

Marketing Plan



Introduction

The Redmond Social Enterprise Project Board has embarked on an important effort as it aims to help change the future of Redmond teenagers and impact the community at-large with its social mission. The creation of Red's Express, a non-profit café and food delivery service, demonstrates the unique way that social enterprise can serve the community by helping fund Redmond youth organizations.

As the business plan created by the Social Enterprise Group, LLC illustrates, this project serves community need in two ways: by filling a quick food service void in the Redmond business community; and creating a sustainable funding source for non-profit youth organizations in Redmond.

Marketing Focus

The marketing focus recommended is two-fold. First, promote Red's Express brand, products and services. Second, deliver the social enterprise and community rewards mission via subtle integration with promotional messaging. It is believed that too much initial focus on the social mission will deter attention from the business enterprise goals and objectives. Finally, the marketing prescription includes an emphasis on relationship marketing. While traditional marketing tactics are essential, the complexity of the business community surrounding Red's demands that personal contact and relationship development become essential elements in the marketing mix.

Marketing Plan Orientation

The marketing plan that follows builds upon the work done in the business plan and provides a framework for how to best position and market the Red's Express project to meet the goals of the Redmond Social Enterprise Community Board. The plan calls out the business, marketing and social mission focal points that will help provide a marketing framework for the future of Red's.

As this plan demonstrates, the road to success for Red's will not be simple. It will take the diligent work of dedicated volunteers, a dynamic food service operator, committed vendors and the passion of employees (youth, perhaps) who can continuously sell the vision and mission to customers. Nonetheless, it is a road worth traveling because of the value the project brings to the community and the way in which it models for other communities.

Red's marketing map is simple, focused, and approachable. The tasks to be accomplished and the list of to-do's is manageable. While some might be looking for a silver marketing bullet, it is necessary to caution that marketing is the sum of all parts. Red's leadership team will have to follow all of the focal points and tactics in order to paint the picture that will ultimately promote Red's services and sell its products, which will help the Redmond Social Enterprise Project meet its overall social mission goals.

Vision, Position and Values

Vision

Red's Express will provide a sustainable, reliable funding source to support youth programs in Redmond.

Position

Red's Express is the fast, one-stop shop for healthy, delicious food for the on-the-go professional. Red's mixes tasty breakfasts, lunches and dinners with friendly service and a social conscience. All Red's Express proceeds are earmarked to serve youth organizations throughout the City of Redmond.

Values

- Social mission
- Community-driven
- Philanthropic
- Entrepreneurially-inspired
- Youth-supportive
- Business-savvy
- Locally-owned business support
- Nurturing youth

Goals and Objectives

Goals

- Make Red's Express a quality service business serving the surrounding business and residential community
- Have people equate Red's with fast fresh food that is available for delivery
- Be recognized as an innovative, community-based social enterprise and be able to respond to requests to share lessons learned
- Build a predictable and sustainable funding source for Redmond's main youth prevention programs
- Be positioned to build upon the Red's Express brand and extend it to other branded products

Objectives

Year One

- Launch Red's Express and build internal business and marketing systems for successful operation
- Create an inviting interior, an enticing menu of products and a consistent delivery schedule
- Build a committed group of involved stakeholders which will be members of the Founding Community Board
- Create presence in the community for Red's Express
- Recruit committed youth to work at Red's Express

Year Two

- Generate at least \$35,000 in profits for youth organizations
- Identify and begin planning opportunities for Red's branded products

Market Analysis Recap

A market analysis was conducted by the Social Enterprise Group, LLC in 2004 at the location selected for Red's Express (Overlake Transit site) as well as at Nintendo, Microsoft and other area businesses. The resulting analysis contributed to a business plan that is aimed at drawing customers to the site, oversight by a community that is run by experts, and a scalable approach to meet community needs.

Primary market analysis included:

- Intercept method survey at the transit site
- Online survey distributed by Microsoft and Nintendo
- Phone interview of Safeco and Nintendo employees

The analysis of 200 completed surveys, combined with additional research in the area, indicated there is an opportunity to sell fast and delicious food products to the community surrounding the Red's location, and that people in the community are receptive to the offerings that Red's will provide.

The marketing plan calls upon this market analysis and includes insight from visits to the site and the surrounding area, along with multiple meetings with the Redmond Social Enterprise Project marketing team.

Marketplace/Competitive Review

Red's Express is located near the Microsoft, Nintendo, Safeco and Group Health campuses, and is in the middle of a residential/commercial part of Redmond. This 183 square foot facility is in the middle of a Park and Ride (with 274 parking spaces). The location is also the hub of transit service off SR 520 that serves these major corporations.

Approximately 5,000 potential customers pass by the Red's Express location each day. These people travel by bus or bike. According to the transit authority, use of the site is beginning to pick up. Coupled with the availability of bike services next door to the café, the potential number of customers with access to Red's is 10,000 per day. And that does not include people in the businesses nearby who drive or the residents that do not use the transit center.

While there is little competition from the 7-11 in the neighborhood, the free drinks and company cafeterias served by local businesses such as Microsoft and the availability of nearby restaurants make Red's marketing effort challenging.

The marketplace challenge will be to change consumer behavior so that bus riders, bikers and nearby employees who drive think of the Red's Express café as a *THE* place to find good food, fast.

Community and Political Attitudes

The community support for Red's is currently high. Youth organizations are in crisis and the Redmond Social Enterprise Project that Red's Express exemplifies is a unique solution. There are plenty of committed community members and a list of deserving organizations. The offer of free space for two years by the GRTMA and Sound Transit is tremendous and the traffic potential around the site is encouraging.

However, a unique business model like Red's makes non-profit foundations scratch their heads to figure out how to get involved with funding. There is no real sense of need in Redmond and the amount of available volunteer time that the current Board has to serve this venture is limited. At the same time, the project has been plagued by fits and starts.

Despite it all, the leadership of the Interim Community Board has been able to mitigate all challenges and keep the momentum going.

Strengths, Weaknesses and Opportunities

Strengths

- Fast, easy access to delicious, fresh food
- Food made by locally-owned businesses
- Traffic from bus service and bike travelers
- Bike services in the building
- No similar service for several blocks
- Social mission of the café
- Vendors interested in offering discounted pricing
- Delivery service
- Major corporations committed to providing resources/marketing help (Microsoft/Nintendo/REI)
- Quality food standards

Weaknesses

- Microsoft shuttles don't take people past the café
- Difficult car navigation around building
- Not easily accessible for people in a hurry in the morning
- Food service already within local businesses
- Lack of volunteer support
- Difficult to convey social mission simply
- Costs of products versus profitability
- No sense of urgency

Opportunities

- Providing services and products that cannot be found elsewhere
- Delivery service (even dry cleaning drop-off and pick-up)
- Desire for variety in coffee or food services
- Businesses with dedicated employees who work late hours (with little time for anything else)
- Microsoft food service and free beverages scaled back in 2005
- Microsoft and Nintendo employees tired of food service

Key Attributes and Assets

Attributes

- Unique product offerings
- Self-sustaining
- Community-driven
- About helping kids
- Entrepreneurial project

Assets

- Fresh, tasty food
- Location
- Delivery
- Youth mission
- Transit hub
- Kids are involved in productive endeavor

Target Audiences

Potential Customers

- Bus riders
- Bike riders
- Corporate employees
- Residents around the transit hub

Operational Partners

- Operational partner
- Employees/staff
- Redmond Social Enterprise Community Board (interim and future)
- Vendors (Month of Meals as an example)
- Seattle Foundation
- City of Redmond
- Family Resource Center

Promotional Partners

- King County
- Transit services
- Businesses surrounding Red's
- Lake Washington Technical College
- Redmond High School
- Local churches/faith community
- Youth organizations
- REI
- Seattle Monorail

Donors

- Corporations
- Foundations
- GRTMA
- Sound Transit / Community Transit

Target Audiences, cont.

Knowledge Influencers

- Seattle University Business School
- University of Washington Business School
- City University
- Bellevue Community College
- Service and membership organizations (Rotary, Chamber of Commerce)
- Leadership Eastside
- Prosperity Puget Sound (Puget Sound Regional Council)
- Eastside Human Services Forum

Available Products and Services

Products

- To-go or delivered breakfast, lunch and dinner
- Espresso/gourmet coffee
- Newspapers, books, magazines
- Limited convenience items
- Celebratory items
- Red's Express branded products (and t-shirts)

Services

- Fast, friendly delivery service (10 am and 3 pm)
- Online ordering
- Pre-paid swipe card
- Coffee cart at bus stop
- Walk-up and drive-through window accessible from the outside
- Tables for eating
- ATM access

Unique Selling Proposition

Fresh, fast food in time-sensitive, overworked business community.

Brand and Position

Brand

The Red's Express brand is contemporary, friendly and tech-focused. It connotes healthy and fresh food, as well as fast service. The play on Redmond in the word Red shows the fun playfulness of the project while Express conveys the speed of service and the delivery.

The logo, with its orange and leaf apostrophe, continues that fun, friendly feeling by going against the expectation that the imagery and colors be red. The contrast gives dimension to the idea that Red's is unique and has a sense of humor. The clean, even strokes of the typeface and the rounded letter forms illustrate the idea that Red's is a place where everyone is welcome, and where the customer will have a good experience. Finally, the colors of the logo are healthy, fresh, new and current, as well as stable, practical and efficient with a sense of being juicy and tasty.

Position

Red's Express - with its dynamic graphic treatment and its social mission philosophy - is poised to be the premier choice of quick food for all corporate business employees in the northern Redmond business sector.

Tag Line

Fresh food. Fast service.

Messaging

Primary Message

Fresh, delicious breakfast, lunch and dinner for take-out or delivery

Secondary Messages

- Food is healthy and prepared by locally-owned businesses
- Service is quick, friendly and customer focused
- Free delivery throughout the area
- Business is community-based and run by experts
- Proceeds go to support local Redmond youth organizations

Social Mission Message

Products purchased at Red's Express support Redmond youth. All net proceeds, after expenses, are donated to organizations that provide vital services to help the youth community living in Redmond. The Red's Express Board of Directors is committed to an organizational philosophy that caters to customer needs as well as social responsibility. For details, go to www.reds-express.com.

Target Audience Messages

- **Customers**
 - Fresh food, fast service
 - Delivery for your convenience
 - Pick up breakfast on your way to work
 - Order lunch or dinner for delivery (or take-out)
 - We'll take care of you
- **Operational Partners**
 - We're committed to your success
- **Promotional Partners**
 - Help us spread the word
 - Kids benefit from your support
 - The success of Red's is tied to community involvement
- **Donors**

Red's Express Marketing Plan

- An investment in Red's is sustainable support for kids in Redmond
- Red's social mission makes it unique

Marketing and Sales Approach

The approach is to market “fresh food and fast” as a primary focus, followed by information delivery about the social mission of the business. By focusing efforts around the product offerings and building a loyal customer base, the ability to sell-in information about the social benefits will be easier and will have a lasting impact. In the end, it will not matter how socially-conscious the business is if the food is not appealing and the service is poor and slow.

As for sales, we believe that the staff must be energetic, the environment bright and cheerful and the offerings adjusted to meet the needs of the customer. Red's should always be asking, what can we do to better serve you? It is also important to ask, what other products can we carry? All attempts should be made to provide special offers. Loyalty and referrals should be the underlying business mission. Beyond this we advocate using the Red's business model as a public education tool about the plight of youth organizations in the Redmond community.

Key Insights

- Money goes to kids in need in Redmond
- Need to tailor product offerings to what people want
- Presence needs to be visible and colorful

Marketing Focal Points

Marketing Focal Point #1

Follow the lead of Whole Foods and Metropolitan Market in providing a colorful, welcoming and current environment and descriptive information about food products and services.

Tactics:

- Design bright signage for outside and inside the Red's Express cafe
- Carry the Red's brand across all materials developed for the store...bags, receipts, menus, informational cards
- Put the fresh basket of oranges at check out
- Create colorful letterhead, business cards, envelopes and collateral for the store marketing effort (press kit, etc).
- Wi-Fi computer access
- Cable television for national news programming
- Copies of local and national newspapers and news magazines for purchase (a copy of each on hand for reading)

Marketing Focal Point #2

Provide prompts and cues for potential customers as they navigate on the buses, through the Overlake Transit Center and through the Park and Ride.

Tactics

- Design bold signage for outside the café
- Put a sign in the bike shop
- Hang banners on the light poles in the Park and Ride
- Create and purchase transit advertisements within the buses that serve the transit center
- Sponsor the Microsoft shuttle

Marketing Focal Point #3

Encourage employees to be ambassadors of the café.

Tactics:

- Design t-shirts to create uniform presence amongst staff
- Give staff key message training upon hire

Marketing Focal Point #4

Use media as a promotion tool to generate awareness about Red's.

Tactics:

- Distribute press release on Red's grand opening
- Offer opinion editorial pieces and letters to the editors on the human services crisis in Redmond
- Create a media list that includes corporate newsletters and email distribution sources
- Create an editorial presence through ongoing media relations efforts

Marketing Focal Point #5

Entice customer with frequent information and details about food and fast service.

Tactics

- Create a "weekly specials" email in html format that reflects brand and provides value-added information with seasonal specials, suggested weekly meal choices, dinner ideas and a short feature on non-profits. Provide opportunity for customers to add comments if they are interested...opinions, etc.
- Rotating food contest

Marketing Focal Point #6

Provide an online presence for the café that positions products, services and social mission.

Tactics

- Develop a Web site

Marketing Focal Point #7

Offer branded products for sale at the cafe.

Tactics

- Begin with the sale of t-shirts for employees of Red's will wear

Marketing Focal Point #8

Use advertising and coupons to reach the local residential and commercial community.

Tactics

- Distribute coupons throughout the area
- Provide free sample espresso coupons at locations throughout the area

Business Focal Points

Business Focal Point #1

Provide efficient ways to take orders and enable customers to pay.

Tactics:

- Create a Web site that provides product information and ordering capabilities
- Create an instant message service for people to place orders
- Provide a pre-pay account code that allows people to pay for products (card as ID only)
- Give delivery driver order forms that people can fill out and provide their credit card or account information
- Offer an email, fax and telephone ordering service

Business Focal Point #2

Reward loyal and frequent customers.

Tactics:

- Provide a frequent buyer program that provides special discounts via email
- Offer themed product offerings via email
- Invite frequent customers to a customer-appreciation day once a year

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Business Focal Point #3

Create action and excitement in the stores.

Tactics:

- Invite vendors to come in to the store and provide free products to customers

Business Focal Point #4

Provide a strong case for supporting the Red's Express business model.

Tactics:

- Develop a case statement (in PDF) that can be added to Red's Web site and provided to donors, along with the annual report

Business Focal Point #5

Add an outside sales component to the business.

Tactics:

- Position Red's employees or community board members to be the outside representatives within the business community

Social Mission Focal Points

Social Mission Focal Point #1

Provide information about the social mission to all customers and target audiences.

Tactics:

- Display a plaque in the store that highlights the social mission
- Provide counter cards that also highlight the social mission
- Add a sticker to all products that is printed with the mission
- Create menus to demonstrate products available
- Create an area in the store to describe the organizations that the social enterprise serves
- Create a newsletter that can be distributed quarterly on the business of Red's
- Provide details about the social mission on the Web site

Social Mission Focal Point #2

Use the Red's Express business model as a teaching opportunity.

Tactics:

- Invite students at local technical college, community colleges, high schools and business schools to participate in Red's as volunteers
- Develop a teaching presentation on social enterprise for local schools
- Provide free espresso tickets to all volunteers and students that come in contact with Red's
- Offer Red's as a Leadership Eastside project

Social Mission Focal Point #3

Report on Red's Express social mission successes at the end of each year.

Tactics:

- Develop an annual report and distribute to target audiences, as well as post online
- Work with the youth involved in Red's to develop a short real-time DVD presentation that can be added to corporate board meetings or sent to key members of the community

Social Mission Focal Point #4

Develop a Community Board that represents the target audiences Red's is trying to reach.

Tactics:

- Approach a member of the local media as well as members of the various businesses in the area

Social Mission Focal Point #5

Get involved in regional political discussions related to the future of the region.

Tactics:

- Position a representative voice on the Prosperity Partnership

Marketing Timeline/Budget

Year One

Interior/Exterior Presence

- Basket of oranges \$5.00 a week
- Exterior signs \$4,600
 - Overhead panel sign and small flag sign near front entry
 - Design & coordination, \$1,300 both signs*
 - Assumes logo only graphics. Photo mock-ups, sign shop coordination, materials samples and artwork production*
 - Panel sign production, \$2,800*
 - 5', 3-color, raised letters, metal backer panel*
 - Flag sign production, \$500*
 - 1.5' square, 3-color, vinyl on metal)*
 - Permits \$600 for both signs*
 - Lighting is a good idea*
- Bike shop sign \$850
 - Design & coordination, \$650*
 - Sign shop production \$200*
 - 2' wide, 3 color vinyl on wall mounted plex*
- Store interior design TBD
- Gem car stickers (design with bike shop sign) \$300
- Uniforms (white t-shirts with logo, black pants) \$1,000
- Wi-Fi Request in-kind
- Cable or satellite TV \$1,000 set up/\$100 a month
- Newspapers \$250 a month

Sales Structure

- Ordering system (phone, fax or email) Staff
- Outside sales presence Staff

Materials

Red's Express Marketing Plan

- Letterhead package	\$4,100
<i>Design and printing</i>	
<i>Letterhead head, business cards, #10 envelope</i>	
<i>1,000 qty</i>	
- Brochure	\$3,100
<i>8 ½ x 11, 4 color, photos and text provided by client</i>	
<i>1,000 qty</i>	
- Menus	\$2,000
- Branded shopping bags	\$1,000
- Branded receipt tape	\$500
- Delivery driver order forms	\$500
- Social mission plaque	\$200
- Social mission counter cards	\$3,500
- Social mission stickers	\$2,000
Advertising	
- Coupons	\$500
- Transit advertising	\$2,500 (or free)
- Free advertisements in partner publications	\$1,250 (cost of ad design)
Community Relations	
- Staff key message training	\$1,500
- Vendor product demonstrations	Staff
Press Relations	
- Press releases	\$2,500 (for three)
- Media distribution list	\$1,500
- Media relations	\$7,500 (for grand opening and follow-up throughout the year on minimal basis)
Electronic Communication	
- Develop a Web site	Request in-kind
Fundraising/Social Mission	
- Case statement	\$2,500

Red's Express Marketing Plan

Year Two

Interior/Exterior Presence

- Light pole banners
- TBD

Sales Structure

- Weekly specials
 - Pre-pay account or card
 - Customer appreciation day
- Staff
TBD
Staff

Materials

- T-shirts for sale
 - Quarterly newsletter
- \$1,000
\$1,500 (for electronic template and distribution service)

Advertising

- Transit advertising
 - Microsoft shuttle sponsorship
 - Red's as a Leadership Eastside project
- \$3,500
Request In-kind
Staff

Community Relations

- Student volunteers
 - Teaching presentation for schools
 - Food contest
- Staff
Staff
Staff

Press Relations

- Opinion editorials
 - Letters to the editor
- \$1,200 each
\$500 (for template)

Electronic Communication

- Update Web site with ordering information or Instant Messaging
 - Weekly email to customers
- Staff
Staff

Fundraising/Social Mission

- Annual report
 - Community organization representation
- \$5,000
Staff

Redmond Social Enterprise Project

- DVD

Request in-kind