’s journey](#).

BACKGROUND:

- Basic details about persona’s role
- Key information about the persona’s company
- Relevant background info, like education or hobbies

DEMOGRAPHICS:

- Gender
- Age Range
- HH Income (Consider a spouse’s income, if relevant)
- Urban city (Is your persona urban, suburban, or rural?)

IDENTIFIERS:

- Buzz words
- Mannerisms

GOALS:

- Persona’s primary goal
- Persona’s secondary goal

CHALLENGES:

- Primary challenge to persona’s success
- Secondary challenge to persona’s success

HOW WE HELP:

- How you solve your persona’s challenges
- How you help your persona achieve goals

MARKETING MESSAGING:

- How should you describe your solution to your persona?

ELEVATOR PITCH:

- Make describing your solution simple and consistent across everyone in your company.

REAL QUOTES:

- Include a few real quotes – taken during your interviews – that represent your persona well. This will make it easier for employees to relate to and understand your persona.

COMMON OBJECTIONS:

- Identify the most common objections your persona will raise during the sales process.



This table from Hubspot details the information/process required in developing your buyer personas

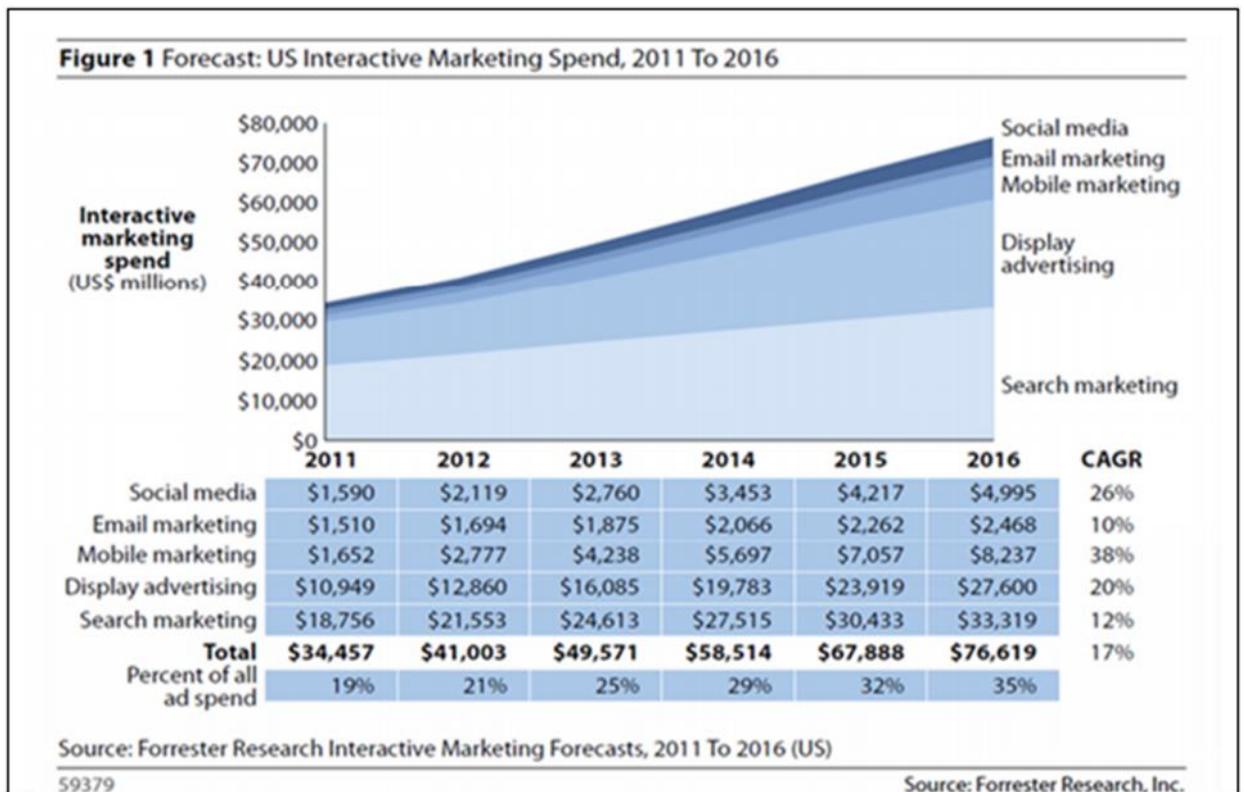
5

Define Your Marketing Tactics & Strategies



Once you have established your business' current situation, developed your goals and budget, you need to determine exactly what marketing campaigns and tactics you need to implement to meet those goals

The following graph from Forrester Research Inc. shows which marketing tactics businesses are investing in. Use this as a guide



With this information you can start to plan your strategy and allocate your funds. While you are deciding where to allocate funds also keep your traffic plan and conversion rates in mind. At the end of the day that is what it is all about. Leads and sales.

6

Identify Your Traffic Plan



A marketing plan is your roadmap of how you're going to drive traffic and conversions to your site

When developing a traffic plan, you need to understand that there is traffic and then there is qualified traffic. Obviously, if you want to achieve your marketing goals, then you need qualified traffic, visitors who are more likely to enter your marketing funnel and convert.

Traffic plan is a basis for building your sales plan

- a. Your conversion rate
- b. Average value of a sale
- c. Planned sales goal
- d. To calculate your needed traffic to meet your sales goal
 - i. $(\text{Sales goal} / \text{average value of a sale}) / \text{conversion rate} = \text{needed site traffic to achieve goal}$
 - ii. Ex. (Sales goal is \$2,000,000/\$40 avg value of sale)/1.5% conversion rate = 3,333,333 million visitors.



This chart shows several marketing tactics to drive traffic to your website.

7

Recognize and Outline Other Key Factors To Include in Your Plan

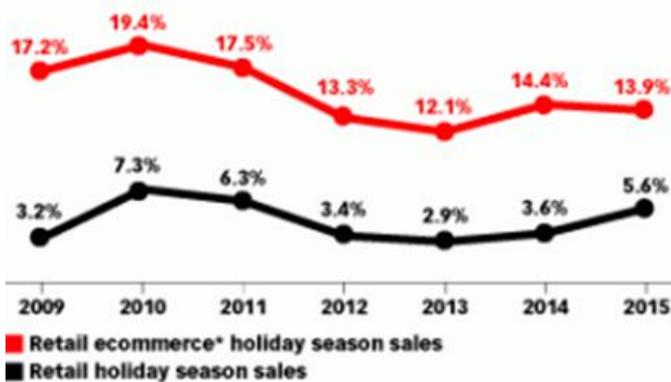


It is extremely important to understand and plan for all internal and external factors, both present and future that can affect your business, brand, consumer and the economy.

Other key factors to remember in building your plan for 2016

- Marketing Plan based on the seasonal trends of your business
- Buyer personas who is your audience, where are they and what are their needs
- Tie your **media plan** and expected sales into the marketing plan
- Competitive analysis of what your competitors are doing is important to include

US Retail and Retail Ecommerce* Holiday Season Sales Growth, 2009-2015
% change



Note: sales are for Nov and Dec of each year; excludes travel and event tickets; *includes products or services ordered using the internet, regardless of the method of payment or fulfillment
Source: eMarketer, Aug 2015

194566 www.eMarketer.com

These graphs by [eMarketer](#) show the holiday seasonal trend in sales for ecommerce. Awareness of and planning for these trends is crucial to the success of your marketing plan

US Retail and Retail Ecommerce* Holiday Season Sales, 2012-2015

	2012	2013	2014	2015
Retail holiday season sales (billions)	\$786.57	\$809.66	\$838.85	\$885.70
—% change	3.4%	2.9%	3.6%	5.6%
—% of Q4 retail sales	68.8%	68.6%	68.4%	68.3%
—% of full-year retail sales	18.3%	18.1%	18.1%	18.5%
Retail ecommerce* holiday season sales (billions)	\$54.34	\$60.92	\$69.68	\$79.40
—% change	13.3%	12.1%	14.4%	13.9%
—% of Q4 retail ecommerce* sales	74.5%	74.2%	74.5%	74.7%
—% of full-year retail ecommerce* sales	23.7%	23.4%	23.4%	23.3%
—% of total retail holiday season sales	6.9%	7.5%	8.3%	9.0%

Note: sales are for Nov and Dec of each year; excludes travel and event tickets; *includes products or services ordered using the internet, regardless of the method of payment or fulfillment
Source: eMarketer, Aug 2015

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This year's holiday retail season is expected to be strong in the US. eMarketer forecasts that US retail sales in the months of November and December 2015 will increase 5.7% year over year, reaching \$885.70 billion

8

Be Aware of Shift in Marketing From Traditional To Digital

TRADITIONAL MARKETING



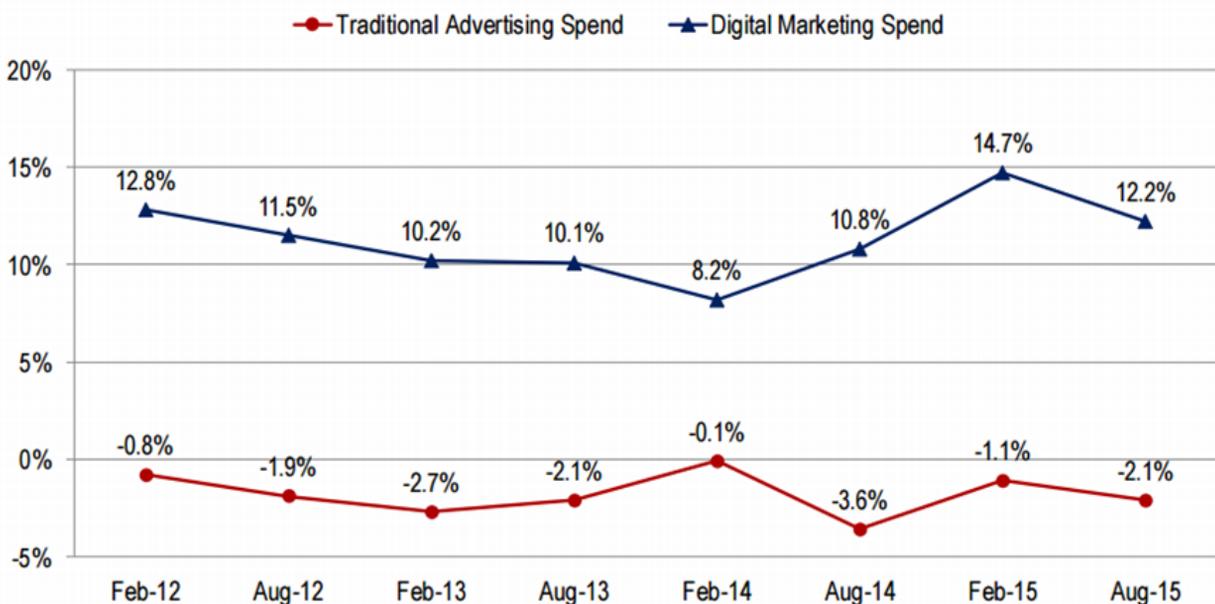
DIGITAL MARKETING



The goal of marketing is to reach your audience and communicate a message. It is extremely important to the success or failure of your business for you to make the optimum, most educated choices on how to accomplish this for your ecommerce business .

- Digital marketing allows you the opportunity to engage with your customer. In traditional marketing, the communication only happens in one direction while in digital marketing the communication is multi-directional where there is active communication with the consumer both talking and listening.
- Digital marketing is more cost-effective than traditional. With digital advertising, you can compete with larger competitors, reach more qualified customers and generate more revenue for a relatively low monthly investment.
- With digital marketing you can target qualified customers
- With digital marketing campaigns, the potential for exposure for your brand and message is huge.

Figure 3.2. Percent change in traditional advertising* vs. digital marketing spend in next 12 months



Growth in digital marketing vs traditional marketing from CMOsurvey.org