

# [Integrated marketing communication plan for costa coffee marketing essay](https://assignbuster.com/integrated-marketing-communication-plan-for-costa-coffee-marketing-essay/)

The objective of this research is to provide an integrated marketing communications plan for Costa coffee. The strategic plan strives to boost the sales of the business and expand the market share of the business. The IMC plan for the products of Costa coffee target college students.

The marketing objectives of the plan are to increase the purchases and uptake of Costa coffee products among college students. The strategy of providing discounts to college students ensures that these objectives are attainable. The business should also increase its market share and expand its business outlets by utilizing the marketing, advertising and promotions set out in this plan.

Conversely, the structure of the communication objectives contained in this plan aims to reach the desired audience in an effective and cost effective manner. The access to information regarding the business should be made readily available to the target audience. The objectives of the plan, therefore, would be to provide as much information as required for customers in order to increase sales, build the business brand and increase its market share.

Putting into consideration the fact that the target audiences are usually the hardest to reach, it is critical to align the strategies developed with realistic objectives in order to attain the desired goals. The objectives of the integrated marketing communications plan developed, therefore, connects both the desired objectives to the development strategies in order to arrive at the objectives set out.

The achievement of the integrated marketing communications plan becomes attainable through the combination of various communication vehicles such as the internet, personal sales, advertisements and sales promotion. The selection of these vehicles is based on the target audiences and, therefore, identified as the most appropriate methods of communication to attain the planned objectives.

It is noteworthy that the current approach adopted by the business in this respect does not comprehensively provide for the needs of the target population. The incentives adopted to achieve this approach work to enhance the current strategies in order to come up with strategies aimed at college students.

It is, therefore, conclusive that the situations call for a strategic approach aimed at both marketing and communications. Bringing into the picture the fact that the target audiences are the most difficult to reach, the strategies adopted must be within the realm of the target audience. The communication strategies must also fall within the setup of this population in order to achieve effectiveness.

## Background

Two brothers Sergio and Bruno Costa established costa coffee in 1971. The coffee was initially sold to the locals and subsequently they went ahead to open a coffee shop. Currently Costa coffee is among the fastest growing chain of coffee shops with numerous shops within the United Kingdom and a couple of other shops across the globe. The company went international in 1999 with an establishment in Dubai. In 1995, the business became a fully owned subsidiary after it was acquired by White bread and in 2009, the business acquired coffee heaven increasing its business operations by an additional 79 stores.

## Situational overview

## Marketing analysis

Coffee is among the most preferred beverage among a large percentage of the inhabitants in the UK, and the preference extends globally. The rapid growth in the industry shows that the preference for coffee is ever growing and the market for the business increasing, as well. By the close of 2010, Costa coffee was the market leader in the business with the principal market share in the industry.

## Market environment

Costa coffee will experience higher commodity prices in the future. Some factors affecting all the key market players include the prices of coffee and other commodities used by the businesses, technological advancement, and expansion and development techniques. The impact of these issues in the communications planning is eminent as it offers the Costa coffee customers products as well as valuable information regarding the products and promotional offers.

## Consumer analysis

The primary consumers of the products of the business enterprise are coffee lovers of all ages. The products of Costa coffee have been developed to maintain the traditional taste to retain its current customers as well as attract more customers through the constant good quality coffee. The current market comprises of both local and international customers with a passion for the traditionally brewed coffee and exceptional services offered by Costa coffee.

## Competitor analysis

Starbucks coffee is the strongest competitor to Costa coffee with a substantial share of the market. Even though, Costa coffee has a larger share of the market compared to Starbucks the difference in this market share is marginal and; therefore, the determination of the price of the products and consumer influence among the competitors is not set by any of the players but set by market forces.

## SWOT analysis

## Strengths

The main strengths of the business include its brand and custom products. The business brand has a strong reputation for providing excellent products, and the brands association with the traditional coffee brewing methods by using good quality coffee contributes to the strength of the business. This gives the business an edge among its competitors.

## Weaknesses

The most significant weaknesses of the business are the procedures required in opening a new outlet. Although these procedures act to maintain the brand quality, they hinder the rapid expansion of their business through the numerous procedural requirements. The complex procedures always deter the expansion process.

## Opportunities

The business has operational opportunities in the international market, and this venture will see the business increase its revenue and market share. The presence of the business in the international arena is still lacking and, with investment in the international emerging markets through franchise, this becomes a viable option in ensuring global presence.

## Threats

Potential threats to the business are the vulnerabilities to economics shifts such as the change in the price of coffee beans and legal issues.

## Target audience

The target market for the integrated market and communications plan is the young population and more so the college student population. The populace makes up a considerable portion of the economy, and the disposable incomes of the target population fit the products offered by the business.

## Overview

The brand building by the company has ensured that the business has stayed afloat and further facilitated the expansion of the business. The use of the business brand in marketing helps to attract customers into the business. The college students targeted by the plan will likely be attracted to Costa coffee by its brand and its products quality

The adoption of a strategy to focus on the younger generation and especially the college students founded on the notion that since most of the stores are situated next to bookshops and colleges, the business is strategically positioned for the target audiences. The media vehicles used to reach this population, therefore, inclines towards the employment of technological approaches to communication and in this regard, the use of the internet preferred.

The existing communications strategy used by the company involves the use of the internet, where the business has a website on its products but apart from that, the business does not have other marketing plans. The business website is not interactive and does not have a vibrant outlay, although the website provides links to the companies social networks the relationship between the social media and website are not well interlinked.

Another development in the business is that, in 2006, the business sponsored the Costa book awards meant to celebrate storytelling and literary works, which further informs the modalities of choosing the target population and the strategies developed.

## Objectives

The integrated marketing plan will achieve many marketing communications objectives that will act as a basis for the enhancement of the business activities of Costa coffee. The objectives of the plan are ascertainable and based on the SWOT analysis of the business. The general objective of the plan is to improve the brand name of Costa coffee. This becomes attainable through increasing the brand image, which will improve sales and increase the organization’s market share.

The objectives of the plan will vary in degree but in order to arrive at the primary objective of the plan, it is necessary to put into consideration objectives aimed at making fundamental and implementation decisions. The goals of the plan, therefore, include providing awareness to the target population through advertisement, facilitate the introduction, and build sales of new products such as the Costa gift card and the book awards, gain consumer trust and loyalty and offer excellent products to the customers.

The objectives of the marketing communications would be to inform the customers by creating and stimulating interest and awareness. This will make the target customers know about the products offered and the availability of these products. In this regard and respect to the target population, therefore, the strategies employed must be trendy and appealing. Persuading the customers that the products of Costa coffee are the best value for them compared to the competitor’s also forms the objectives of marketing communications. Giving offers and providing a reward program for loyal customers should inform the strategy used in this achievement. Additionally reminding the existing customers of the products and the quality of the products of Costa coffee assists the business improve its sales, as the customers are informed of it presence.

## Messages

## PROBLEM

## HOW TO ADDRESS THE PROBLEM

## MESSAGE

None of the Costa coffee products are meant for the college students

Provide students a discount on the Costa products

Costa coffee values all its customers, especially the young generation

Costa coffee does not give back to the society

Provide scholarships and events such as book awards

Costa coffee supports education.

## Major message to the customers

MESSAGE NAME AND CORE MESSAGE

MESSAGE SUBSTANTIATION

Costa coffee values the contribution of the students to its business

Costa coffee will introduce discounts to its customers especially to the college students in order to appeal to the younger generation.

Costa coffee values education

Costa coffee will establish a scholarship program for college students and provide other educational support such as book awards to students.

## Communications strategy

The communication strategy employed aims at the development and implementation of communication plans to enhance the visibility of Costa coffee. The strategy works to generate positive media coverage through the interaction through the social media. This will in turn generate support from customers on the improvements to tailor the Costa coffee to the needs of its customers. The communication strategy also facilitates the encouragement of the business customers to support Costa coffee.

## Branding

Branding promotes the recognition of a product or service of a provider and where the provider provides quality services the brand is remembered and serves to provide repeat customers for the brand. The tendency of individuals to adhere to familiarity is a common factor in the consumption habits and, therefore, the use of a familiar brand translates top positive reception of services and products even where the products are new. When a customer recognizes a brand that they have used previously they tend to choose that product over the others.

## Marketing communications mix

To position the products of Costa coffee strategically, the approach used focuses on the emphasis on the quality of its products instead of the prices. It is evident that the quality of the products of Costa coffee remains at a high standard throughout the market. The mix adopted in the attainment of this includes the use of advertisements, sales promotion, personal selling, and public relations.

Advertisement involves the use of paid and non-personal form of media communication. The use of advertisement achieves many objectives in this endeavor such as building the brand image of the business, and passing the relevant information to the target audience. The downside of this form of communication is the expenses attached to an advertisement, which are usually high. Comparatively material is the use of personal selling which uses personal interactions with the aim of fostering a good relationship with the customers. This method makes a representation of the long-term commitment of the business to its customers and facilitates the use of feedback. However, this method is more expensive compared to the other methods. Paul et al. (1999) provides that sales promotion, on the other hand, use a variety of styles ranging from promotions coupons, discounts and contests. This method attracts customers as well as provides them with purchase-oriented incentives. The barrier to this method is that it does not aim at the long term objectives of marketing communications. Public relations support the credibility of the business as it is a more believable form of marketing communication and uses a variety of features in approach such as sponsorships, news stories and features as well as promotions. This approach is relatively inexpensive and achieves many desirable results.

## Creative strategies

The creative strategy employed in the achievement of the objectives of the integrated marketing communications plan required for effective advertising. The creative strategies stem from the marketing strategy of Costa coffee, take into consideration the opinion of the customers, and integrate the component of honesty. The creative strategies should not promise what cannot be delivered and must be formulated on realistic expectations. The creative strategies aim at providing value to the customers and a solution to their problems. The focus of advertising is to show the customers that Costa coffee has a product that is of interest to them and that the product is of a good quality. The communication to the customer revolves around their tastes and preferences.

## Media strategy

The target market segment of the plan will be individuals who are attending college and who have a regular access to the internet. In this regard, the preferred media for the attainment of the objectives of the plan will rely majorly on the internet. The same possess a structure aimed at attracting the initial consumption of Costa coffee and subsequently work to retain these customers while attracting more. Ajasafe et al. (2011) discusses that the availability of internet access to this fraction of the target population through their institutions further supports the preference for the internet.

## Measurement and brand equity concepts

The success of the integrated marketing communications plan will be based on the improvement of sales by Costa coffee. The awareness of the target population shall also form a contributory factor in the assessment of the plan’s success. The return on marketing investment shall be based on these two factors as well as the attitude of the target audience to brand. The key objective of the plan being to improve on the sales, the change in the sale quantities of business shall be a direct indicator of the plan’s success. Putting into consideration the fact that the strategies adopted cannot yield immediate results a period of three months should be allowed in order to determine the efficiency of the plan (Malcolm and Wilson 2011). If, at the end of this period, the sales of the business do not increase then the plan should be reevaluated to ensure the set objectives are met.

Brand awareness is also a crucial objective of the plan as a good brand wills attract customers to purchase a product. The ultimate goal, therefore, is to improve the brand awareness and ensure a positive attitude by the customers toward these products.

## Below the line communications

This method of communication implies the use of channels that do not involve mass media. These methods focus on both brand building and sales promotions. It allows for engagement with the target audience in a more interactive and personal way. The communication needs are in turn tailored to fit the requirements and the expectations of the audience.

## Promotion

Promotion plays the key role in the marketing plan with an estimate of half of the budget. Promotional activities and provision of discounts on the goods is a highly effective method of marketing as it is engaging to the intended target group. The concept will increase the brand awareness as well as boost sales with the use of practical marketing, which allows consumers to have an emotion; experience with the brand. The discount programs shall be applied to stores located around colleges and areas with a large population of the target group.

## Gifts and coupons

The use of gifts and coupons for customers will improve the sales of the business as well as its brand name by giving the customers incentives to purchase from the store. These concepts give customers a reason to choose the brand over the rest because the customers are rewarded.

## Public relations

This is also noteworthy as the target audiences are made aware of the presence of the brand and the foodstuff available for them. The concept also becomes practical where the audiences are reminded of the presence of the brand in the market. This concept fits the case of Costa coffee as the target audience can be reached both efficiently and effectively. This is true because of the huge concentration of the target audience in the selected areas.

## Direct and Digital

## Magazines

By using magazines, especially those oriented towards the college students the target audience can be provided information as well as education on the products of Costa coffee. The essence of these advertisements is to drive the audience towards purchasing the advertised products. The target audiences in this case are more responsive to magazines that talk about contemporary issues and technology magazines, as well as educational magazines. This implies, therefore, that in order to reach the population it is imperative to advertise in these magazines.

## Internet

The use of the internet is the most extensive form of communication aimed at achieving the objective of this plan. The reason the internet is the most efficient and practical vehicle for communication is that it has several modes of communication within it ranging from internet advertisements, social media, websites, and blogs. The internet is also comparatively cheaper than the other methods of communication such as promotions. The internet methods are also instant and the information is made available in a timely manner. It is also noteworthy that the target population is in constant touch with the internet world and as such a lo9t of emphasis should be placed on internet communication. The vast array of channels of internet communication also provides massive coverage of the target population.

## Integration

The business brand will play a central role in the integration of various communication methods to be used in the plan. The brand will act as a signature for the business, and whichever method is applied in the communication strategy the contents of the communication must include the business brand of Costa coffee for identification of the business (Chris 2010).

## JAN

## FEB

## MAR

## APR

## MAY

## JUNE

## JULY

## AUG

## SEPT

## OCT

## NOV

## DEC

## PROMOTION

## GIFTS AND COUPONS

## PUBLIC RELATIONS

## MAGAZINES

## INTERNET

## Tactical calendar

## Budget

The largest portion of the estimated budget is set for promotions which results to 50% of the estimated budget. The decision to allocate this large percentage to promotion stems from the massive contributions of promotions towards the attainment of the planned objectives. The second budget estimate is set of advertisements and takes a percentage of 15% of the estimated budget (John 2007). The contribution of advertisements to the objective is also substantial, and the cost of putting up advertisements is higher than the other options, therefore, inflating the cost of advertisements. Other estimates in the budgeting process include public relations, which require 15% of the estimated budget. Public relations also provide a good platform in the marketing and communications strategy and, therefore, require a good budget portion. The emphasis on this vehicle culminates from the anticipated impact of this vehicle on the outcome of the integrated marketing communications plan. Gift, coupons, and the use of the internet will both take an equal allocation of the remaining budget.