***5 Star Social Media Services***

Marketing Management 478

Final Project - Marketing Plan

***Description:***

 5 Star Social Media Services (5 Star) is a business-to-business social media marketing company for the small business owner. We are located in the suburbs of Chicago, and service clients in the same area. With the new technology available today, 5 Star is capable of providing services globally, but prefers to concentrate on the local market. The company focuses on social media and plans to provide additional marketing services as partnerships are formed.

 Small business owners wear many hats throughout their day and find it difficult to participate in the online conversations through social media. 5 Star’s team of experienced professionals will set up branded pages on each of the social networks that will provide the best reach for the industry our customers are in. LinkedIn will be used for professional networking, thought leadership, and recruiting. Facebook will be used for micro-targeting advertisements, development of contests for greater excitement, and to create greater awareness of the company. Twitter will be used to promote original materials such as blogs and videos, to create relationships with target market, and as an educational tool for the company and its customers. Finally, company videos will be produced and posted to YouTube for greater transparency of the company and its products or services. Creating a presence on all of these channels, and niche networks, will also help the small business to rise in search results, or search engine optimization, and gain more business. After the channels are set up, 5 Star’s team can also manage the day-to-day activities if necessary. If the customer prefers, 5 Star will coach the small business owner or an employee on the best practices of the industry and how to manage their networks to provide customer leads, retain existing customers, and develop potential partnerships.

***Mission Statement:***

 Our mission is to create dynamic relationships for our clients through words, pictures and videos on social networks so that they can compete in the evolving high-tech world of business today and tomorrow. We will turn our customer’s social media marketing from a confusing arena to a well-oiled machine working as hard as our customers do.

***Vision Statement:***

 Our vision is to support the entrepreneurial spirit of the small business owner. We will do this by implementing relationship building techniques to allow small business owners the same advantages as the big businesses. Small business owners never have enough time in the day to complete their work. By outsourcing a portion of marketing to us, the small business owner will save both time and money. We will always speak in the customer’s voice to grow the customer’s brand throughout the many social channels available today. We will provide our customers with the highest level of commitment, professionalism and quality to procure content that will grow their business locally, nationally or globally.

***Potential Market Segments:***

 The owner of 5 Star has experience and interest in a variety of businesses. This diversity and understanding of how many operations run is an advantage to the small business owner. Another advantage is that the owner grew up in an entrepreneurial environment and can relate to the challenges and struggles that go along with owning a business. The primary market will be within 25 miles of the main office, as this area is overflowing with small business in every industry and is convenient for on-site collaboration.

 Small business owners are very hands-on with the management of their company and often do much of the actual work too. Though they are experts in their line of work, many find the marketing of their company confusing and just another expense. 5 Star will show the small business how marketing can be inexpensive yet effective through social media marketing.

 Well established small businesses may find that their existing customer base is failing and wonder why. As the first potential market segment, they need to see how their competitors are using social media and the internet to attract more business, and maybe even be stealing their customers. The previous marketing mixes are no longer enough for the established businesses. In order to survive in today’s market place, it is essential to be interactive with your customer base. This segment will have an existing budget and metrics for marketing and see the potential of adding social media to their mix.

 The second market segment is small business start ups that need to create awareness of their new brand. These companies will see how social media marketing can get their word out in a less expensive manner than traditional marketing efforts would. With all of the noise that today’s consumer hear, consumers have become resistant to many older types of marketing messages. Creating a digital strategy will give the new small business a leg up on advertising and creating a customer base.

***Macro and Micro Environments:***

 B2B Magazine recently conducted a study and determined that 93% of business-to-business firms are including social media marketing in their plans. The three channels favored are LinkedIn at 72%, Facebook at 71% and Twitter at 67%. Additional social efforts include YouTube at 48%, and blogging at 44% (Holden-Bache). This engaged environment creates many opportunities for businesses to communicate with audiences that already exist on these channels.

 Within a 25 mile radius of 5 Star’s office are an abundance of businesses meeting the desired segmentation. These businesses range in industries from accounting firms, banquet halls, builders, fitness gyms, funeral homes, HVAC and plumbing, golf courses and more (Business Journal). Each of these industry categories will benefit from local social marketing such as Four Square, and greater reaches using the big three listed above. Many of these businesses were operating strong until the recent economic downturn. With sales down in most industries, it is necessary for these companies to develop new strategies to reach their customer base and develop new relationships.

 5 Star is a business-to-business marketer, who will reach out first to companies who are business-to-consumer operations. These types of companies, such as florists and retail shops, will benefit from adding value to their customers social feeds with tips, tricks and deals. The small business owners in this area will extend their reach to new potential customers outside their typical market by attracting online customers nationally and even globally. This will allow these new and existing businesses to grow and prosper in new ways and compete stronger within their industry.

 The United States Small Business Administration defines a small business as, “The Office of Advocacy defines a small business as an independent business having fewer than 500 employees.” Most of the small businesses in the area are even smaller with fewer than 50 employees. No matter what the size, the small businesses in America represent 97% of all employer firms, employ 50% of private sector employees, and are responsible for 44% of the private United States payroll. This is a very important market to keep healthy (FAQs).

 The statistics in 2009 for small businesses were grim in comparison to previous years. There were an estimated 552,600 new firms that opened their doors for business, while 660,900 firms went out of business. The economy certainly played a part is this, but companies who were not utilizing newer marketing strategies also felt the pressure. Today, small businesses realize that digital marketing is necessary for survival and are willing to invest the time and money to create campaigns. Unfortunately, these same businesses do not possess the time or expertise to properly implement the program (FAQs).

 In addition to the big three social channels, there are new social networks starting up often. For the small business owner who is already over worked, keeping up with the ever changing social environment is yet another challenge. The most recent statistics on survival rates for small business are that “7 out of 10 new firms last at least 2 years, 1/2 at least 5 years, 1/3 at least 10 years, and 1/4 stay in business 15 years or more.”  These rates were not dependent on region or industry (FAQs). Incorporating digital strategies in their marketing mix will give new and existing small businesses a stronger chance for survival on the limited budget available.

***Target Market****:*

 Many of the established businesses that were able to survive through the recent recession are family owned businesses. As a child of an entrepreneur, 5 Star is well aware of the, “this is the way we have always done it” mentality. As the younger generations become a larger part of the family business, changes in attitudes will begin to be formed. These businesses are also becoming more open to new ideas in marketing as long as they are inexpensive. Reminding these companies how much they used to spend on their Yellow Pages ads helps the owners and managers see the benefits to social media marketing.

 Small businesses with less than 50 employees will be the target market for 5 Star. Companies falling within this size range do not have large marketing departments, if any at all. This size company also sees the value in outsourcing specialty services such as ours rather than hiring inside staff. 5 Star will consult with both retail and service orientated companies, as both will benefit from our services.

Industries that will fit 5 Star’s target market include, but are not limited to:

|  |  |  |
| --- | --- | --- |
| Accounting | Architects | Builders |
| Employment Agency | Financial Institutions | Fitness |
| Golf Courses | Hotels | HVAC/Plumbing/Refrigeration |
| Insurance | Landscaping | Law Firms |
| New Auto Dealers | Office Supplies/Equipment | Printers |
| Restaurants | Technology Services |  |

***Product and Services****:*

5 Star will consult small business owners by either coaching or managing the following social media marketing strategies.

First phase: Activate the most used big three channels.

* LinkedIn
	+ Develop a profile for each staff member and connect to company page.
	+ Develop professional network, potential partnerships
* Facebook
	+ Develop branded company page and micro target ads
	+ Optimize for SEO, provide transparency, create excitement with contests, etc.
* Twitter
	+ Develop branded company page and personal pages
	+ Push out other SMM efforts, develop thought leadership, create conversations
	+ Share both promotional and non-promotional materials

Second Phase: Add blogs and video

* Blogs
	+ Attached by RSS Feed to company’s website with subscribe option
	+ Push out through social channels, increase SEO for website, create thought leadership
* YouTube
	+ Corporate videos, showcase offerings, video blogs for company channel
	+ 2nd largest search engine, owned by Google, important for SEO

Third Phase: Niche networks

* Pinterest
	+ “Pin” pictures of company’s products for all to see
	+ Follow vendors, customers, partners
* FourSquare/Yelp
	+ Local advertising and promotion capabilities with “check-ins”

 By creating company pages on each of these networks, the brand will become recognized immediately by its Facebook friends/fans, Twitter followers, LinkedIn connections and YouTube subscribers. Networkers will begin to watch for material posted and tweeted and then pass along the valuable materials to their friends. This is where the magic of social media marketing begins to take place and consumers begin to follow the company without being solicited.

 This type of marketing also meets the consumer where they are already hanging out. There are over 750 million Facebook users, 250 million Tweeters, and 60 million Linkedin professionals ready to meet and engage with people and companies. Just by focusing on these three channels will give the campaign a larger reach per dollar spent than any traditional print direct marketing campaign. Forrester.com, a marketing research company, predicts that B2B social media spend will rise to $54 million by 2014.

 There are many benefits to small businesses with social media marketing. First, it builds a strong brand presence on the Web. It increases profile rating on search engines, provides an additional place for a messaging strategy, connects your company to your target audience, and allows your company to show some personality and build relationships. Next, social media marketing allows companies greater control to target advertisements. Facebook is a great avenue for micro-targeting with their ad program. Then, these channels give companies additional opportunities to run deals, offer coupons, or hold a contest. All of these ideas create more excitement for the company and its offerings. Finally, these channels are a great way to promote a cause that the company is passionate for and supports. This not only shows consumers that you are socially responsible, but gives the cause more exposure (Stamoulis).

***Pricing Structure:***

 Pricing for these types of services can vary on the scope and length of the project. As a guide, the typical pricing structure is listed below. Additional services will increase the project cost.

Phase 1:

* Activating company and personal pages on LinkedIn, Facebook and Twitter with

 existing company logo - $1500

* Design of logo, file formats for all branding needs - $300

Phase 2:

* Design RSS Blog Feed page as part of website, create editorial calendar - $750
* Design YouTube company channel - $200
* Production of videos – determined by outsourced company based on difficulty

Phase 3:

* Creation of niche social networking company pages – $200 per network
* Create local ad/marketing SMM campaigns - $200 per network

Management of Company Networks:

* Research and updates for 6-10 tweets per day, 1 Facebook post, 1 LinkedIn post –

$150 per week – 1 account

$200 per week – 2 accounts

$250 per week – 3 accounts

Coaching:

* $35 per hour

***Branding****:*

5 Star will provide social media marketing solution packages customized to the individual business needs, specializing in the small business market. The unique aspect of 5 Star is that they will listen closely to their customer’s goals and objectives and develop a strategy to meet these needs. By closely collaborating with the customer, these goals and objectives will be monitored and measured to ensure complete satisfaction with the program. Our comprehensive program of planning, implementing and measuring will provide customers with the complete services from one agency. The partnerships that have been developed will allow customers the opportunity to work with the best designers and technology wizards in the industry to compliment their strategies with creative web pages, graphics and mobile apps if desired. Most competitors of 5 Star focus on larger companies which leaves the smaller companies struggling for attention on the social channels. The affordable packages from 5 Star will allow small companies to compete on the Web and grow their business through relationships built on trust.

Third Party Outsourcing

i.e., videographer, designer, Web Master, etc.

StudioNorth – Digital Agency

North Chicago, IL

Target Market - Fortune 500 Companies

High

Cost

Low

McHenry Design – Internet Marketing

McHenry, IL

Target Market – Local Small Business

5 Star Social Media Services –

McHenry, IL

Target market – Local Small Business

Low Customized Packages High

Design and implementation of channels – modernizes marketing programs to bring their company and brand into the conversations already occurring on the Web. Creates higher brand awareness, relationships, customer loyalty, repeat sales and referrals. The company will experience return on investments with more sales and profits.

Staff Training Seminars – This program will teach the staff of the small businesses how to use their company or personal networks to advertise their products and services. The value and benefits of this service is that the company will gain greater exposure by being introduced to the staff’s network. The benefit to the staff is that by advertising these products or services, the company will potentially gain more business, thus creating job security. Employees can often be the strong brand advocates and generate greater excitement and sales for their company.

Customization **-** Each company has its own personality which should be apparent through its digital marketing strategy. Customized packages will allow companies to choose the design and networks that highlight this personality for greater brand awareness. From the company’s Web site URL to its custom social URLs, the brand should be consistent, as well as the messages. The benefit of this continuity is greater recognition which leads to more sales and profits.

Coaching – In many cases business owners find navigating the variety social networks confusing and thus do not see the benefits. Coaching sessions will not only teach the owners how to use the channels as marketing tools, but can also teach them the value they are adding to their company’s brand image.

SEO – Implementing these channels into a marketing mix is an expensive way to enhance the search engine rankings for the small business and even out the playing field against larger corporations.

# *Distribution Strategies:*

 The majority of this business-to-business service will be done in-house, without the help of intermediaries or outsourcing. However, when 5 Star finds it necessary to use a third-party’s expertise, there are partnerships that have and will continue to be formed for these situations. The goal is to develop relationships with the small business owner, create a relationship of trust with them, and develop a complete solution for their social media marketing needs.

 Consultations will be scheduled on-site at the company’s offices. The first reason for this procedure is to accommodate the busy owner’s schedule. Small business owners are often very busy managing their company that it is difficult for them to get away even for a short time. The second reason for this set up is that by going into the customer’s office, our consultants can get a feel for the culture and personality of the company. Some companies are very old-school professional, while others are more modern and relaxed. Even the way the staff dresses can give a feel for the image that the company is trying to portray. Finally, the third reason to meet the customer at their office is that 5 Star is a home-based business. That means that meetings at our offices would essentially be out of our home which is not convenient for a family situation.

 After the initial consultation and future collaboration meetings are complete, the bulk of the actual work would be conducted from the home office. The internet has allowed amazing changes to occur for people in terms of their professional life and a home office is one of the benefits. With high-speed internet, a few computers and some other office equipment, working from a home office can be just as productive as working from an office. Depending on the person, working from home can be even more productive with fewer interruptions from other staff members.

 Smart phones are another tool that increases productivity of the social media marketer. Each 5 Star consultant is equipped with a smart phone that allows for downloading of social network apps. These apps allow the marketer to conduct business from anywhere at any time, never missing a beat. This becomes very important when the target audience begins to respond to posts or updates. To keep the conversation going, marketers can reply directly from their phones.

 Another important tool to keep up with all the clients networks is an application called HootSuite. This app, which can used on the computer or smart phone, allows users to schedule posts, tweets and updates at one time from one place. This app will be the key to the success of 5 Star and managing the many social accounts for their clients. Each client will have an individual HootSuite account that will integrate all of their channels and allow for easy scheduling of posts throughout the day. It is an important function to stay in front of the audience often.

 Finally, 5 Star will provide reports on the various metrics of the channels through the use of Google Analytics and Hootsuite’s metrics. The reports that are sent weekly to the customer will give evidence of which information his/her customers are reading, and which they are not. It will allow the customer to view which days of the week his/her customers are most engaging and on which channels. Monthly meetings to review these metrics will be conducted on-site with charts and graphs.

***Communication Plan****:*

 As 5 Star is a social media marketing company, the firm will integrate all of the social channels as its primary strategy for communication.We believe that if you are going to “talk the talk, you must walk the walk” and thus will develop a full line of branded social pages. These pages will not only communicate our services, but will also increase our rank on search engines so that future customers can find us.

 Our Facebook page will be complete with all contact information, other social addresses for the company, and corporate videos from YouTube. Our photo gallery will consist of projects that we have completed as well as the fun happenings in our office for transparency. Finally, we will hold a contest for the best Facebook post to generate excited and engagement with our page, and encourage customers to “like” our page.

 Our YouTube channel will have a variety of videos describing our company. We will produce video interviews of consultants explaining a complex or challenging project that they worked on. We will produce videos outlining the services our company offers to shorten the sales cycle of new customers. Last, we will film satisfied customers who agree to give testimonials on the high quality of our work and the benefits they experienced.

 On our LinkedIn company page, we will incorporate our blog and Twitter feeds to keep our professional network up-to-date on the latest happenings at our company. This channel will also be used to share industry specific knowledge and the wealth of information shared by others. All consultants will have a profile on LinkedIn so that customers and partners can easily view our amazing staff and their skills. Our services will also be showcased on this venue to allow our followers to window shop before they call. Finally, as 5 Star grows, LinkedIn becomes an important communication tool for job openings.

 The 5 Star Twitter page will primarily be used to push out the original content of the company such as blogs and videos. This channel is the most misunderstood of all, but the experienced Tweeter realizes the value in creating relationships here. 5 Star will comb the Twitter community to find peer thought leaders to continue to educate themselves on social media marketing. Both promotional and non-promotional material will be shared with our followers throughout the day with scheduled tweets. This industry is changing and evolving rapidly and it is imperative that we stay up-to-date with any new channels or changes.

 The company blog is the strongest of all communication tools for social media marketing. This is where the blogger has the opportunity to highlight his skills, expertise and knowledge. This is the strongest tool in the box to become known as a thought leader. The possibilities for communication through blogging are endless! So 5 Star will develop an editorial calendar to manage the topics and release of all blogs. As the saying goes, “content is King,” and a steady stream of authentic, original communication with subscribers can boost sales for any size company.

 The final component to our digital communication strategy will be our Web site. Our social channels should push our followers to our Web site, and the Web site should then sell our services. When someone lands on our site from a search engine, the Web site will invite them to join us on the social networks or subscribe to our blog. As you can now see, the social media strategy is a complete circle where all components are necessary for cohesive digital communication strategy.

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