

Internet Marketing Plan

The Wood Fire Bakery – Internet



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Executive Summary

The Wood Fire Bakery (WFB) is a Kelowna based restaurant establishment with European style cuisine. Currently, they lack any substantial electronic marketing presence. This report outlines a six step e-marketing plan that the Wood Fire Bakery can use to utilize a new electronic marketing campaign, to ultimately help them expand their brand and customers base.

A situational analysis consists of external and internal factors related to the given business, and the market norm for this procedure is done through a SWOT analysis. Some internal strengths identified were the WFB's unique, quality and low priced foods. As well, some internal weaknesses included the WFB's lack of website and online presence and their short business hours. From examining the external factors, an opportunity included what having a website could provide to the company and a threat being the large amount of competition in their industry and market place. The outside environment was also measured. In regards to technology, legal, environmental, and marketing factors. Technological factors were considered, specifically regarding the start-up costs of an electronic marketing campaign. Necessary legal factors such as posting food nutritional values are also recognized. No environmental factors needed to be considered, as this plan examines creating a business process website. Marketing factors included the increase in sales due to the increase brand awareness and new customer attraction.

A market opportunity analysis was also considered, regarding the supply and demand of the industry. A demand analysis consisted of determining what the customers are looking for from the WFB. These demands included their consumers wanting a fast lunch at a decent price. The supply analysis looked at supply chain efficiencies that the WFB currently has in place and if it would be viable to increase the number of hours the WFB is open for during the day. The conclusion was made that this is not yet a viable option, due to their lack of staffing and amount of time taken to prepare their menu.

Market segmentation is described in regards to the demographics, psychographics, and behaviouristics of the WFB's customer base. The WFB's customer base includes a wide variety of demographics, with the majority of customer's being between the ages of 55 and 70. The types of behaviours that you can see from the target market are people on the run, grabbing a quick bite, but who prefer a quality meal rather than picking up lunch from a fast-food restaurant. As well, the customers believe, when they come to the WFB, that they are receiving a home cooked German meal in a warm and friendly environment. It is also mentioned that the WFB's differentiation comes from their authentic European cuisine, and their positioning in the market is determined by their convenient location and fresh, quality ingredients.

Six objectives of the proposed marketing campaign are outlined in the report and were created to help measure the success of the e-marketing plan as a whole. Online traffic will be created and an increase of 15% per year will be expected thereafter. Increasing brand awareness by 90% is a goal outlined in the report, set to be achieved by 2017. Also, acquiring a first page ranking on Google search will be achieved by implementing keywords such as "*best lunch restaurant Kelowna*." Some marketing goals include increased market share of 5% and increasing sales

revenue by 15%. Finally, developing a customer relationship management plan that will help to increase customer satisfaction is an important objective of this e-marketing plan.

Since the WFB currently operates a brick-and-mortar restaurant, the main goal for this e-marketing plan is to develop and create a business process website. The website will include pages for customer interactions, menu items, customer rewards programs, online ordering and store information. Certain marketing communication strategies were also chosen for the WFB to improve their brand. This included implementing social networking, a company blog, word-of-mouth advertising, and direct mail. Other strategies including price, distribution, search engine optimization, and a customer relationship management plan are outlined to help improve customer attention, retention, and satisfaction, by creating social and loyal bonds. Since these strategies also need to be implemented, a timeline is included for when these strategies need to be designed, created, implemented, measured, and evaluated.

A full return on investment spreadsheet was formulated and forecasts costs and returns for the next three years. Conservative forecasting numbers were used to reduce over expectations, and the return on investment figures are given. It is calculated that the WFB's ROI will increase by 62.2% over the next three years if they implemented the ideas outlined above. An evaluation plan for the proposed e-marketing campaign will be measured using specific figures regarding different qualitative and quantitative metrics. These include variables such as customer, internal, financial, as well as learning and growth perspectives.

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Background Information

The Wood Fire Bakery (WFB) is a European cafeteria-style establishment, focusing on homemade German style cuisine. It was first opened twenty-three years ago by a local couple in Kelowna, BC. The establishment has been passed down through the family and today their grandson owns and operates the restaurant. The WFB is located just off of Harvey Avenue (Highway 97) and Barlee Road. It is open 8:00 am to 3:00 pm, Monday through Saturday and is closed on Sundays and statutory holidays. The menu at the WFB has been consistent since opening and still offers its most popular dishes. Some of these menu items include their Cordon Bleu Sub, Reuben Sub, Ham Hock Entree, and Quiche.

The WFB does not have a website or any official social media sites, and all of their marketing has been through word-of-mouth and consumer experiences through the years. Although there is no website or official social media sites, through research an unofficial Facebook page for the WFB, that contains the address and phone number, was found. On the unofficial Facebook page there contained reviews which were almost all positive, a rating of 4.8 stars based on 62 votes, numerous likes and shares from customer posts, and uploads showcasing their customer's experiences. While searching on Google the Wood Fire Bakery also comes up on Zomato, TripAdvisor, Yelp, and various Blogs.

This e-marketing plan will go through the six step process in detail to provide insight on what future steps The Wood Fire Bakery should take in order for it to maximize its profits and success as a whole.

The six steps included in creating an e-marketing plan include

1. Conducting a situational analysis of the internal and external environments
2. Determining an e-marketing strategic plan
3. Creating a list of objectives
4. Deciding which e-marketing strategies will be use and how to implement them
5. Developing a budget
6. Producing an evaluation plan to measure success

Situational Analysis

A situational analysis is performed with the intention of identifying internal and external factors that can affect the success of a given business. A SWOT analysis is a widely accepted process that illustrates the strengths, weaknesses, opportunities, and threats that a given business must take into consideration in regards to their environment.

SWOT Analysis

The WFB has many internal strengths. It has very high quality and portions in its meals, while maintaining reasonable pricing for value. This helps contribute to the diversity of people that comes in to dine at its establishment. Its entrees are very unique and authentic, which caters to the European niche market. This helps with differentiation within the restaurant industry. They have unique atmospherics for customers with its wood fire oven and food displays, as well as a unique staff culture. Since they are hybrid establishment containing a restaurant and a bakery, the WFB not only produce's high quality lunch menu items, but they also serve freshly baked goods using quality ingredients.

The weaknesses that the WFB possesses are that they lack an online presence. They also have very limited hours of operation and just one cashier. This results in inefficient management science of their waiting lines and leads to potential customers walking out because of the inefficiency. They also limit themselves to lunch and a few breakfast items, with a limited menu. However, having this smaller menu can also be considered a strategic advantage because everything on their menu is perceived as being high quality.

Its opportunities, from an external environment approach, would be that if they gained an online presence, it could help advertise to their niche market by improving its brand image. This could also help it advertise its positive online reviews on Yelp and other customer based review sources. It can use this presence to advertise appealing photos of its meals and atmospherics to a 24/7 broad audience.

The threat the WFB faces externally is the abundant amount of restaurants and bakeries in the general area. Although the WFB's food is value priced for the quality, there is an abundance of cheaper alternatives in the area. These include restaurants, buffets, fast-food, and other bakeries.

See Appendix A - SWOT analysis

Environmental Factors

Technological Factors

Technological factors that occur when expanding into hosting a business process website are relevant because of the current lack of any self-governed internet marketing. Since this would be a new endeavour, management could be weary in the expansion of this area, due to a lack of experience. A successful electronic marketing campaign must be well thought out in regards to a reliable internet hosting provider, with proper testing of the order system. The risk of potential

bouncing and losing customers due to a slow or confusing website is very high. If a customer coming to the in-store location has the intentions of eating at the WFB, and there is a line out the door, they may choose to leave the establishment. However, if the same customer tries to order online, with the knowledge of the susceptibility of customers bouncing from a website, they are more prone to developing a negative selective perception of the business. Since the store is so busy they rarely have time to answer the phone, let alone take orders over it, an automated business process website could have great value, but must be managed with quality in mind.

Legal Factors

The WFB is not known for their healthy alternatives. Their diversification in the foods that they sell lies in having authentic European food choices, while being known for large serving sizes, as is custom in European countries. This has contributed to their valued pricing approach relative to their entrees. Value and quality have been the staple to their current increased success as a bakery. Because they're not legally required to submit nutritional information, being a mom and pop type of bakery, it would be advisable not to post this information. The target market does not come to the WFB for a salad. Some of their entrees, including their most popular menu item, the Cordon Bleu Sandwich, are baked in the oven with garlic butter and loaded with cheese. Another popular entree is an entire ham hock with a sauerkraut side. These types of entrees would have higher than expected caloric and fat content. The nutritional information could be detrimental to business.

The WFB should, however, advertise their ingredients in their entrees on this proposed website. This is for liability reasons such as food allergies, lactose intolerance, gluten sensitive, specialty diet, or any other potential liability that could arise from selective customers.

Environmental Factors

Being that the WFB is a restaurant looking to expanding into having a business process website, there are no relevant environmental factors at this time.

Market Related Factors

Some factors to keep in mind with expanding into a business process website is the capacity to manage the increase in sales due to additional e-marketing. Increasing an Internet presence can create a social bond with customers. Since the WFB has high customer retention, it can publicize positive chatter about the WFB. It is safe to say that this addition will increase business to the bakery. This must be carefully thought out in regards to managing production line efficiency and meeting proper staffing needs. Because the WFB is currently only a lunchtime bakery, with very limited hours, all the prep work and baking happens while the store is closed. Our revenue forecast has been carefully planned out with consideration to the inevitable increase in sales.

Being a value priced restaurant/bakery, the WFB is not as susceptible to economic fluctuations concerning customer's disposable income. Ten dollar meals are generally not out of the price range of the lower class population.

E-Marketing Strategic Planning

Market Opportunity Analysis

The e-marketing strategic planning section will analyze the market opportunities for the Wood Fire Bakery in relation to supply and demand. Segmentation, targeting, differentiation, and positioning for the Wood Fire Bakery will also be evaluated in this section.

Demand Analysis

Although McDonalds and A&W offer a fast lunch at a decent price, consumers will always be looking for a new lunch spot. There is also a demand from the previous customers of the Wood Fire Bakery, and the new customers that many bring in with them. The Wood Fire Bakery has a demand for individuals looking for a lunch with big portions, fresh quality ingredients and that is affordable for all classes. There is a demand for the Wood Fire Bakery to have operating hours longer than what they currently do, but there is uncertainty of how they would find the time to supply all the needed products to serve their customers.

Supply Analysis

There is only one Wood Fire Bakery and they have been open in Kelowna for over twenty years. They also prep and bake all of their products the day before. Only so many products can be prepared in that time frame and this is the reason as to why The Wood Fire Bakery has minimal hours of operation. There is only enough food to feed a certain amount of consumers. Often there is a line-up out the door, and if they were to increase their business hours, it can be assumed that the WFB would only be busier and unlikely able to keep up with the demand.

Segmentation

Demographics

The main demographic segmentation for The Wood Fire Bakery would be the geographic location. Most of the consumers are from Kelowna and the surrounding area. Many of the other customers coming into the WFB are tourists who have found the restaurant on Facebook, Yelp, Zomato (Urbanspoon) or Trip Advisor. These consumers also include people who used to live in Kelowna, who either went to the College/University or were working in the area, and have since moved away, but have come back to visit.

The Wood Fire Bakery attracts individuals from a wide variety of demographics, including: age, race, gender, and varying income levels, education levels and family sizes. The age range at the WFB differs, however the majority of consumers are between the ages of 55-70, as they can come in for lunch and stay for awhile in the homier atmosphere. Whilst many younger individuals and business professionals also enjoy their lunch at the WFB, but eat and go, rather than sitting and staying. Families also like to come and enjoy the Wood Fire Bakery as a group outing.

Psychographics

Individuals who are busy and always on the run but prefer quality, would be likely to stop in at the WFB to grab a good quality lunch that is fast and reliable. Those that like to sit in a warm and homier environment while out at lunch would also like the Wood Fire Bakery, as the atmosphere is similar to being at home, although sometimes quite loud and busy. The WFB would be described as a home cooking restaurant and gets that vibe from customers that come in to the establishment, which is justified by the vast diversity of age groups that come in. Because it is perceived as value and home cooking, families, seniors, and young adults alike come to the establishment and this contributes to family restaurant atmospherics.

Behaviouristic

As mentioned in the demographic section of our market segmentation, individuals from all generations enjoy what the WFB has to offer. The diversity created at the WFB by seniors, families, and young adults are among the groups that make up the large market. It is assumed that the greater majority of customers are returning. Older demographics are more susceptible to having a routine when visiting the WFB, and are usually more sensitive to pricing fluctuations. This is why printed flyers and daily specials work with seniors, due to their behaviour patterns. Families generally have bigger bills, and this is why they normally look for a restaurant that is family friendly and contains value. This is largely why the WFB is successful with this behavioural style. The younger demographic is the most susceptible to word of mouth and hence they feel enticed to share their experiences at locations that are unique with their peers, especially those who are from out of town.

Targeting

The Wood Fire Bakery does not seem to have a specific target market. It is a cafeteria-style lunch spot located in Kelowna BC's city center. As this place does not have a definite group that they want to serve, the WFB can engage in certain practices that would get members of different target groups into its establishment. In order to target the older crowd living in the Kelowna area, the WFB could send out pamphlets in the mail to advertise their presence and any current deals and lunch specials. Targeting the younger people in the Kelowna area, could be done through a social media presence, including Facebook, Twitter, Instagram, and Google Plus, in order to showcase what they have to offer, and boast its many high-end reviews. To target "foodies" it would be in the WFB's best interest to write a blog. Sharing the beginnings of the business and other highlights in their history could engage individuals, who are always searching for the next best place, to come to the Wood Fire Bakery. The blog should also contain recent stories and photos of what is being offered at the cafeteria-style bakery and deli.

Differentiating Strategies

The Wood Fire Bakery has created differentiation in their product by serving authentic German cuisine, a cafeteria-style lunch cafe and always-fresh ingredients.

Positioning Strategies

The Wood Fire Bakery is a miniscule company in the world of the food and beverage industry; hence they have no control in setting the price within the industry. If the WFB were to increase their prices they would likely lose customers to cheaper alternatives close by. The WFB positions themselves in other ways than pricing, including where they sell their products and how/where they make them. The restaurant is located in a convenient location right off of a major highway in Kelowna. Everything on the WFB menu is made in house using fresh and quality ingredients. This is their main positioning strategy which helps differentiate themselves from their competitors.

Objectives

The following six objectives have been developed for Wood Fire Bakery.

1. Develop a customer relationship management plan to increase customer satisfaction by 20% by January 2, 2017. The website will provide a contact page for customers to email complaints, while social media sites will provide customer reviews. Email and social media sites will be monitored daily for complaints and responses will be within one business day to ensure a 20% increase by the second of January.
2. Increase sale revenue by 15% within 7 months. The Wood Fire Bakery advertises a coffee bar however; many customers have written reviews expressing displeasure with the self-serving coffee machine's lack of variety. The business could easily increase revenue by having a larger variety of specialty coffees and by creating a breakfast menu, which could include an authentic German breakfast. With the additional advertising on social media and the website, more potential customers will be informed of the Bakery's expanded menu options which will increase sales in the morning hours. Also, a seasonal coffee rewards program would be introduced; for every 5 coffees purchased a free coffee would be rewarded. Lunch hours at the Wood Fire Bakery are extremely busy, as it is a very popular lunch destination in Kelowna; therefore, the business should consider expanding into the breakfast market.
3. Increase online traffic by 100% by May 19, 2017. Thereafter, an increase of 15% traffic per year will be expected. This will be accomplished by implementing a website allowing customers to view the unique European food served there, post reviews and comment through social media. The Wood Fire Bakery does not have a website; therefore, an increase of 100% is easily justifiable. The 15% will be obtained once the site is launched, as potential customers will most likely search on the Internet for a great place to eat in Kelowna. Google Analytics will be implemented and provide the Bakery with important information such as bounce rate, unique visitors and duration. This will also contribute to yearly growth as the Wood Fire Bakery reviews and improves their website.
4. Acquire a first page ranking on Google with the keywords "*best lunch restaurant Kelowna*" and "*best coffee bar and lunch Kelowna*" by May 19, 2017. The website combined with social media awareness will increase hits, while implementing meta-element keywords into the web design will contribute to a higher ranking. It is essential that the title and description tags include these keywords to be ranked effectively using Google's algorithms (Ao-Jan, Hu, Kuzmanovic, Cheng-Kok, 2014). Strategically placing keywords on the landing page and ensuring quality links from other websites, such as zomato.com and tripadvisor.com, will make this objective attainable by the nineteenth of May.
5. Increase market share by 5% by May 19, 2017. By improving the coffee and breakfast selection and increasing advertising through online exposure, the Wood Fire Bakery will be able to differentiate itself from the abundant restaurants with similar prices. The atmosphere

created by the large wood fire ovens and the unique European food will bring in new customers. The new website will promote the unique restaurant experience customers have been missing, and will also contribute to the 5% market share increase.

6. Increase in brand awareness by 90% by June 12, 2017 using inbound marketing. Wood Fire Bakery has no social media accounts that are managed by the business. Once official Facebook, Google Plus, Instagram, and Twitter pages become more interactive with the customer they will increase word-of-mouth, sharing, and likes.

E-Marketing Strategies and Implementation Plan

The following section will address the e-marketing strategies and implementation plans to be employed for the Wood Fire Bakery.

Product Strategy

The Wood Fire Bakery currently operates as a brick-and-mortar European cafeteria style restaurant. Their products consist of German style lunch menu items that are both unique and authentic. At this point in time, the WFB has been running its business without a website or any form of owned social media presence. Today, the risk of not having a website or social media presence can result in the business “missing out on opportunities for customers to identify [the business] and decide if they want to spend money [there]” (Leinbach-Reyhle, 2014).

The focus of this marketing plan will be to create a website for the Wood Fire Bakery at the ‘business process’ level of commitment. This process will help to increase the company’s effectiveness. The commitments used will help to support the customer relationship management strategies, knowledge management, community building, database marketing, and crowdsourcing. There will be no revenue generated from this website directly, since the implementation will focus on providing services for the customers, rather than selling merchandise or advertising on the website. However, due to the website the company’s net profits are expected to increase from the higher levels of brand awareness the website will create.

The services provided on the website will mostly include increasing interactions with customers, and integrating these interactions through the chosen communication channels. This will include creating a page where customers can post their reviews, comment through social media channels, and have the option to order online and pick up their order in-store. Being able to post reviews about the establishment will allow the customers to voice their opinions, as well as allowing the business to showcase its positive reviews. Also included will be a direct link to a brand new company blog which will be implemented alongside the website, as well as a member’s only web page for repeat customers at the in-store location. Also included will be direct information about the establishment including the hours of operation, location, and contact information.

The website will also have an entire page dedicated to the menu items, which are sold at the in-store location, titled “Our Menu.” On this page the menu items will be listed with their corresponding prices, a description of the item with a photo, and a list of the ingredients used to make the product. This service will allow the customers to view the unique European food served there, and determine if they would want to come to the store to taste the items for themselves.

Pricing Strategy

There will be no differentiation between online product prices and offline equivalents, since the Wood Fire Bakery will not be selling their products online. However, the WFB should utilize and incorporate a dynamic pricing strategy into their in-store prices. This dynamic pricing will give different prices to different customers depending on their attendance at the establishment.

This type of pricing is based on the concept of value segment pricing, which is where the business recognizes that not all customers provide equal value to the restaurant. To support this idea, the WFB should employ customer rewards programs. These programs will be used to give value to the customer, by giving them a free lunch when they have bought a certain amount of product from the business. This will not only benefit the return customer by giving them free food, but it will also benefit the company by being able to reach the return audience more directly. To do so, these repeat customers will get access to a member's only web page built into the website. Here the WFB will be able to post, directly to the customers, any special deals that are being put on, and any specific lunch specials that are running that day in-store.

The type of pricing objective used by the Wood Fire Bakery includes setting their prices low to help attract their target market, and increase the number of sales. They also use prices, such as \$8.00 or \$10.50, to denote the quality of their menu items. These low prices, which express quality, will be represented on the "Our Menu" page of the website, beside the description and picture of each menu item.

Distribution Strategy

For the distribution strategy, the WFB will act as an intermediary between its business and its customers. On the website the company will relay product and store location information to its customers. At this point in time, online distribution (an online ordering delivery service) is not a viable business option. This is due to the business' current lack of staffing, distribution system, and short business hours; with most of the other available hours being spent preparing the products for the next day.

Instead, the WFB website will allow the customers to view the unique European food served there, which will help to drive in-store customer traffic where the physical distribution of their products are sold. Looking into the future, if the company decides to expand its operations and improve its financial profits and investments, a delivery service/online distribution may be possible.

Marketing Communication Strategies

A marketing communications strategy is critical in order to ensure the integration and synthesis of all aspects of the chosen marketing communications. Using certain marketing communications in-store will help to draw customers to the web site, and vice versa.

The Wood Fire Bakery can rely on using the "think, feel, and do" hierarchy of needs model, which determines whether their customers have a high involvement or low involvement. This helps in determining which types of marketing communications to use. As the business is a part of the food and beverage industry, their customers have a low involvement, they "think, do, and then feel." This involves the customer first thinking about buying the product from the establishment, going to the store and buying the products, and then determining how they feel about the company. Due to the customers thinking first, it is crucial to be on the minds of the target market and provide them with the information they need to get into the store, and try the

products. Following this step, after they have tried the products, is allowing them to be able to freely post their opinions on the company's website.

Using this model, the marketing communication strategy will utilize four different unique elements, which include social networking, blogs, word-of-mouth, and direct mail. With all of these various channels, it is important to note that all mediums must be integrated with care, and not have any differences among them.

Social Networking

Due to social networking becoming such a large part of all businesses, it is critically important that the WFB becomes involved in this aspect of owned media. As of today, the Wood Fire Bakery does not own any social networking pages. It is advised that they create a page on Twitter, Instagram, Facebook, and Google Plus. These pages will not only be used to present their quality products, but also to communicate and learn from their customers.

According to a study conducted by Barnes, Lescault, & Holmes (2015), Twitter is becoming more popular than Facebook, with a percentage difference of 4%, and the use of Instagram by corporations within the Fortune 500 has increased by 13%, pointing to customers becoming more interested in visually rich platforms (Barnes, Lescault, & Holmes, 2015).

It is important for the Wood Fire Bakery to ensure that all posts on their social networking sites are current and visually appealing. Also contests and promotional campaigns can be developed in order to help encourage customer interaction on these social networking sites. These contests and campaigns create a more positive brand image and greater brand awareness. The promotional tools can also help to increase traffic to the company blog and website, which will allow them to view the menu items online, and then visit the store, which increases foot traffic into the establishment.

Blog

A company blog, which is a form of owned media, will be implemented at the same time as the website. This will help to increase the reach of the target market, interact with customers, and to draw users from the blog to the website. Having a blog also helps with attaining a higher ranking through search engine optimization. It is recommended that the owner of the Wood Fire Bakery be the one to make the blog posts, as well as ensuring that all posts on the blog are personal and have exciting and fresh content.

Word-Of-Mouth

The Wood Fire Bakery is a small Kelowna business and in the past has relied heavily upon word-of-mouth marketing, which is a type of earned media. This earned media is caused by customers, who are also fans of the company, spreading the word to others about their own experiences. The company should continue to use this form of marketing as it requires no cost, and is effective for increasing sales. Even for a small business, any negative word-of-mouth can affect the company, so it is important for it to promote quality in terms of their products, and the experience they provide their customers.

Direct Mail (Pamphlets)

Since there are many consumers of the Wood Fire Bakery who are between the ages of 55-70, it is important to include a marketing communications channel that will target these older individuals. Direct mail, specifically using pamphlets, will be utilized in order to reach this older demographic, who may not be as adept at using the Internet. These pamphlets will be sent to the customer's mailboxes every week, describing what in-store deals and lunch specials are available for that week. While in-store these older individuals will be asked if they would like to participate in this communication, and their mailing addresses will be recorded. It will also be important to ensure and create trust with these customers. The employees will guarantee that their information will not be shared, and that they will not receive any other promotional materials other than the pamphlets.

Relationship Management Strategy

The main focus of the relationship management strategy will focus on a customer relationship management plan, which will help to increase customer satisfaction. This plan will largely promote customer loyalty and help to increase social bonds between the business and its customers.

This customer loyalty is created through the customer rewards programs. One of these programs involves receiving a punch card the first time you purchase a meal at the Wood Fire Bakery. When customers have reached eight punches on their card, they will be given a free lunch. These customers who have returned at least eight times, will be denoted as a specialty member, and will then have access to the member's only part of the web page.

A second customer rewards program will be implemented in December to denote the start of the Christmas season. This will involve a seasonal coffee rewards program. This will follow the same process as the free lunch program mentioned above, except when one purchases five coffees in-store they will be rewarded with a free specialty coffee.

To promote social bonds, which rely on 1-on-1 relationships and community interactions, contact pages for customers will be available for them to email their complaints. As well, the website and social media sites will provide customers with the chance to post their reviews about their experience at the establishment. These emails and social media sites will be monitored daily for complaints and warm, friendly responses will be made within one business day.

Other Strategies

Search Engine Optimization (SEO)

An SEO strategy will be used in order to drive the target market to the Website and be turned into loyal customers. In order to obtain a first page ranking on Google it is necessary to choose keywords carefully. The keywords chosen for this optimization include "*best lunch restaurant Kelowna*" and "*best coffee bar and lunch Kelowna*." In the page body of the website, meta-element keywords, title, and description tags will be incorporated into the web design, which will

help contribute to a higher ranking using Google's algorithms. By making certain that specific keywords are included on the landing page, as well as ensuring quality links are present on other websites, this will ultimately help to improve the Wood Fire Bakery's organic search engine optimization.

Timeline

A timeline for when the e-marketing strategies mentioned above should be designed, created, implemented, measured, and evaluated are outlined in Appendix B.

See Appendix B - Timeline

Budget

A budget forecast with estimated revenue cash flows has been formulated. This section will outline the attractiveness of the proposed plan involving a revenue forecast, e-marketing costs, and a cost benefit analysis. The most important factor to consider is the return on the investment (ROI), which is quoted as “a performance measure used to evaluate the efficiency of an investment or to compare the efficiency of a number of different investments. The return on investment formula is as such: $(\text{Gain from investment} - \text{cost of investment}) / \text{Cost of investment}$ ” (Investopedia, 2015).

For the forecast illustrated in the attached excel file titled “WFB ROI Calculation”, research was completed to find quality and affordable web hosting in the local area. Having a hosting service that is based locally is good for feedback and communication between the WFB and the web-hosting provider, to ensure stability within the service. It is imperative that quality and lack of complications between the WFB and their provider is minimal, because the WFB is a very high traffic restaurant and can't afford the time trying to communicate with a service provider that is not easily accessible.

Out of the local quality control survey, it was found that Navigator Multimedia Inc. is a good match, with their regard for high quality and affordability for their service. Having a high data transfer is important for a business process website, and this plan satisfies that need (Navigator Multimedia, 2015). Navigator Multimedia Inc. scored a 4.9 out of 5 from Google reviews. Navigator Multimedia has quoted a one time, up-front fee of \$2500 web design fee and a \$1200 Mobile capability fee for a website that is attractive and mobile friendly. Google AdWords, web maintenance, and web hosting will be fixed costs that will occur monthly at \$500, \$25, and \$49.95, respectively.

Other information was taken into account for the forecast, including an inflation rate regarding net income and costs. A conservative rate of 1.5% has been used as an annual inflation rate. It is known that the inflated costs of restaurant meals has risen 2.7% over one year as of September 2015 (Wong, 2015). This rate is conservative to mitigate any over expectations of increased ROI. This rate has also been applied to the costs associated with the e-marketing campaign. The WFB is already a successful business, as it gains monthly income after fixed and variable costs of \$12,000 a month. It is forecasted that this number will receive a 15% increase from having a business process website, making an improved \$1800 a month.

Then, as can be seen in the attached excel file titled “WFB ROI Calculation”, the cost variables that will come up with the WFB’s e-marketing investment will consist of web design, mobile compatibility, google AdWords, web maintenance fees, and web hosting fees. The following chart outlines the forecasted bottom line cash flows and ROI of the proposed web hosting service:

	<u>2016</u>	<u>2017</u>	<u>2018</u>
Profit After Costs	\$11,102	\$15,025	\$15,252
Compounded ROI	104.27%	147.62%	166.47%

Evaluation Plan

The e-marketing plan established for the Wood Fire Bakery will be monitored through various metrics to ensure the company's objectives have been met. The evaluation plan will use the balance scorecard approach, which divides these metrics into customer, internal, growth, and financial divisions. Data will be evaluated once the plans have been implemented, and on a monthly basis after enough time has passed for these implementations to be effective. Corrective measures will also be taken to ensure all goals are reached within set dates.

Customer Perspective

The Wood Fire Bakery will implement Google Analytics to measure the online traffic and ensure a yearly increase of 15% in traffic with the initial 100% increase after the launch of the website. The website will be monitored to determine the unique visitor count and the engagement level of customers coming to the bakery. Returning visitors will be examined to determine how often they visit the site and specific product pages browsed to determine effectiveness of the site layout. The bounce rate and average time on the landing page will be monitored to ensure the website remains effective in marketing the business's products. Referrals will be examined to determine their quality and understand the effectiveness of advertising on other sites. The website will run a blog focusing on the quality of lunch items provided, the variety of coffee blends in store and specials of the day. The number of comments posted on the blog will be closely monitored to evaluate its effectiveness of attracting traffic, and adjustments made to ensure interesting discussions.

A first page ranking on Google using the keywords "*best lunch restaurant Kelowna*" and "*best coffee bar and lunch Kelowna*" will be measured every 3 months by searching for these words using Google. Initially, the website will begin on the second or third page as the website is promoted throughout the store; the web address will be printed on cups, on wraps for sandwiches and on the business's storefront sign. Accomplishing this goal will increase brand awareness and engagement with new customers searching for the best lunch and coffee bar in Kelowna.

Internal Perspective

Negative social media reviews and customer complaints through the contact website page will be examined daily and responded to within one business day to ensure a 20% increase in customer satisfaction. The number of user complaints through email and social media will be compared to previous months to ensure a steady decrease in negative responses, and therefore, an increase in overall satisfaction. Customer email and social media response times will be monitored to ensure customers concerns are addressed within one business day, which will increase the probability of a positive customer experience.

Learning and Growth Perspective

Social media reviews and complaints through the website will be monitored as well as changes implemented in the bakery to please customers. The number of errors that requiring fixing on the web, and social media sites will be recorded and compared to ensure improved

functionality. Suggestions posted on blogs will assist with new menu ideas and improve on the Wood Fire Bakery's current selection. The customer rewards program data and new menu ideas will be examined to determine the number of conversions from its online advertising. Conversion data will be compared monthly to ensure a 90% increase in brand awareness is achieved.

Financial Perspective

Sales growth and profit will be examined to reach an increase in revenue by 15%. Customer average order value will be measured to determine the effectiveness of the marketing strategy per individual. The Wood Fire Bakery's market share will be calculated on May 19 using sales figures divided by total market sales, which will be evaluated against the objective of an increase of 5%.

Return on investment is the difference between the gain or benefit of an investment and the cost of the investment, divided by the cost. Net present values of the benefits and costs must be calculated using a discount rate to ensure accurate forecasting. The Wood Fire Bakery's discount rate is 10%, which was used to determine the discounted benefits and costs. The return on investment is expected to increase by 62.20% in three years, which is excellent. The business should consider opening a second bakery in the Okanagan because of its popularity and healthy ROI.

Conclusion

The Wood Fire Bakery is a small European restaurant style bakery located in the heart of Kelowna, BC. At this point in time, the Wood Fire Bakery has no website and does not utilize any social media accounts to communicate with their customers. Based on this lack of online presence, an e-marketing plan was created to help provide insight on what future steps The Wood Fire Bakery should take in order to maximize its profits and success as a whole.

By implementing many different marketing communication strategies including a blog, social media, word-of-mouth, direct mail, customer-relationship management, and search engine optimization, this will help the Wood Fire Bakery elevate their brand awareness. The Wood Fire Bakery will also be able to obtain an online presence, acquire a first page ranking on Google, increase their sales revenue and market share, and build brand loyalty.

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Appendix A - SWOT Analysis

<u>Strengths</u>	<u>Weaknesses</u>
• Quality food • Low prices • Speciality food - European and German • Unique atmospherics • Freshly baked ingredients • Wood fire oven	• No website • Limited hours of operation • Small square footage • Limited number of employees • Busy
<u>Opportunities</u>	<u>Threats</u>
• Advertisements to niche market • Advertise positive word-of-mouth and yelp reviews • Website - o Increase reach of market - o Ease of access - o Improve customer relationship management	• Large amount of competition • Lower priced competitors • Market of specialty bakeries is saturated

Appendix B - Timeline

<u>Date</u>	<u>Task</u>
October 3, 2016	Present e-marketing plan to owner of Wood Fire Bakery (WFB)
October 31, 2016	Develop and create the WFB website, social media accounts, and blog
October 31, 2016	Develop customer rewards programs
October 31, 2016	Develop pamphlets for direct mail
November 28, 2016	Launch the WFB website, social networking sites, and blog
November 28, 2016	Implement customer rewards program
December 1, 2016	Introduce seasonal coffee rewards program
January 2, 2017	Begin monitoring CRM strategy
February 6, 2017	Begin direct mail communications
May 19, 2017	Measure effectiveness and traffic of website
May 19, 2017	Assess in-store sales post website, social media, and blog launch
May 19, 2017	Google search terms and determine ranking
June 12, 2017	Evaluate effectiveness of social media accounts and communications