

A marketing plan as a marketing management tool

Defined business document	Marketing plan
Brand	Patagonia – patagonia.com
Market	Outdoor clothing
Marketing challenge	Developing incoming tourism services in Chile
Geographical focus	Austria (serving as a pilot for the targeted audience)
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Meeting point of the authors with Danny Abramovich	INSEEC U Business School, Lyon, France Master in International Marketing
Content covered	Chapter 1, Marketing analysis ✓ Chapter 2, Strategy & objectives ✓ Chapter 3, Budgeted action plan ✓ Chapter 4, Control procedures ✗
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MARKETING PLAN

Patagonia develops a tourism and event service around the local mountains, food and accommodations in Chile for its current clients in Austria on autumn/winter season 2020.

-
OFFER DEVELOPMENT STRATEGY©

Profile & Vision

Companies profile : Patagonia is a Californian technical sportswear eco-responsible brand, worldwide we can find 53 shops with ≈600 millions \$ turnover. The company's name is derived from a mountainous region in South America where the creator used to practice rock-climbing several times. The area, shared by Argentina and Chile, comprises the southern section of the Andes mountains, the desert and grasslands to the east. The company offers clothing suitable for alpine climbing, fly fishing, hiking, skiing and snowboarding, surfing, trail running, and yoga, mountain biking as well as other outdoor activities. Patagonia serves customers worldwide.

Vision : They promote a minimalist style. Patagonia's approach is toward product design, it demonstrates a bias for simplicity and utility, repairability, and, foremost, durability. They seek not only to do less harm : decoloration/ coloration of clothes, but more good with events and encouraging local culture. With beliefs rooted in a love of nature, the company endeavors to build high-quality products while causing minimal harm to the planet.

Sources:

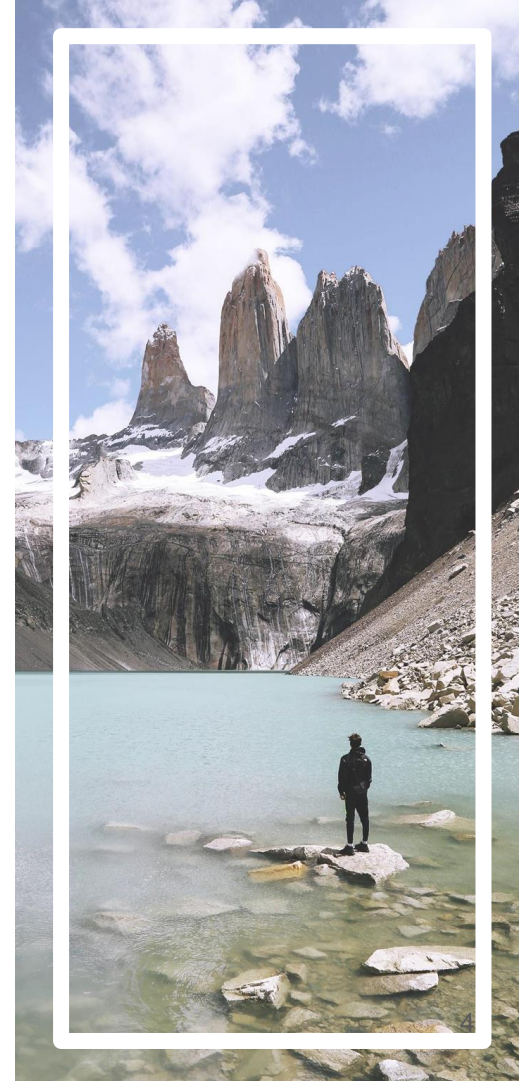
<https://www.bloomberg.com/profile/company/0367791Z:US>

<https://www.patagonia.com/company-info.html>

<https://www.patagonia.com/blog/2011/01/53-and-growing-1/>

<https://crm.org/articles/patagonias-customer-base-and-the-rise-of-an-environmental-ethos>

<https://www.la-croix.com/Economie/Economie-et-entreprises/Patagonia-veut-rendre-capitalisme-responsable-2017-07-03-1200859940>



Geographic



- 72% of austrian practice sports every week
- The most practiced sports are : swimming, biking and hiking
- The population spends a lot in sports clothing and in sporting holidays

CHAPTER 1

MARKETING ANALYSIS TODAY

1.1 Business Trends

- The 3 main trends for Patagonia are : the Social, Environmental and the Economic factors.
- **Social** factor is very important for Austrian people. Indeed, **extreme sports are habits in Austria.**
- Very positive impact on our service development → opportunity for the company.

1.2 Market analysis

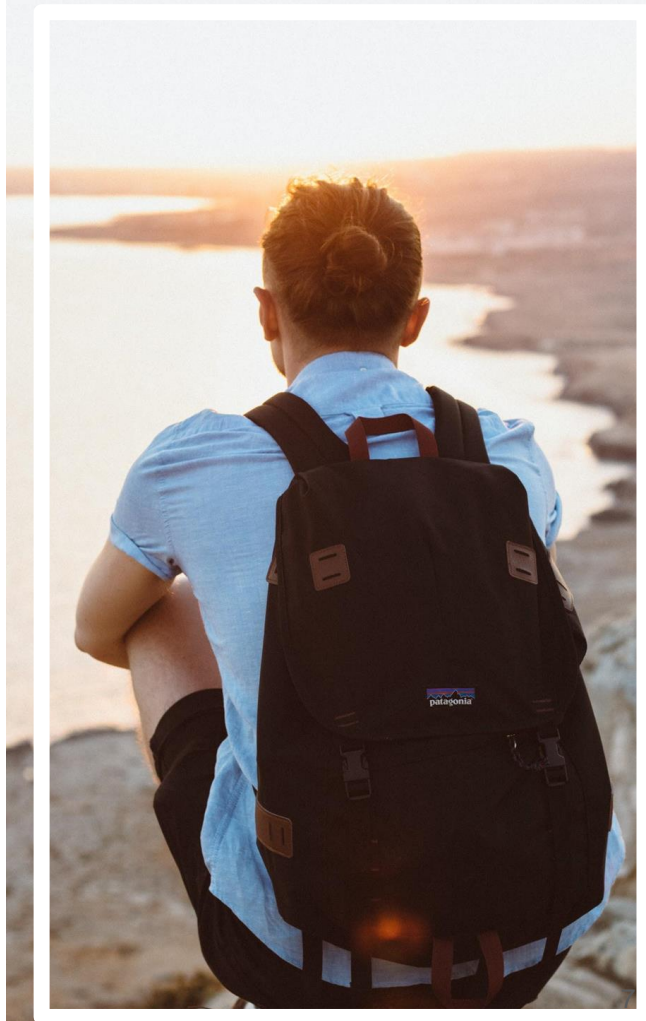
1.2.1 Actual market : sport clothing

- 1) Alpine climbing/ hiking clothing,
- 2) Skiing and snowboarding clothing,
- 3) Trail running clothing

1.2.2 Go/no go analysis

Level of competitiveness of our actual service is balanced (4,9)
→ it's a go but we have to be careful and propose something that will differentiate ourselves from the competition

Sources : <https://eu.patagonia.com/fr/fr/company-info.html>
<https://www.statista.com/outlook/259/128/sports-outdoor/austria>



1.3 Competitive analysis (direct)

Sporting clothes brands: |



1.4 Market segmentation

by needs:

- People fond of sports in their daily life
- Research high quality and technical sport clothes
- People enjoy travelling

by loyalty: people loyal to environment and who respect and have the same values as the brand.

Sources : <http://www.thedriversofloyalty.com/patagonia/>
<https://www.adweek.com/digital/how-these-3-brands-are-taking-loyalty-beyond-points/>
<http://brandautopsy.com/2015/09/the-patagonia-way-to-customer-loyalty.html>
<https://www.mammut.com/fr/fr/cat/230/we-care/>
<https://www.thenorthface.fr/about-us.html>
<https://www.millet.fr/histoire.html>



1.5 Marketing offer

We believe that the **brand** is the factor the most important for Patagonia, until today with **40%** of focus mainly because Patagonia has a strong brand community.

They organize events, sports and so on, around their brand vision, to help customers to identify themselves to their values and create a strong brand community.

Physical	Price	Brand	Qu. of s.
20%	10%	40%	30%



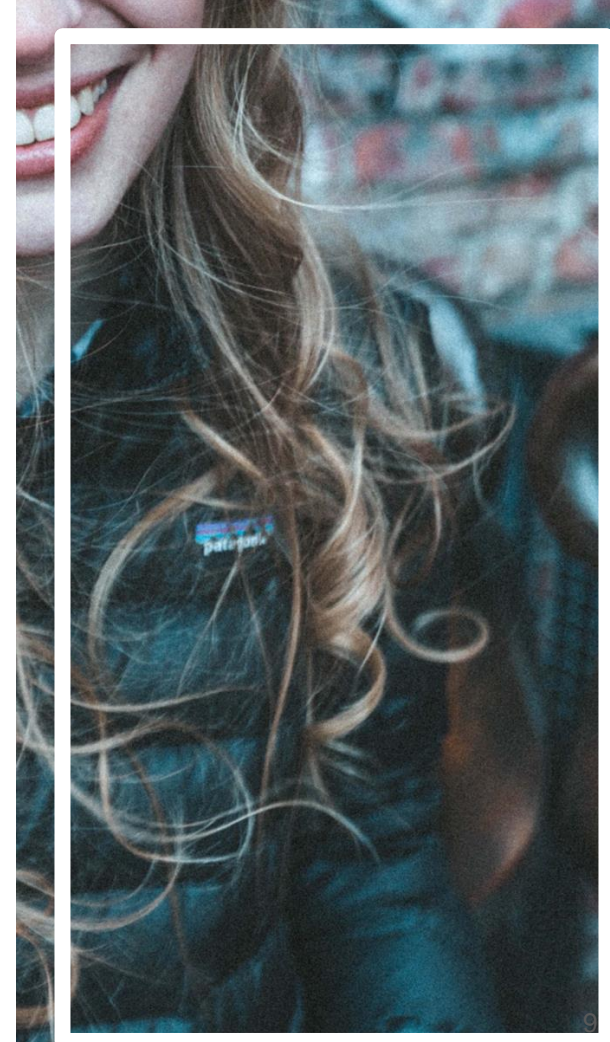
1.6 Promotional Mix

We think that the Public Relations are the most used and efficient promotional means for the brand.

Direct mkg	Indirect mkg	PR - Influencers	Advertising
40%	30%	10%	20%



Sources : <https://www.igi-global.com/dictionary/measuring-brand-community-strength/2828>
<https://www.investopedia.com/articles/personal-finance/070715/success-patagonias-marketing-strategy.asp>
<https://www.marketingweek.com/case-study-patagonias-dont-buy-this-jacket-campaign/>
<https://www.patagonia.com/ambassadors/>



1.7 Actual Strengths and Weaknesses

STRENGTHS

1. Strong & Implicated community
2. Respect of social and environmental engagement
3. Worldwide notoriety

WEAKNESSES

1. Seasonality of sales depending on the product range
2. Old fashioned compared to other brands
3. Limited suppliers



1.8 Positioning

Our criterias:

A = Ethical engagement

B = Technicity of products

C = Trendiness

The positioning map which reflects the most Patagonia is **A/B**.



Mammut: <https://www.mammut.com/fr/fr/cat/230/we-care/>

The North Face: <https://www.thenorthface.fr/about-us.html>

Millet: <https://www.millet-mountain.com/low-impact.html>

Patagonia: <https://eu.patagonia.com/fr/fr/environmentalism.html>

Ethical engagement



Technicity of the products

CHAPTER 2

MARKETING STRATEGY & OBJECTIVES NEXT YEAR

2.1 Marketing strategy

Service Development Strategy



As of September 2020 Patagonia will develop a tourism and event service around the local mountains, food and accommodations in Chile for its current clients in Austria

2.2 Value proposition

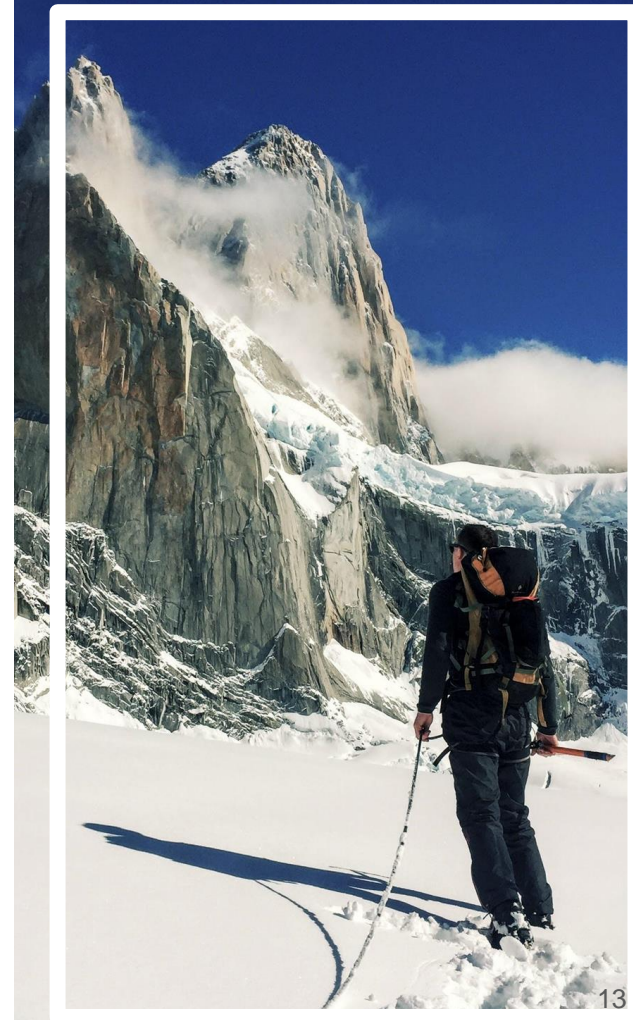


Involving the local population into a sporting and exploring trip in the Patagonia mountains.

Permit the customers to enter and live a local and exclusive experience in a field they appreciate (mountains).

2.3 Targeting next year

Existing clients of Patagonia based in Austria in our database who want to live a sport experience in mountains.



2.4 Revising the market offer next year

We believe for our new service, that the most important factor is the **quality of service** with **50%** of focus.

Physical	Price	Brand	Qu. of s.
10%	15%	25%	50%



2.5 Revising marketing promotion next year

We want to advertise our new concept mostly thanks to **advertising**, it will allow us to directly target the right people.

Direct mkg	Indirect mkg	PR	Advertising
60%	30%	10% - influencers for free	0%



2.6 Transforming strengths & weaknesses into objectives

INTERNAL FACTORS			
EXTERNAL FACTORS		STRENGTHS <ul style="list-style-type: none"> - Implicated brand community - Eco-friendly mindset 	WEAKNESSES <ul style="list-style-type: none"> - Brand seen old-fashioned - Seasonality of the activity
	OPPORTUNITIES <ul style="list-style-type: none"> -Demanding market -Market more demanding of eco-friendly companies 	<p style="text-align: center;">O → S</p> <p>The demand of the market (ecology, need of novelty and sensation) matches exactly with the offers of Patagonia.</p>	<p style="text-align: center;">O → W</p> <p>Eco-friendly pleases now a day, so, it can help the brand to come back and deletes its “old-fashioned” adjectif.</p>
	THREATS <ul style="list-style-type: none"> -Competitors aggressivity 		

2.7 Transforming strengths & weaknesses into objectives

We want our new service **to be positioned like the products of the brand**. That means :

-Be eco-friendly, respect the local culture, environment and population, control the CO2 footprint etc...

- Propose a trip enough technic and challenging for our target adept of extreme sport.

Ethical
engagement



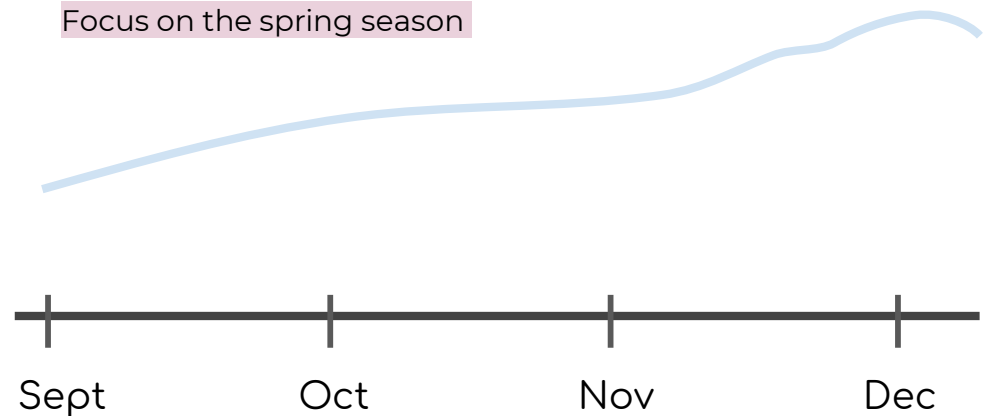
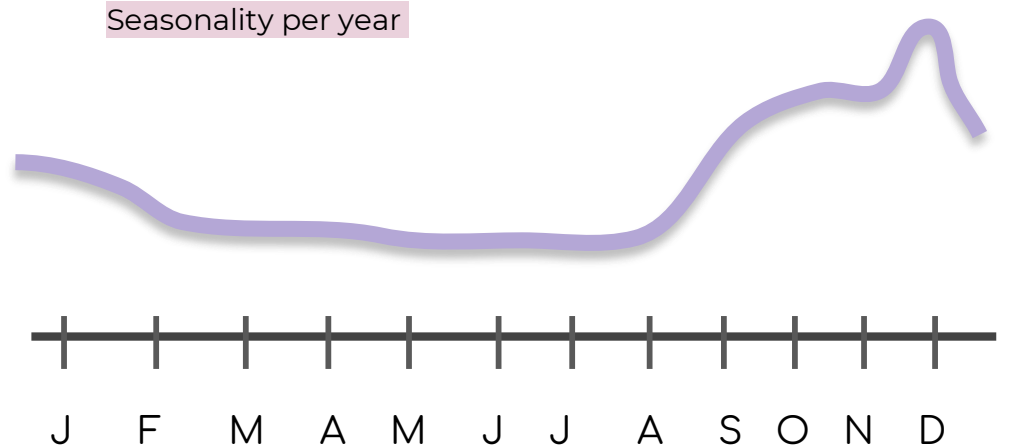
Technicity of the
products

2.8 Sales Forecast

2.8.1 Seasonality

The spring season in Chile is in Occidental Autumn and Winter season.

The service seasonality prediction shows that people buy the service for Christmas (to offer) and before, and during the spring season in Chile.



2.8.2 Facts and assumptions

- Maximum capacity per trip: 20 people
- Maximum capacity per month: 80 people
- Maximum trip number: 4 trips / month during for 4 months → 16 trips
- Trip duration: 7 days
- VAT: 20%
- Price: 2500€



CHAPTER 3

MARKETING ACTION PLAN & BUDGET - NEXT YEAR

3.1 Find a company with opposite needs



Matahi idea is to create the first organic and natural drink made from the superfruit of the baobab tree, a powerful 100% natural antioxidant that comes straight from Africa. It is a small company based in Montpellier that sells in specialized organic shops and online



3.2 Promotional Mix



We think that the most relevant strategy for both of the companies is to rely on direct marketing.

Direct mkg	Indirect mkg	PR - Influencers	Advertising
50%	30%	20%	0%

Sources : <https://www.matahijuice.com/les-vertus-du-fruit/>

3.3 - Adjust the offer

We believe for our new service, that the most important factor is the **quality of service** with **50%** of focus. To make the best quality of service the brand will hire local hiking guides who know perfectly the lands and the more challenging paths. To complete the trip, the brand will contact the best typical local actors regarding the food, the accommodation and the extra leisures.

To ensure a good quality of service, the customers will be previously selected according to their abilities (questionnaire while the register online).

Finally, the brand engages itself with eco-friendly partners such as **Matahi**.

3.4 Promote marketing activities



3.4.1 Direct marketing

This strategy targets the customers who are part of our database and who are interested in extreme sport.

Actions:

- Letter in the shopping bag for people who buy physically in the Austrian shop
- Email for Austrian customers who buy online
- Letter for VIC (Very Important Client) with a compass inside
- Sensibilise our sellers and ask them to introduce the service alongside the retail clients

→ The aim: each letter/email contain a QR code inviting the client to scan it → it brings them to our service video teaser

The wording letters/emails aim to strongly encourage the customers to scan it → it makes them curious.

3.4.2 Indirect marketing

The indirect marketing targets all the people who has an interest for the brand.

Actions used:

- word of mouth: clients to potential customers

→ The aim: buyers will be part of a restrained community, big potential buyers but also their restricted community. We believe the word of mouth will be a success because we rely our strategy on satisfaction and experience.

3.4.3 PR-Influencers

Our influencers represent for us a key asset to our success.

Action used:

- Invitation to our first travel : engaging through vlogging
- Blogging : articles about travelling with Patagonia
- Influencers launching events

→ The aim: to give a notoriety to our service and improve the awareness of it.

3.5 Manage Marketing Action Plan projects



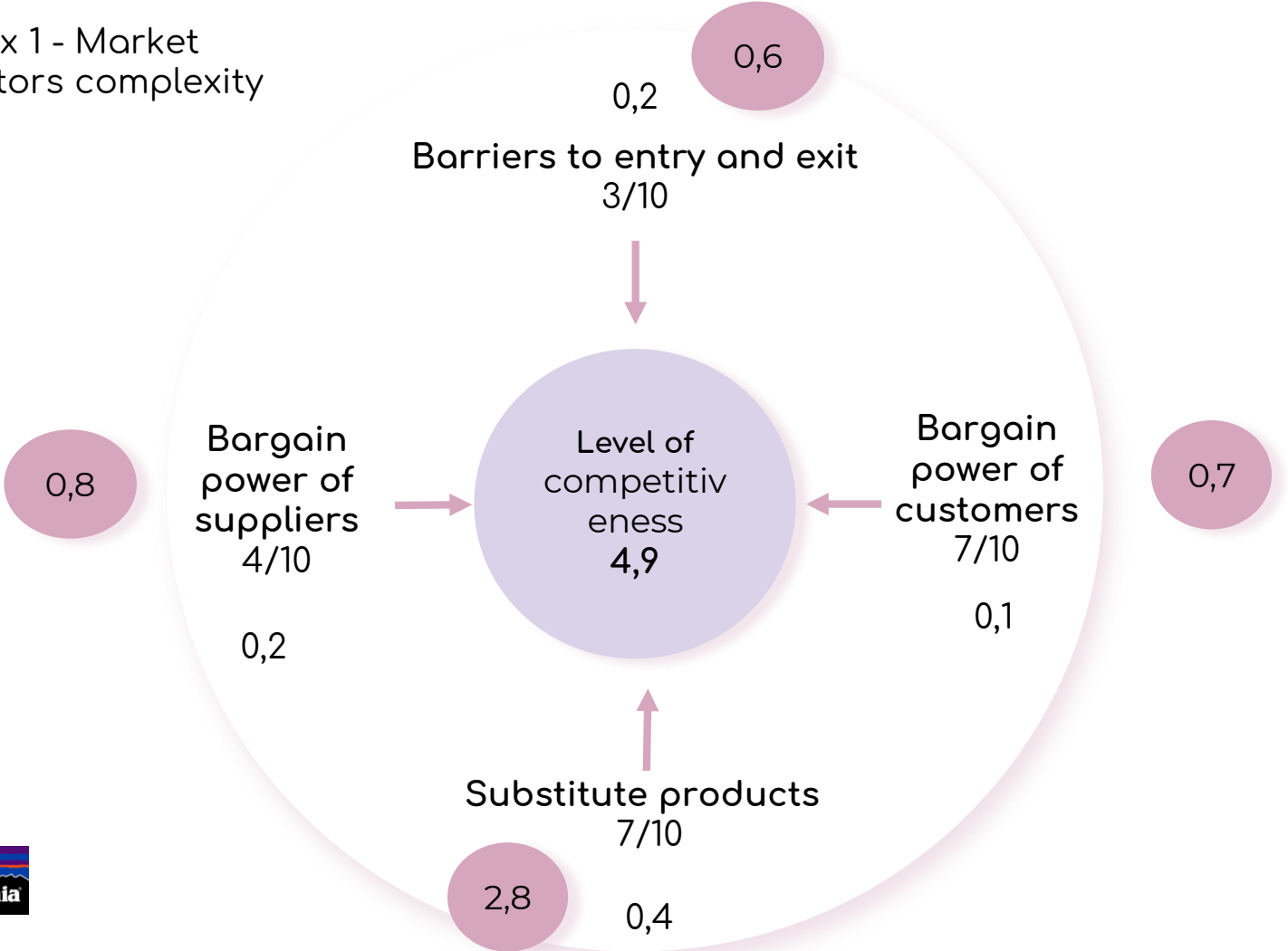
#	what	who	when	how much	comments
1	PR	PR Agency	one week in september	Medium	Invite bloggers when we start the service so that they can talk about our project
2	Newsletters	Marketing department	Starting in March with basics knowledge of the travel. Starting September, newsletter with general informations and testimonies	Low	Every 2 weeks with if possible testimonies of people that already used our service
3	Letters with code to scan in store, that launches a video about the Patagonia travel experience	Sales and Marketing team	Starting July	High	Flyer in store our on internet when you receive your package
4	Sellers speaking about the concept at the shop	internal sellers	Starting July	High	
5	Word of mouth	Customers and prospects	All the time	Medium	It can not be managed by the brand (not included in our GANTT matrix)

3.6 Marketing Budget, only in %

Where is the money from?		Where does the money go to?	
Our capital	95%	Direct marketing	40%
		Indirect marketing	20%
		Influencers	15%
Matahi Capital	5%	Marketing research	5%
		Non allocated budget	20%
Total	100%	Total	100%

APPENDICES

Appendix 1 - Market competitors complexity



Appendix 2 - Offer

Physical	Price	Brand	Quality of service
20%	10%	40%	30%
Our shops are very important so it is the way we connect directly with our clients, have a direct return of their experience, it is a way for them to feel our brand essence.	The products are high quality and eco responsible, the clients don't pay attention to the price.	It is the most important element because Patagonia has a strong brand community. They meet for events, sports and so on Brand values are also very important → customers identify themselves	Highly influenced by environment engagement → "Don't buy this jacket" campaign

Appendix 3 Promix

Distribution channels	Mass communication - MarCom
<p style="text-align: center;">Direct Marketing (DBM)</p> <ul style="list-style-type: none"> - e-mail : ok - télémarketing : no - messages : no - brand community : ok <p style="text-align: center;">Indirect Marketing</p> <ul style="list-style-type: none"> - Social Sales : no - Distribution retailers : ok (intermediary) - Plateformes : ok (amazon) - Franchising : ok 	<p style="text-align: center;">PR</p> <ul style="list-style-type: none"> - journalists : ok - events : ok - social influencers : ok - bloggers : ok - Community corporate : ok - CSR : ok - Employee R. : ok <p style="text-align: center;">Sponsorships</p> <ul style="list-style-type: none"> - online : ok - off-line : ok <p style="text-align: center;">Advertising : ok</p> <p style="text-align: center;"> </p> <p style="text-align: center;">Sales promotion : ok (about the value)</p> <p style="text-align: center;"> </p> <p style="text-align: center;">Trade Show : NR</p>



Appendix 4 - Weaknesses and Strengths

Strengths	Weaknesses
<ul style="list-style-type: none">- Strong & Implicated community- Worldwide known brand- Reference in hiking industry- Ecological engagement respected- High quality- Respect of social and environmental engagement	<ul style="list-style-type: none">- High price- Seasonality of sales depending on the product range- Sometimes seen as oldfashioned- Limited suppliers- Few customers loyalty initiatives



Appendix 5

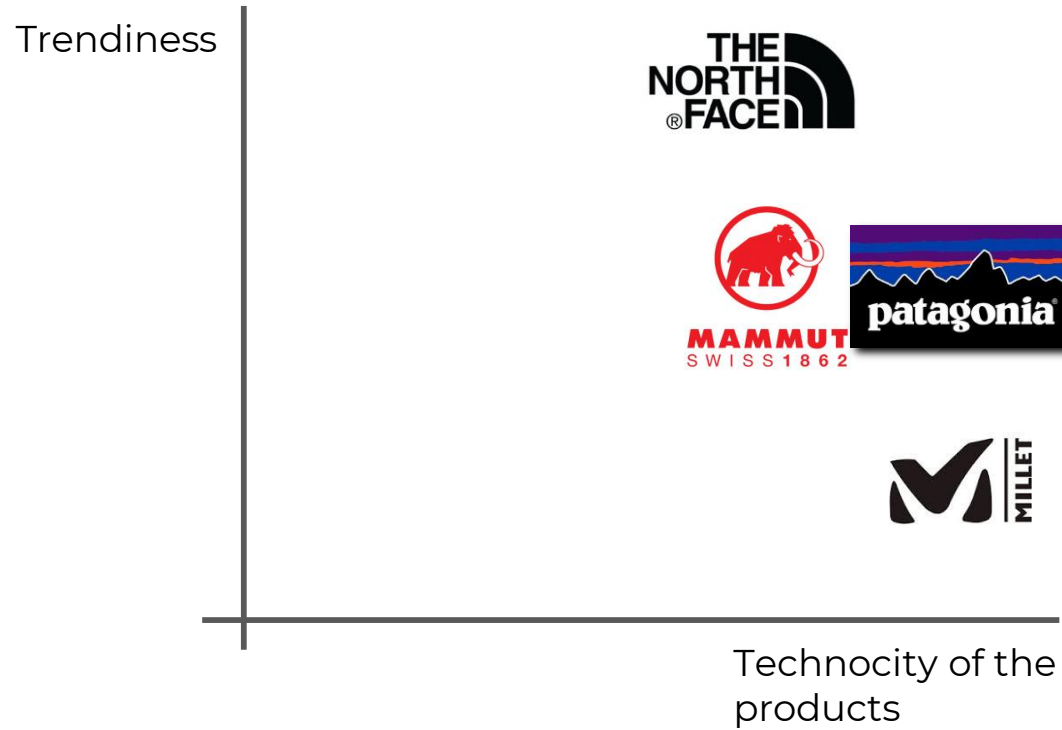
Through the shop window we can feel the essence of the brand, its values and its corporate identity.

Manchester - UK <https://www.wdc-creative.com/blog/manchester-home-of-the-cagoule>



Appendix 6

B/C criteria



Appendix 6bis

A/C criteria

Trendiness



Ethical engagement



Appendix 7 - ANSOFF matrix

	EXISTING OFFER	NEW OFFER
EXISTING Demand	DIRECT MARKETING (this isn't a strategy)	SERVICE DEVELOPMENT STRATEGY
NEW Demand	DEMAND DEVELOPMENT STRATEGY	DIVERSIFICATION STRATEGY

Appendix 8 - Revising the market offer next year, offer-mix

Physical	Price	Brand	Quality of service
10%	15%	25%	50%
Our service will be fully digitalized. However we will promote our new service on our shops and shops windows	Since the community is very fond of the brand, they won't pay attention to the price, they just want to feel the brand.	Connecting with the brand and discovering the roots of it will be the main objective of the trips. So the brand is essential	We want satisfaction and the customers to come back, so quality of the service is the key element to success.



Appendix 9
Offer-mix

Distribution channels	Mass communication - MarCom
<p style="text-align: center;">Direct Marketing (DBM)</p> <ul style="list-style-type: none"> - e-mailing through our already existing database: ok - brand community: ok - Communication in our shops: ok - Flyers to people who buy in our shops or big amounts online - Distribution retailers: can talk of our project <p style="text-align: center;">Indirect Marketing</p> <ul style="list-style-type: none"> - Word to mouth: it doesn't cost anything - we believe the experience will be so memorable that the WOM will work 	<p style="text-align: center;">PR</p> <ul style="list-style-type: none"> - journalists: stays exclusiv so no - social influencers: we invite them to come and travel - bloggers: the influencers write articles about our travels - CSR: ok <p style="text-align: center;">Sponsorships: no</p> <p style="text-align: center;">Advertising: no</p> <p style="text-align: center;"> </p> <p style="text-align: center;">Sales promotion: ok (about the value)</p> <p style="text-align: center;"> </p> <p style="text-align: center;">Trade Show: no</p>





STRENGTHS

1. Strong & Implicated community
2. Respect of social and environmental engagement
3. Worldwide notoriety

WEAKNESSES

1. Seasonality of sales depending on the product range
2. Old fashioned compared to other brands
3. Limited suppliers



WEAKNESSES

1. New brand so no frequent buyers
2. Very trendy product because in the trend of healthy natural products
3. Not known as a brand because new

STRENGTHS

1. Sales are regular
2. Respect of social and environmental engagement that makes the product trendy
3. Trustworthy suppliers

Appendice 12 - Letter

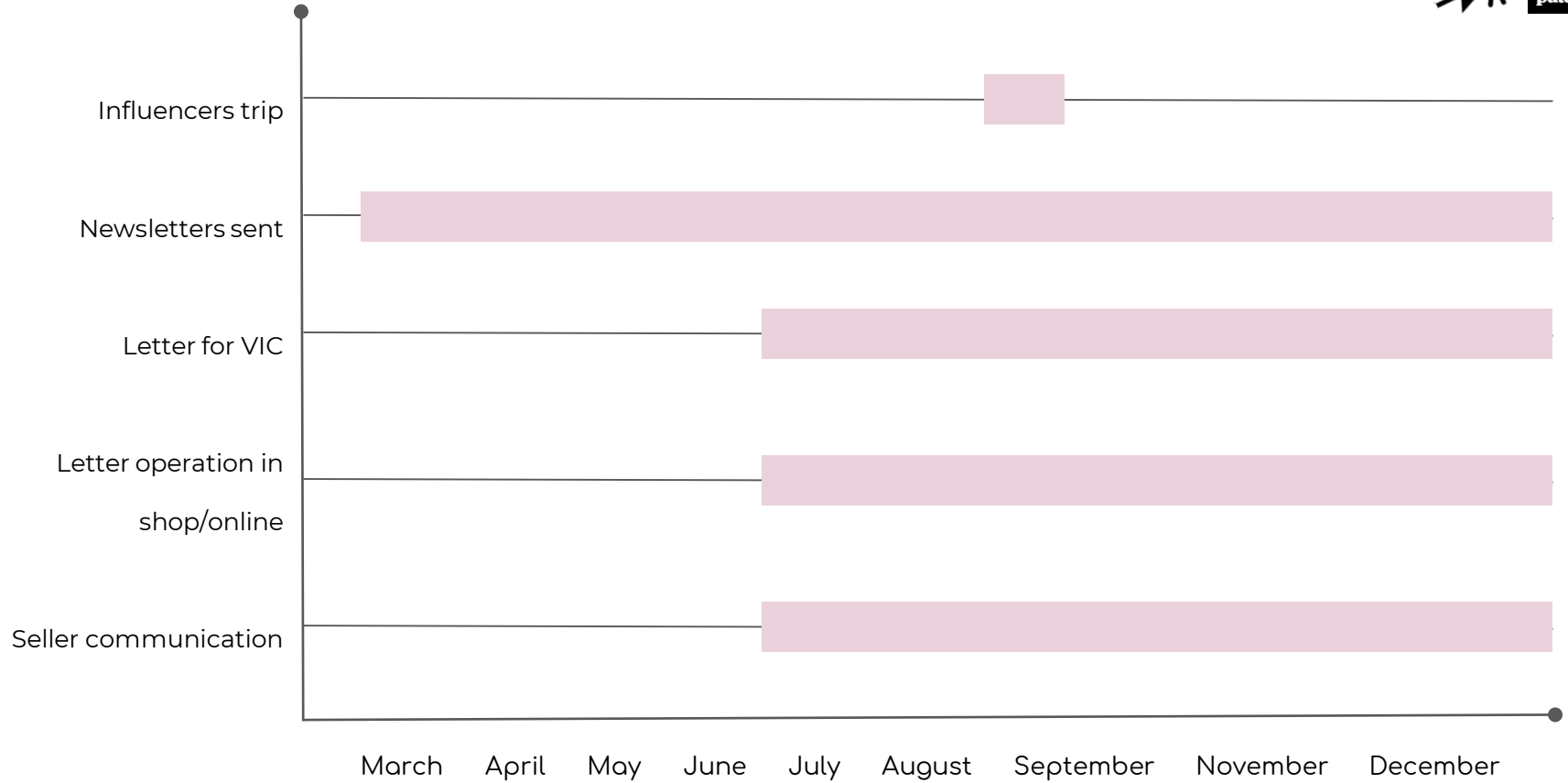


Appendice 11
Offer-mix as part
of the partnership

Distribution channels	Mass communication - MarCom
<p style="text-align: center;">Direct Marketing (DBM)</p> <ul style="list-style-type: none"> - e-mailing through our already existing database: ok - brand community: ok - Communication in our shops: ok - Flyers to people who buy in our shops or big amounts online - Distribution retailers: can talk of our project <p style="text-align: center;">Indirect Marketing</p> <ul style="list-style-type: none"> - Word to mouth: it doesn't cost anything - we believe the experience will be so memorable that the WOM will work especially that we have the power of two companies 	<p style="text-align: center;">PR</p> <ul style="list-style-type: none"> - journalists: stays exclusive so no - social influencers: we benefit from the influencers of both companies - bloggers: the influencers write articles about our travels - CSR: ok <p style="text-align: center;">Sponsorships: no</p> <p style="text-align: center;">Advertising: no</p> <p style="text-align: center;"> </p> <p style="text-align: center;">Sales promotion: ok (about the value)</p> <p style="text-align: center;"> </p> <p style="text-align: center;">Trade Show: no</p>



Appendix 11 - GANTT matrix 3.5



Appendice 12 bis - Storytelling of the video



The story of the video begins on the top of the Patagonia mountains during the sunrise. A group of people is hiking the south side. They are challenging their sport limits in close and dangerous paths.

The group is very friendly, united and determined. During the video there is a chill music which relates a warm and cosy ambiance while the group can admire the landscape.

The video highlights the beauty of the environment with the equipment of the hikers and shows local people who are involved in the journey, interacting with the athletes, that shows the ethical engagement of Patagonia. Furthermore, the participants will be pictured with matahi juice at multiple times in the video.

This is a teaser video of approximately 2 mins, the objective is to present the concept to the customers and gives them the envy to join Patagonia for an amazing journey.