

SHOPPR MARKETING PLAN - 2022 / 2023 -

ORDEM E PROGRESS





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Objective

Our marketing group decided to implement referral programming into your business. This referral program shows how easy it is to replicate Uber's results. Our group has further shown key performance indicators of Uber's sales and how, if utilized correctly, the referral program for Shoppr can mirror the same results.

Solution

Uber's referral program is utilized by employees and customers so they can grow both sides of their business. The referral program benefits both parties as it helps Shoppr market to a wider audience and benefits the customer through obtaining benefits toward referring customers to the brand.



Problems

Need more Shoppr drivers

- Shoppr only uses high-quality drivers.
- Drivers must have their own car.

Need more customers

- Shoppr is needing to find new potential customers of different demographics.

Expand to new cities

• Shoppr is needing to find new drivers and new customers willing to use their services to expand the business.

Most expensive grocery delivery service in Brazil

• Shoppr being the most expensive grocery delivery service in their area could potentially lead their customers to use cheaper options.

Shoppr does not have a mobile app

• Shoppr does not have a mobile app and only runs through their website, possibly cutting off access to potential customers.



Company Analysis

Inspiration

• Inspired by the American Subscribe & Save

Values

- Business is built on 3 pillars (T. Costa, personal communication, September 13, 2022)
 - The Customer
 - The Personal Shopper
 - The Supermarket

Company Operation

• The consumer chooses the products on the website or app, defines the delivery day, and completes the purchase...platform offers more than 6,000 products in categories such as food, drinks, cleaning, personal hygiene, and pets(T. Costa personal communication, September 13, 2022).

Pricing for Service

• 15% up-charge rate and a flat delivery fee: 14.90 Brazilian Real (T. Costa, personal communication, September 13, 2022).

Previous Marketing Strategies

- Facebook: Most popular
- Instagram
- Twitter
- Google
- Whatsapp

Vision

- Wants to expand their market: 4 cities they want to expand to
 - Novo Hamburgo
 - Caxias Do Sol
 - Passo Fund
 - Sao Leopoldo



Competitor Analysis

<u>iFood</u>

Company Overview

• "Created in 2011, the company is now Brazil's largest food delivery app. It has maintained double-digit growth, while other startups have laid off thousands of workers due to higher interest rates and inflation reducing consumer spending on delivery services." (Person & Alves, 2022)

Revenues

 "IFood had revenues of more than 2.5 billion reais (\$484.7 million) in the first half of 2022, up 28% year-on-year" (Person & Alves, 2022)

Vision

- "Serving a network of about 320,000 restaurants in the country, iFood now aims to increase its base of 30,000 supermarkets. It also recently added delivery for pharmacies and liquor stores." (Person & Alves, 2022)
- iFood is focused more on growth of the company over profit at the current moment

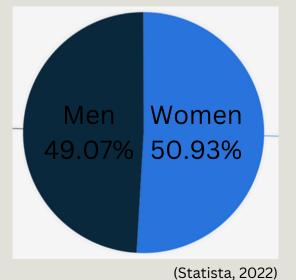


Prospective Customers

Prospective Customers

- Millennials
 - Millennials are behind most of the growth of online grocery shopping (Zboraj, 2021).
 - Nearly one-third (32%) of Millennials living in urban areas do at least most of their grocery shopping online (Zboraj, 2021).
- Generation Z
 - Gen Z shoppers are known to look for "storytelling and connection" when determining what brand to place their loyalty in (Bigora, 2022).
 - Within Gen Z lots of weight is placed on the "nutrition and healthiness of the food and drinks they put in their bodies" (Retail Space Solutions, 2020).
- High-Income Households
 - High-Income households are more motivated to save time by using a delivery service (Spurlock et al., 2020).
 - Higher-income households have less constraint on what they can splurge on but have less time (Spurlock et al., 2020).
- Men 20+
 - 56% of men are making two or more shopping trips a week (Strailey, 2020).
 - 74% of men are more likely to buy food (rather than other products) while at the grocery store (Strailey, 2020).
 - Men prefer stores with mobile/smartphone payment and online/ordering (Strailey, 2020).

Distribution of online food delivery users in Brazil in 2021, by Gender



Pie Chart

• With a similar market as the US, Brazil's gender demographic is comparable for online food delivery.

Existing Customers

Customer Lifetime Value

- 81% of consumers will make more reorder purchases with a specific brand when having a loyalty program (Fraser, 2022).
- A survey conducted by Zendesk among customers from 125 countries reveals that 79% of Brazilians expect to receive excellent service and 40% admit to having a less tolerant behavior towards problems with products and services" (Zendesk, 2013).
- Shoppr, being a smaller company servicing a neighboring geographic area, requires having quality deliveries and customer service in order to retain current customers and attract new customers, which both lead to a higher Customer Lifetime Value (CLV) and long-term growth for the company.

Purchasing Power

• In Brazil, from the total national wealth share in 2021, nearly 80 percent belonged to the top ten percent. Almost half of Brazil's wealth was held by the top one percent. On the other hand, the bottom 50 percent had a total of -0.4 percent; that is, on average, this group had more debts than assets (Statista, 2022).

Consumer Atributes

- 23% of people work from home allowing for the consumer to be flexible for more delivery times (Custage, 2021).
- The gender demographic of Brazil is 49.1% men and 50.9% women (Brazil: Reaching the Consumer, 2022).
- The average monthly salary in brazil reals is 1,921 as of 2021 (Brazil: Reaching the Consumer, 2022).

Psychographic/behavioral attributes

- Impact of Covid 19 in Brazil as of 2020:
 - 68% of people said they stopped going to snack bars/ restaurants, which means they cook mostly at home (Custage, 2021).
- Brazilians prefer to make most online purchases through credit cards and Boleto Bancário, which accounts for 93% of online purchases (Preferred payment methods Brazil, 2022).
- eCommerce has been increasing in brazil, more purchases are made more often online than in person (Brazil: Reaching the Consumer, 2022).
- Brazillians would rather make purchases on their smart phone versus their computer. In 2022, \$56.3 million were made on a smart phone (Brazil eCommerce. International Trade, 2022).

Research Methods



- Finding credible resources that could be applicable to Shoppr.
- Case Studies that applied to the company.
- Case studies to inform the solutions we proposed.
- Datasets that give valuable information that relates to Shoppr.

Implementation

- We used these research methods to compile the data that we gathered to benefit and inform shoppr.
- Through this research, we were able to learn many things that Shoppr can implement into their business.



Solution 1

Referral Program

- Word of Mouth has been your most successful marketing thus far.
- A referral program combines word of mouth with online rewards to gain new customers.
- Example of Uber
 - Uber has one of the best known referral programs (<u>Mosely</u>, <u>2020</u>).
 - Much of their early and sustained growth has come from their referral program (Mosely, 2020).
 - It's estimated that referral marketing produces customers that have approximately 25% increased lifetime value (<u>Mengoulis</u>, <u>2020</u>).
 - Uber's referral program has had a 12x ROI (Mengoulis, 2020).
 - Uber also offered rewards to drivers willing to leave competition in order to drive for them (<u>Mengoulis, 2020</u>).
 - Their program also works for both drivers and customers in order to increase both sides of their customer base.



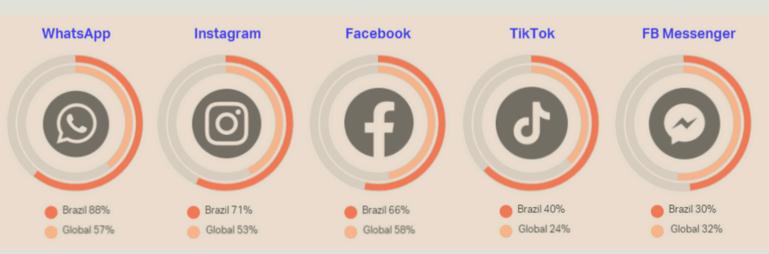
• After implementation, ecommerce companies that use referral programs see rising revenues over time (Kapadia, 2020).

For Access to our sources and the rest of our data concerning proposed solutions access our Data Cache click <u>Here</u>

Solution 2

Facebook Optimization

- Facebook has been another big part of your company's marketing.
- There are specific ways you can optimize the use of facebook targeting to get the best out of your facebook advertisements.
- 66% of Brazilians are Facebook users (Caree, 2022).
- Your company would be able to target customers by location, demographic, connections, and custom audiences (WARC, 2018).
- Facebook can place Shoppr's ads in the news feed, right column, in-stream video, and messenger home (WARC, 2018).
- Facebook allows you to upload your email list to their directory in order to target your ads better (<u>Hubbard, 2022</u>).
- You can add the Facebook Retargeting Pixel to your website and it will track who visits your website and allow for them to target those individuals with your ads <u>(Hubbard, 2022)</u>.



Brazilian Facebook Engagement

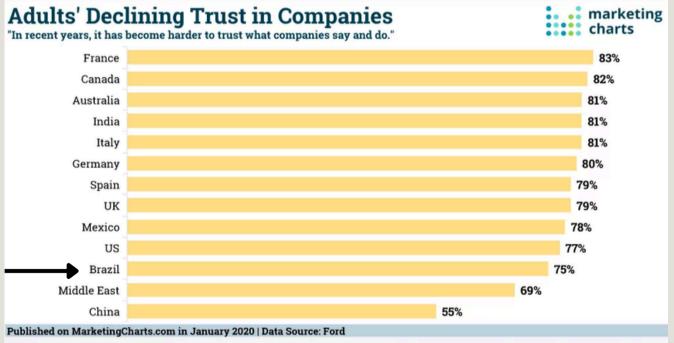
- 66% of Brazilians are Facebook users (Caree, 2022).
- 44% of Brazilians discover brands/products from ads they see on websites (Caree, 2022).
- 63% of Brazilians follow for more information about a brand/product on social media (Caree, 2022).

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Solution 3

Facebook Campaign

- A new marketing campaign utilizing the tools in the previous section could help produce new customers and re-engage existing ones.
- Shoppr is all about Quality.
- A study from the Brazilian Institute of Public Opinion and Statistics (IBOPE) says that 62% of Brazilians have little trust in other people (<u>StreetSmartBrazil, 2014</u>).
- Making it known to your customers that you go the extra mile for safety and quality will resonate.
- This also alleviates the question of why your product is more expensive.



Based on an online survey of 13,003 adults across 14 countries: 1,000 in each country save for the "Middle East" (Saudi Arabia and UAE; 500 each)

75% of Brazilians report a growing mistrust in companies (Marketing Charts, 2020).
Showing consumers that you are a brand they can trust will increase demand for you rather than competitors.

For Access to our sources and the rest of our data concerning proposed solutions access our Data Cache click <u>Here</u>

Implementation Plan

Referral Factory

- Fifteen of the best options for your company are laid out in a study done by <u>Shane Barker</u>.
- Our recommendation would be Referral Factory.
 - Referral Factory makes it easy for any business to build their own referral program, with their wide array of pre-built templates and powerful customization tools (<u>Barker, 2021</u>).

Twilio Segment

- This online data tool goes along with using your facebook more effectively.
- This service can look at Shoppr's data from apps like Facebook and your website to create a source of customer behavior (Segment, 2022).
- Instacart Case
 - Instacart used Twilio Segment to optimize the collection of customer data in order to grow its customer base <u>(Segment,</u> <u>2022)</u>.
 - It has helped Instacart in the storage of data so they can make their advertisements more effective based on their customers' behaviors <u>(Segment, 2022)</u>.

Facebook Pixel

- This is an easy to install tool for your website to collect data about who visits and feed it directly to your facebook advertisements.
- You can go to <u>https://www.facebook.com/ads/manager/pixel/facebook_pixel/</u> and create your personalized "pixel" (<u>Hubbard, 2022</u>).
- Then add the provided code to your website in order to start receiving data (<u>Hubbard, 2022</u>).
- In depth steps on how to complete this process can be found in the provided article.

Budget Breakdown

Referral Factory

- The service has a starter package that is only 490.97 Reals per month which fits into your marketing budget of 5000 Reals per month and leaves you with space for existing marketing as well.
- They also offer a 15 day free trials so you can get a feel for the service before having to pay for it (<u>Barker, 2021</u>).

Twilio Segment

- Their service starts at 626.34 Reals per month and would only increase if the amount of information being gathered exceeded the current plan.
- They also offer a free trial to see if this is a tool your company would like to use <u>(Segment, 2022)</u>.

Facebook

- Facebook allows you to set a maximum amount that you are willing to spend on your ad campaign (Meta, 2022).
- This will allow you to decide how much you can afford to spend after other advertising costs.
- Depending on what kind of campaign you are running prices will vary (Meta, 2022).
- If you decided to implement the above mentioned two plans you would still have 3,882.69 Reals left over for facebook and other marketing.

Current Budget Fit

- Your Current budget is 5,000 Brazilian Reals per month.
- All of these recommendations fit within your budget parameters.



Final Considerations

Full Data Cache

- For any questions regarding any research or data within this plan please refer to our full data cache.
- You will find all relevant links to sources and more information that may not have been included here.
- To access the full directory of data click <u>Here</u>

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