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Strategic 3 year e-marketing plan to tackle the issues faced by a retail organisation in a Web 2.0 environment.

Snow and Rock

Snow and Rock (SR) – the company

Vision

Position www.snowandrock.com as the primary online destination for specialist winter and outdoor clothing using the latest Web 2.0 technology and solutions.

Mission

Develop and provide high quality winter and outdoor clothing/equipment to a global audience using multi-channel retail environments.

Situational Analysis

The rapid increase in UK internet users over the last 10 years has seen a shift in purchasing channels as a result. A report carried out by Forrester research estimates European online sales to double over 5 years ([Appendix 1](#)), and internet user numbers increasing by 50%...

Figure 1: Internet users and penetration in the UK 2005-2011

[2005: 33.7 million (55.8%)

- 2006: 35.1 million (57.9%)
- 2007: 37.2 million (61.2%)
- 2008: 39.1 million (64.2%)
- 2009: 42.3 million (69.2%)
- 2010: 44.2 million (72.1%)
- 2011: 45.0 million (73.2%)

Source: eMarketer, October 2007

The need for an online presence by bricks and mortar retailers has become paramount to capture UK customers and tap into lucrative international markets, with no physical boundaries to competition.

Over the last 5 years, consumer behaviour has changed with the growing influence of Web 2.0:

'... Web 2.0 represents a fundamental shift from the model of one-to-many publishing (media owner to 'audience') on the media owner's terms (once a day, once a week, once a month) to a digital landscape in which publishing becomes an almost immediate many-to-many 'conversation', where the audience expects to both participate in, and lead, debates on its own terms - any time, any place, anywhere.'
Alexandra White, Director of Association of Online Publishers (AOP), 07 Aug 2006.



What are the factors affecting the online offer of SR?

Political

- The UK Data Protection Act 1998 (DPA) and the Privacy and Electronic Communications Regulations 2003 (PECR) have major impacts on the processing and usage of contact data. All staff in contact with customer data should keep knowledgeable of laws affecting data ownership and communication.
- Consumers have greater access to their rights through government-funded websites such as www.consumerdirect.gov.uk. SR will need to follow all the legal requirements.

Economic

Consumers shop around more online, particularly during economic downturns. Online prices are more transparent with the introduction of price-comparison sites.

Social

- Increase in online shoppers within Europe ([Appendix 1](#))
- Increase in customer conversation and referrals – online communities, discussion groups and forums has enabled interest groups to develop. People are more empowered to make an informed choice

Technological

- Rise in ASP technology allows more dynamic websites
- Growth in high-width broadband within households, allowing for richer media applications on home computers
- Advances in logistical technology - customers track purchases online

Environmental

- Consumers affected by peers/reference groups to start purchasing online. Social websites build communities attracting referrals
- Seasonality/weather – poor weather conditions promote online shopping as consumers stay indoors



Figure 2: Assessment of SR

Strengths

- Solid bricks and mortar business offering a good reputation. Also allows mixed mode purchase - pay online and pick up in-store.
- Website optimised on main search engines
- Online expert advice
- Product / brand categorisation and search facility
- Clear presentation of product offer
- Secure online purchase method
- Multi-product domains

Weaknesses

- No international outlets
- Small support infrastructure in comparison to global competitors
- Basic e-commerce website with no web 2.0 functionality
- Data capture only at point of purchase
- Lack of unique online content to differentiate from competitors
- No clear sign-up for electronic bulletins or newsletter

Opportunities

- Use more sophisticated technologies to maximise visitor experience
- Increasing number of internet users offers greater pool of potential purchasers
- Create applications on social community sites – high use by extreme sports demographic (18 – 35)
- Mobile communication
- Experiential events and exhibitions
- Link partnerships – high traffic sites

Threats

- Price wars as online prices become transparent, particularly with comparison sites e.g. Pricerunner
- Competitor develops a unique proposition e.g. new social community portal
- Consumer to consumer auctions (C2C) e.g. eBay
- Aggressive competitor paid and organic search listing campaigns

Figure 3: CSF Model for SR

	WEAK 1	2	3	4	STRONG 5
Critical Success Factors					
Innovative routes to market				X	
Effective CRM					X
Support of ski and outdoor media			X		
Competitive pricing				X	
Marketing expertise			X		

An effective CRM will be the priority for SR over the next 3 years as this will be the key to audience capture and personalisation of the website.

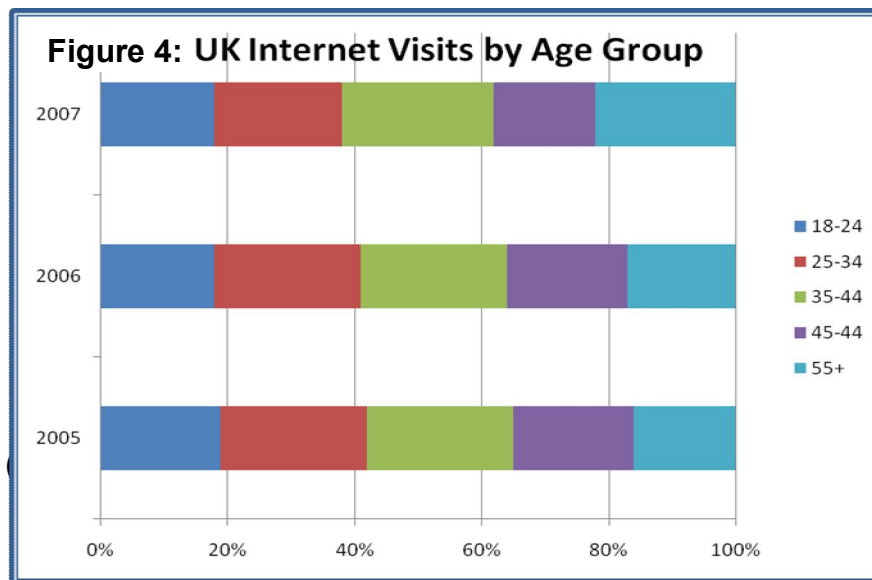


Who are our customers?

Demographics

A report by Hitwise shows UK internet users aged 55+ (silver-surfers) now account for 22% of the market, and are likely to overtake 35 – 44 age group, currently at 23.5%, over the next few years.

It also highlights the main categories for web hits to be *Search engines*, *Adult* and *Shopping channels*. SR needs to identify products suitable for silver surfers to capitalise on this growing demographic.



Source: www.hitwise.com, 2007

Appendix 2 lists various SR customer personas and scenarios to assist website design development

Customer research

A full research audit should be carried out using the techniques highlighted in **Appendix 3** to decipher online customer behaviour and identify core needs



Who are the competitors?

Figure 4: Outdoor clothing online retail (McKinsey / GE matrix,

		Online Market Attractiveness (size, growth, competitive rivalry, profit levels, ability to differentiate, cyclicity)		
		High	Medium	Low
Competitive strength (Market share, Size/Scale, Quality, Technology, Cost Base, Brand Strength, Customer Loyalty)	High	www.blacks.co.uk www.ebay.com	www.TKMaxx.com	www.FootLocker.com www.JJBsports.com
	Medium	www.CotswoldsOutdoor.com	www.Skiwear.com www.skiwear4less.com (The Ski Warehouse Ltd)	
	Low			

Retailer 'Blacks.co.uk' has an identical proposition to SR - similar product range, search and buying guide although Blacks offer clear options for updates on latest offers.

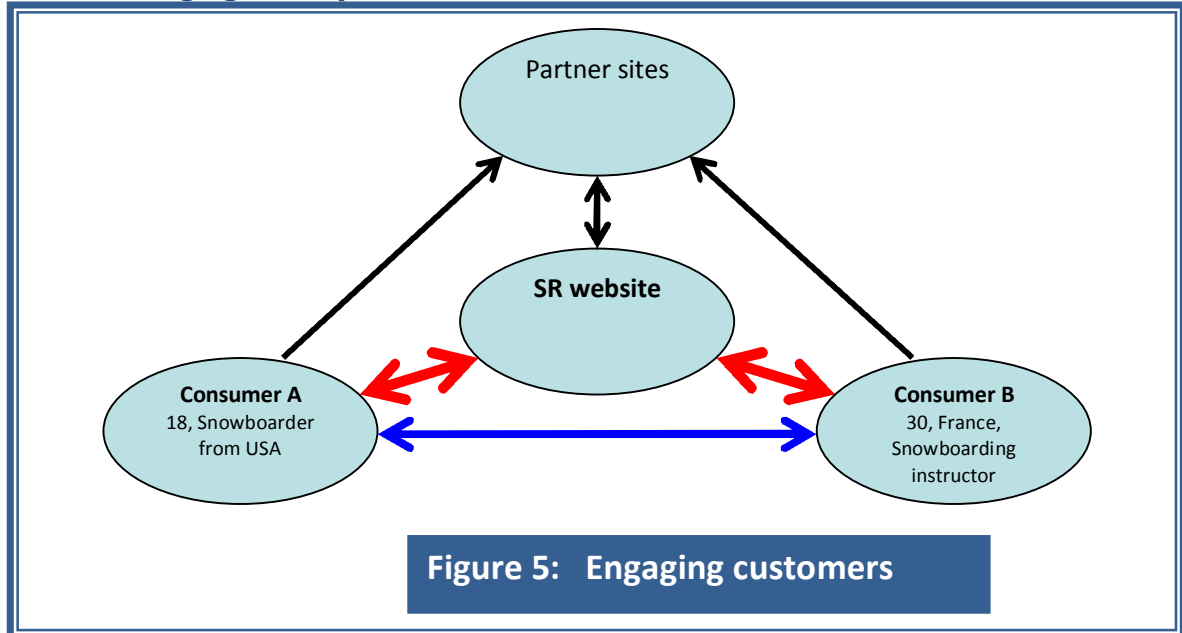
E-bay is a huge competitor for e-tailers as consumers feel empowered by setting a budget. SR should become an affiliate to accommodate these consumers.

All competitors use online traffic building techniques in direct conflict with each other, particularly using key phrases in pay-per-click and placement advertising. SR should monitor search listings to understand where potential customers are diverted.



SR – the website

Develop an ongoing conversation with your audience – use the web to engage, inspire and connect.



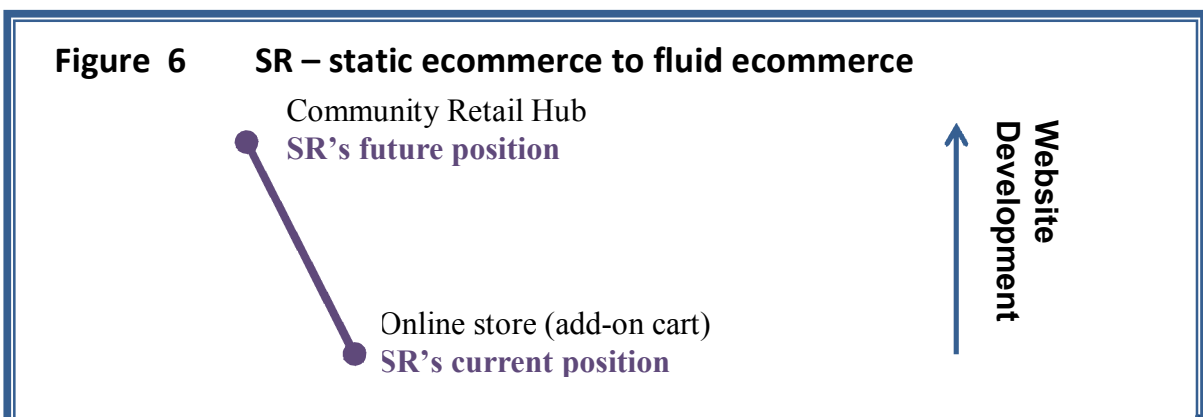
SR has a basic e-commerce website (www.snowandrock.com) primarily designed to sell products online with a few added value elements:

- **Expert advice**
FAQs, Ask the Experts, Buying Guides, Gear Maintenance, Travel advice, Go Active Guides.
- **Community**
News and events, Competitions, Press release
- **Snow reports**

Using **Figure 5** as a framework, there is potential to build relationships with audiences where they interact, increasing the online experience.

SR will need to transform from a basic e-commerce website into an organic site capturing Web 2.0 technology to build audience relationships.

Personalisation should drive the website creating an information hub with service / product referrals that captivate the audience to return frequently. **Figure 6** shows the movement SR needs to take to remain competitive.





SR: an e-strategy

Mission Statement

- Provide high quality ski and outdoor leisure products using innovative market-led solutions to engage an online audience
- Assist customers in purchasing decisions
- Create one-to-one relationships with each customer.

Strategic Aims

1. Increase revenue generation
2. Increase subscription/conversion rates.
3. Create a high visibility e-brand exploiting Web 2.0 technology
4. Improve traffic and 'stickiness' on the website

SR should focus on market and product development to achieve sustained growth within a relatively low-risk environment. After these strategies are successful, it can look at diversifying or penetration of the existing market.

	Existing products	New Products
Existing Markets	<i>Market Penetration strategy</i> 1. Acquisition of smaller competitor websites (post 2010)	<i>Product development strategy</i> 1. New formats/technologies (e.g. mobile updates at Ski exhibitions) 2. New services – online partnerships with tour companies (2008-2010)
New Markets	<i>Market development strategy</i> 1. Capitalise upon social networking (2008-2009)	<i>Diversification strategy</i> 1. Develop a community forum site for outdoor enthusiasts (2010)

Figure 7. SR e-strategy options (Ansoff's Product/Market Matrix)



Strategic Objectives

All objectives are to be achieved within a **3 year timeframe** with regular measures and forecasts to analyse success. Using the *Smith and Chaffey (2006)* model of 5S's we can identify core objectives for exploiting technology in the business:

Sell – achieve 15% online sales growth in 24 months using digital technologies

- Increase average order value (£50) and lifetime value of customers (£150)
- Increase proportion of online revenue contribution by 20%
- Visitor volume based - achieve 500 new visitors each month
- Develop mixed – mode buying techniques
- Partnerships allowing cross promotion and network links/feeds
- Increase visibility / awareness of target brand and products relative to identified competitors
 - 5% increase in market share
- Maximise share of search in comparison to identified competitors.
- Increase quality and conversion rates for site visitors (10% conversion).

Serve – add value through the benefits of the Internet within 12 months

- Develop a personalised, customisable homepage
- Offer media content to enrich user visit
- Offer option to track online purchases in real time
- Create logical and clear transaction messages. Use customer research, competitor analysis and analytical tools to identify problem areas of website.

Speak – develop a solid customer database and customer tracking strategy within 24 months

- Increase visitor dialogue
- Web analytics - track customer movement on the website
- Ensure the CRM database captures relevant personal information and 'speaks' to online software (email / website). Collaborative filtering.

Save – reduce operating costs by 20% over 3 years using information technologies

- Develop online networks between suppliers, head office and retail outlets giving information on stock availability, prices, and lead times
- Provide all internal communication/documentation using intranets

Sizzle – increase online brand awareness by 30% in the target market over 6 months, highlighting the unique benefits of using SR online

- Identify key online partners/affiliates e.g. Cross-promotion with Crystal Holidays (specialist ski and snowboarding company) to create brand referral.
- Involvement in relevant communities/forums to build word-of-mouth



Marketing ReMix

Product

Adding digital value (Ghosh 1998) within the purchasing process provides competitive edge. Online lends well to providing services such as media content and community areas in personalised environments. A research audit should be carried out to analyse customer needs and competitor offers. *A clear, distinct online value proposition reflecting the new offer will help customers identify SR's website from competitors: 'Bringing the world of active sports together'*

Generating high volumes of traffic opens opportunity for additional revenue channels:

Figure 8. Online revenue opportunities (PR Smith and Dave Chaffey, 2005)



Price

The explosion of comparison, auction and review websites has made product prices transparent. Consumers now understand value for money and SR prices should reflect market value. Price reductions should be matched with competitive procurement practices, where similar online B2B auctions can achieve unit cost reductions.

Place

Use neutral intermediaries (Amazon) and auction sites (eBay) to sell SR products to broaden audience capture.

Promotion

Sales promotions and advertising form the majority of online promotional spend. Targeting consumers based on page content or search query in real time is unique to online. Identifying when consumers are most receptive ensures spend is cost effective and measurable. All communications tools used should reflect brand values creating consistent messages whatever the customer touch point.

People

By creating a simple purchasing journey e.g. one-click purchase, customers should manage their purchase throughout. However, if they experience difficulty with accessing/purchasing products there should be a simple FAQ section and enquiry submittal device. The inbound contact strategy can be measured by analysing the average number of contacts before the matter is resolved.



Physical evidence

Create website reassurance by [Figure 10. Customer](#) **valued website features (www.eMarketer.com)**. Produce online collateral (privacy, refund and guarantee policies), certification of authenticity and customer endorsement.

Process

Use web enabled software to smooth business processes. Identify critical elements in the online value chain and decipher how to automate these online to create an e-business.

Partners

Create online alliances and partnerships with field leaders in outdoor leisure activities e.g. holiday companies, logistics suppliers, sporting events



Achieve 15% sales growth using digital technologies

Retention – of existing customers is the most cost effective way to increase sales. Loyalty membership packages, discounts and incentives will help attract those familiar with the SR brand to re-purchase.

Acquisition – of new customers willing to convert into sales is increasingly difficult and costly in a competitive mature online market. Using the model presented by Van Doren (2000), we can identify various options to driving potential customers through to online point of sale:

Search marketing
Online PR
Online partnerships
Interactive ads
Opt-in email
Viral marketing
Offline communications

Search Marketing

Search engine optimisation

Keyphrase analysis - to optimise SR's position within the various search engines analyse current ranking for various queries. Each phrase should be analysed to understand their effectiveness. (**Appendix 4**)

How does SR perform on its homepage? (**Appendix 5**)

SR is comfortably performing without exceeding on title and key phrases. More attention should be paid to 'alt' descriptions on images which aid search algorithms to optimise. It is advisable to look at hosting and size of html - an effective clean-up allows content to upload faster.

How does SR compare to a direct competitor's homepage, Blacks.co.uk?

Blacks' homepage contains no title tag leaving it at a huge disadvantage to SR. However, the page does perform better on image descriptions.

SR should ensure good optimisation practice is adhered to and regular monitoring/updating occurs through web content procedure.

Deploy Pay-Per-Click (PPC) campaigns

Build a key phrases list identified in the optimisation process and set realistic monthly budgets monitoring campaign value generated. An initial higher spend promoting a revamped website launch is beneficial to increase customers. The campaign should integrate with online banner advertising, viral media promos and offline advertising.

SR can use PPC advertising networks to oversee various programmes. An independent, heavily targeted campaign should be run specifically on Adwords given Google's search market dominance.



Online partnership

Identify key partners providing reciprocal links, promotional banner advertising, and sponsorship.

Examples:

www.fearofthepark.co.uk – a website for the winter sports freestyle scene

www.crystalholidays.co.uk - ski/lakes and mountains holiday company

www.ifyouski.com - Ski advice & tips website

Create an affiliate programme with reputable e-commerce sites e.g. Amazon.com. An agreed contribution from revenue generated goes to the affiliate.

Online advertising

Use leading online media owners e.g. MSN to develop targeted online advertising. Create rich media and large format ads to drive call-to-actions and create brand awareness.

Email communication

Opt-in acquisition – use bought-in lists however data can be unreliable with returns difficult to predict. Using an online partner to deliver co-branded e-communication such as Crystal Holidays Ltd (Ski Holiday) is preferable, where post-purchase of holidays generate emails offering discounts on SR products prior to travel.

Opt-in retention/conversion – develop lists using calls to action on website/offline forms/enquiries. All emails planned to ensure messages lead the consumer on a journey.

Personalisation is at the core of Web 2.0 therefore the CRM database should link intelligently with email software to extrapolate behavioural / demographic / purchasing activity delivering a personal message. In summary: **Get Smart – Get Close – Get Results.**

What can we offer in email?

- e-bulletins (outdoor leisure world news)
- e-alerts (product updates)
- vouchers (discounts)
- events listings (SR sponsored experiential events)
- professional advice – ‘*email an expert*’
- polls – invite to ‘*have your say*’
- sign-up to text alerts
- podcasts – downloadable rich media

Price comparison sites

Comparison sites show real time performance against direct competitors on *price, user popularity, delivery times/charges or brand*. Detailed information and competitive pricing increase comparison site referred traffic dramatically. Sponsored links similar to search engines can also be applied.

Mixed-mode buying techniques

Use mail order catalogues to offer online purchase discounts. Add options to download a catalogue or order form from the website.



Viral campaign

A high impact viral campaign helps deliver brand awareness to mass markets, particularly with the growth of video sharing and community sites. A web facilitated viral using email prompts to forward onto friends creates a buzz for the brand. (**Appendix 6**)

Online PR

Audiences exposed to PR online have greater flexibility and communication options than traditionally channels. They pull information off the internet, register to receive instant updates on specific news and discuss influencing company reputation. SR should manage their reputation through constant management of message.

Media communication – identify core media (ski/snowboarding/outdoor activity magazines, activity community sites) and general media (newspapers/TV).

Link building – affiliate links to connected partners.

Blogs –build relationships with consumers.

Ensure internal members update blogs providing relevant, fresh content. Commission professional writers to publish experiences/opinions. Create lead-in articles directing to blogs. Disseminate articles on newswires e.g. www.prnewswire.com.

Turn articles into ongoing stories, where users go on journeys with writers.

e.g. Winter Olympics Toronto 2010 - hire sports personalities/celebrities to share their experiences. Ensure mention of SR in articles to provide optimisation and brand referral.

RSS Feeds – send time sensitive information instantly e.g. blog articles or sales news (50% reduction on ski jackets). Offer RSS feed options using feed readers e.g. **BlogLines**, giving users a single aggregate information hub.

Offline communications

All communication should be forecast and managed within an integrated communications plan outlining the online value proposition.

If new portals or additional features are added to the website, the benefits should be promoted e.g. ski tutorial portal – *‘learn the basics before you hit the slopes.’*



Add value through the internet

Develop a personalised experience

Personalisation goes one step further than mass customisation by building strong relationships where user experience is tailored. We can offer a **Lifetime Individual Visitor Experience (LIVE) Profile** enabling one-to-one marketing.

The content is a variable based on data held either in the CRM (when registered) or cookies (pc based) adhering to privacy laws.

The latest BBC website (www.bbc.co.uk) is a great example:

Homepage – customised page determined by user demands giving them control on how they are communicated.

Taxonomy – organise products based on linkages allowing similar items to appear in categories. This increases online purchase value by delivering greater option to customers.

Offer media content to enrich the user visit

Create partnerships with media companies e.g. You Tube/ITV where they provide one-minute clips or full video streams on outdoor leisure activities. TV companies could be interested in promoting a series on skiing by offering 30 minute clips which display a link to the full programme.

Tracking of online purchases in real time (using Fedex model as a partnership)

Create a partnership with a reputable logistics service offering product tracking in the 'delivery' section of SR website, including a mention e.g. *'this tracking service is operated by Fedex.'* Tracking codes can be provided to customers post purchase.

Create smooth, logical and clear transaction messages

Transactional messages should display purchase information (**Appendix 7**), including links to help section.



Get closer to customers

Meet customer expectations

Service – detailed information on products/services.

Convenience – a simple purchasing journey where products are easy to locate and filter.

Speed of delivery – next day delivery within country boundaries for online products, customers will inevitably be looking online for last minute purchases with little time to reach physical retail outlets.

Manage expectations through customer research surveys, site tests, and benchmarking using various scenarios for customer visits.

SR Promise

A service promise/guarantee can be communicated as reinforcement of the service a customer should expect, including contact numbers for enquiry/purchase issues. Customer feedback using a rating system or online form should be encouraged (see below):

Help Us Improve...

Do you love us or do you think we need to change?

Only with your help can we be the best possible, therefore all comments are taken on board when our websites are updated.

Privacy

Clear accessible statements on the website to achieve levels of trust and loyalty with customers:

Use of customer information – explain what purposes customer data will be held for. Clearly state the purpose of tracking online movements is to identify improvements and understand trends

Cookies – explain how cookies are used to allow for faster future transactions

Third parties - if any data is passed onto relevant third parties, make this clear.

Security – explain all measures have been made to ensure data processed is secure in line with the Data Protection Act.

Use current site certification to confirm:





What motivates our e-customers?

To understand what makes a good online value proposition we can look at 6Cs (Appendix 8).

How can we help our customers through the online purchasing process?

Improve online content to achieve high sales:

Figure 9. SR website – smoothing the purchasing process
(PR Smith & Dave Chaffer 2005)



Awareness

Placement of new products on high profile sections of site - banner advertisements with calls to action.

Additionally, send out targeted email communication e.g. [new winter season skiwear](#)

Search

Offer more detailed search function where users can list products by type, range, price, gender type and recent purchases.

Evaluation

User-generated product reviews of products - star rating system by popularity and text fields for qualitative post purchase comments. A recent survey published in [eMarketer.com](#)

Figure 10. Customer valued website features ([www.eMarketer.com](#)) shows online shoppers prefer balanced customer feedback.



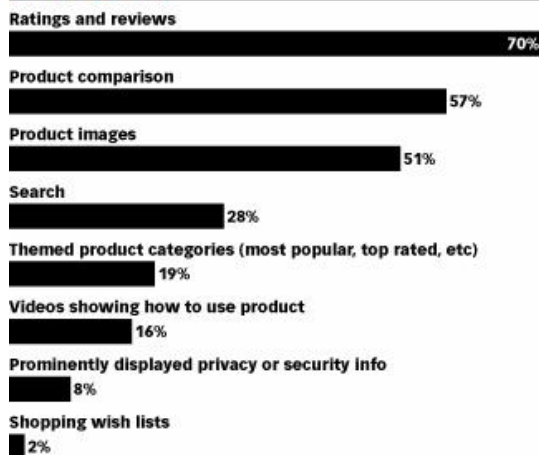
Figure 10. Customer valued website features (www.eMarketer.com)

UK Online Shoppers Prize User Ratings

Like their US counterparts, UK shoppers value word of mouth in the form of online reviews. But they are also sceptical when reviews are overly positive.

[Full Article](#)

Most Useful Retail E-Commerce Web Site Features according to UK Online Shoppers*, December 2007 (% of respondents)



Note: n=821; respondents could select up to three choices; *who are researching an online or offline purchase
Source: Bazaarvoice and JupiterResearch as cited by Marketing Charts, February 14, 2008

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www.eMarketer.com

Decision

Achieve levels of trust and incentive with customers higher than competitors. Security and privacy of personal data are vital in building trust. Offer discounts for purchases made within a certain timeframe. Create direct links to single product or multi purchase packages.

Purchase

Create an online personal profile for existing customers. Referrals to similar products help the customer feel they are buying from a knowledgeable company who understand their needs. Purchases stored in the customer profile encourage re-purchase:

'Your Previous Orders'.

Support

Transaction emails – ordering should be followed by a simple message confirming purchase with product details (name / price / colour / size / quantity / expected delivery date)

Create an online purchasing FAQ:

Use of a country-specific website from outside its borders –statement on appropriateness of use

Ordering errors – made by purchaser / company

Delays – disclaimer based on supply issues.

Cancellation – in line with consumer regulations

Availability – subject to stock

Rewards

Offer incentives to join a loyalty scheme - engage members using 'experiential' events, competitions, new product releases and greater functionality e.g. community discussion groups.



Ensure the CRM database captures all relevant personal data and 'speaks' to online software

Implicit filtering – ensure the web browser records visitor's preferences by tracking actions and can be used for product recommendations.

Item based filtering – categorize products/services to give consumers easy comparison and offer a reviewable customer rating scale.

Web analytics tools - track customer movement

Understand customer behaviour using web analytics tools to track:

- how users came through to the site
- what time/day they visited
- what keywords were most successful in directing visitors to the site
- how many visitors converted into sale or other call to action
- time spent on each webpage
- how many new visitors arrived over a period of time

This enables SR to become proactive and adapt campaigns.

Mobile technology

The latest mobile technology (touch screen Apple i-phone) give similar internet experiences to PCs. Web enabled phones allow customers freedom to browse online anywhere. SR can use this technology to text discount codes, loyalty updates, links to latest products etc. Retail outlets can implement Bluetooth technology in store where visitors receive codes offering 5-10% discount. All customer data entry points should offer mobile communication – **the consumer should choose!**

Increase dialogue with website visitors

Forums and blogs – hold discussions between consumers and SR to build relationships.

Is there greater conversion? Who are the most active audience? Are we getting greater visitor hits? Is this content optimising the website?

User reviews – on products, content and service to help consumer choice, giving insights into product performance in the marketplace to identify improvement areas reducing research project costs.

Will there be any damage to the SR brand from comments?

Do reviews increase conversion?

Online polls - online surveys and published results help raise debate and discussion
e.g. 80% prefer climbing in Wales in UK.



Reduce costs using information technologies

Over the next 3 years, SR needs to shape into an e-business to compete in a global market. Creating integrated online value networks between internal staff, suppliers, customers and the company will bring efficiencies in time and cost.

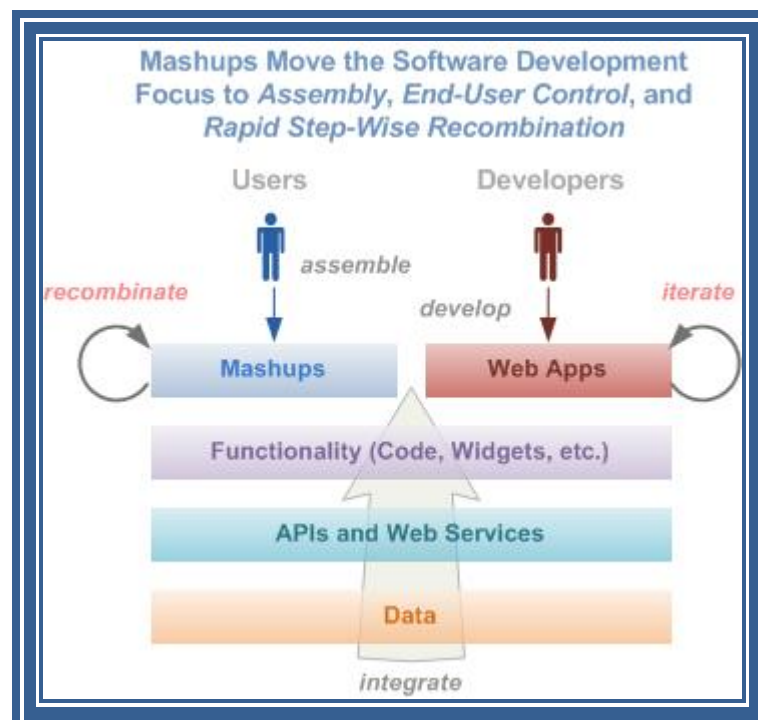
Buy-side – integrate supplier stock/order systems with internal software. Real-time stock control gives flexibility to manage products intuitively using automated processes e.g. re-order based on quantities demanded for the previous six months, allowing for seasonal adjustments. The website should display stock availability, display new products arrivals, and offer discounts on reserved products.

Internal business – knowledge sharing of the latest products / strategic decisions communicated using an intranet. Comprehensive training for head office / retail / warehouse staff encouraging regular monitoring of product management software and intranet.

Data Integration

Combine business data into enterprise mashups giving SR greater, more digestible intelligence. This offers user-friendly interfaces with real time statistics on company performance and customer measures.

Figure 11. Integrating data through Mashups (source: CNET Networks Inc 2008)



Company analysts can decipher trends, store performance and customer behaviour based on user and developer applications.



Extend the online brand

Identify key online partners and affiliates.

Cross-promotion

1. Create sponsored links and banner advertising on partner sites, offering discount codes and direct links to product/brand sections within SR.

Suitable sponsors:

Crystal Holidays (crystalactive.co.uk/crystalski.co.uk)

Adventuresportsholidays.com

Sports clubs

2. Sponsor online experiential events e.g. Channel 4 online broadcast of Winter X Games – *'sponsored by SR – clothing and equipment whatever your pursuit'*

3D Virtual worlds - Second life

The virtual world Second Life is growing rapidly. Figure 12 shows time spent has doubled in the past year:

Figure 12. Second Life – usage over 12 months (eMarketer.com, 2008)



SR presence on Second Life:

1. e-store - avatars browse a virtual retail outlet. The user can purchase products for use on avatars or purchase physical items.
2. Advertising and sponsorship – identify advertising areas on Second Life most suitable to target audience e.g. posters / interactive boards

Hire an experienced online agency to manage the representation of SR in a virtual world.



Social bookmarking sites

Use bookmarking tags such as [Digg](#) or [Reddit](#), particularly in content rich pages to develop a profile. A good ranking increases the chance of bookmarking users linking to the site.

Online communities

Online communities can be looked at in the same way as any social network - an effective word-of-mouth tool.

*Facebook, one of the most popular online communities, has more than 69 million active users worldwide.**

**Wikipedia 2008*

This is attractive to SR as brand referral is carried out by friends/families of potential customers rather than spending huge amounts on advertising. Facebook's reach is beyond traditional media and not comparable to most online media given its exposure. Building applications where users can interact on Facebook or similar community sites has great potential.

How useful are these communities?

Establish online community effectiveness, tracking visitor numbers referred from social networks and its audience conversion rates.



Online project plan

(Detailed breakdown on [Appendix 9](#))

Snow and Rock online

Online sales growth

- Search marketing
- Online advertising
- Comparison sites / Mixed mode / virals
- Email communication
- Online PR
- Online partnership

Increased online value

- Personalised homepage
- Media content
- Delivery tracking system

Improved CRM and Tracking

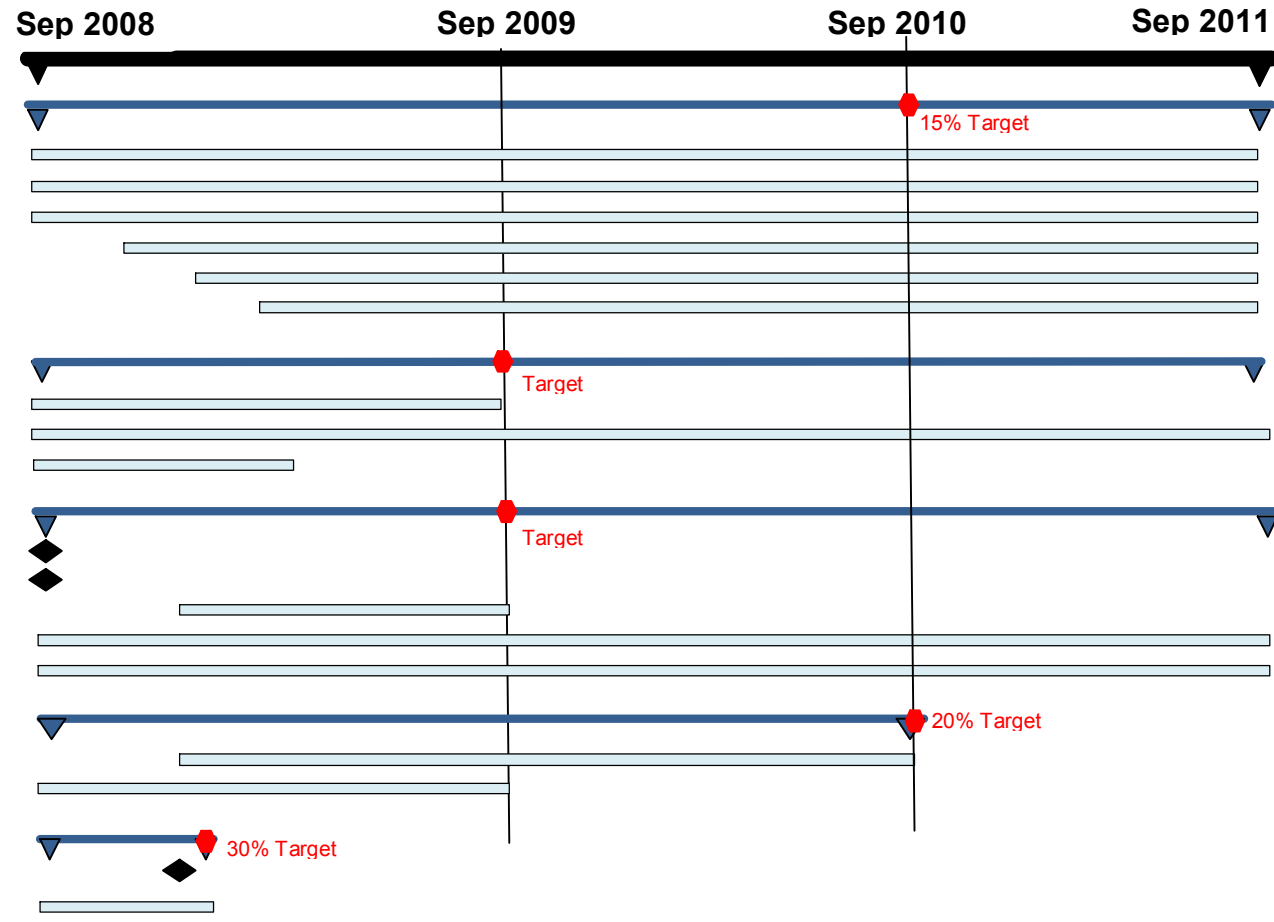
- Online guarantees
- Privacy
- Redesign purchasing process
- Website tracking
- Customer dialogue

Reduced operating costs

- Integrate stock systems
- Re-develop intranet

Raise brand awareness

- Identify online partners
- Create applications on community sites





Measuring success of emarketing

To ensure the e-marketing plan is on target to meet objectives, regular analysis of the following metrics should occur:

Website metrics

Activity on site

Who visited website?
Pages viewed
Number of page views
Return visitors / unique visitors
Why / where visitors leaving?
Churn rates

Source of visitors

Referrers
Search phrases
Countries

Nature

Entry / exit (dropout) pages
Page load errors
Average time per page

Results of activity

Sales / Sign-up conversion ratio
What did they buy / sign up for?
Click trails (customer journey)
Most requested pages

Financial metrics

Key SR Metrics		Notes
Total Cost	£500,000	Total monthly business cost
Total Revenue	£700,000	Total monthly revenue
Total Orders	9,000	Total number of orders processed for the month
Unique Customers	687	Number of distinct customers who ordered
Unique Site Visitors	52,515	Number of distinct visitors to the site.
Distinct referring URL's	125	From where are visitors coming?
% of traffic from top 20 referring search terms	19.3%	What are the best-performing referrers?
		From where are visitors coming? What are the best-performing search terms?

Key Submetrics		
Monthly Profit	£200,000.00	
Monthly Profit per Order	£22.22	
Average Order Value	£77.78	What does the average order bring in revenue?
Average Cost per Order	£55.56	What does the average order cost me to deliver?
Average Site Conversion (Visitor --> Order)	17.1%	How well is my site converting visitors to orders?

Brand Metrics

Brand image/awareness levels identified by customer surveys / discussion forums.
Identify market share.
Volume/percentage of branded keyword searches.
Advertising click through / conversion rates.



References

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EasyJet.com		2008
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Appendix 1 – online retail boom

European online retail hits €100bn and set to rise

Some 100 million European online shoppers will spend an average of €1,000 each in 2006 driving online retail past the €100bn mark according to analyst **Forrester Research**.

In its Ecommerce 2006-2011 forecast the analyst predicts online retail sales in Europe will more than double in the next five years to €263bn as the number of online shoppers grows to 174 million.

Fuelled by improved supply and aided by comparison shopping sites more confident consumers will increase their average annual retail spend to €1,500.

Jaap Favier, consumer markets research director at Forrester said leisure travel represents the highest online spending.

'Today, one in three of the euros, pounds, or kronor that consumers spend online go to leisure trip bookings. Online travel spending will grow by 133 per cent to almost €77bn in 2011 - making it the biggest grower in absolute terms - but its share of total retail will decline to 29 per cent.'

The number of Europeans shopping online has increased by 37% in the past two years. At the end of 2003, 48 per cent of Europeans went online at least once per month and 19 per cent had shopped online; two years later the figures rose to 54 per cent and 26 per cent respectively.

Forrester reports the average online shopper has increased quarterly Net spending by 10 per cent from €244 in Q4 2003 to €268 in Q4 2005. Combined with the increase in the number of online shoppers, total European eCommerce doubled in two years.

Forrester predicts the UK will lead European online sales in 2011. The average UK online shopper will spend €1,744 online in 2006 and €2,410 in 2011, driving UK eCommerce from €43bn in 2006 to €76bn in 2011.



Appendix 2 – customer personas and scenarios

SR Personas

Persona 1

Emma is a 23 year old snowboarder who has shopped online for the 5 years.

Persona 2

Richard is a 44 year old husband and father of 2 children aged 5 and 8.

Persona 3

Steve is a 61 year old rambler and retired professor.

Customer scenarios

New customer 1 – browsing site only

New customer 2 – wishing to purchase at right price / product

Previous customer 3 – finding additional products or repurchase

Previous customer 4 – looking for more information or dialogue on outdoor leisure activity

Appendix 3 – customer research

Website analytics	customer behaviour analysis customer origin / referrals
Competitor comparison	benchmark site
Conversion data	demographic, geographic clusters
Service queries	risk / improvement areas,
Questionnaires	prioritise customer needs
Mystery shoppers	system testing

Source: emarketing excellence, PR Smith and Dave Chaffey



Appendix 4 – key phrase optimisation

SR's current ranking

	Natural listings	Sponsored listings
Ski Boots	Position 1	Not classified
Ski Clothing	Position 1	Not classified
Ski Equipment	Position 1	Not classified
Ski Jackets	Position 1	Not classified
Skis	Position 20	Not classified
Snowboards	Position 21	Not classified
Climbing Shoes.	Not classified within 5 pages	Not classified
Outdoor Clothing	Not classified within 5 pages	Not classified

(source: Google.com, March 2008)

SR does not appear on sponsored listings but achieved good natural listings by offering relevant and up-to-date web content. Any search phrases with the keyword 'ski' in do very well in natural listing resulting from the amount of ski content on the website. Phrases like 'outdoor clothing' and 'climbing shoes' perform poorly in the rankings.

SR will need to improve the rankings of these alternative phrases and embark on a paid-per-click campaign either using internal agencies or through a market-leading online media agency. We can also identify suitable key phrases SR to appear using categories outlined by an Overture representative in 2004 ([Appendix 3](#)).

These key phrases should then be embedded within the website to guarantee search engine algorithms rank the site highly:

- a **title tag** containing suitable keyphrases.
- **keyword meta-tags** highlighting content within each web page e.g. ski, skiing, ski clothing, clothing, jackets.
- A **description meta-tag**, currently the homepage has:
'Snow+Rock - retailer of clothing and equipment for athletics, mountain sports, camping and skiing. Store locations, snow reports, resort guides and online sales.'

Develop good inbound and outbound links relevant to the key phrases e.g. 'ski jackets UK' should have a link directly to the ski jackets section of the website.

Search Query categories

Comparison/Quality – compare ski clothing / compare outdoor clothing (delivered by offering price range search option on the website)

Adjective (price / product qualifiers) – cheap ski clothing / mens skiwear

Intended use – ski holiday clothing / snow boarding clothes / outdoor wear

Product type – mens ski jacket / snowboards / ski trousers

Vendor – SR / Berghaus jackets

Location – ski clothing uk / mens jackets uk

Action request – buy outdoor clothing



Appendix 5 – website performance

Summit Media Report (using spider simulator)

SR

Overall grade 17/24 (71%)

Some images don't have descriptions

META tags

Page title: Snow+Rock: Clothing and equipment for athletics, mountain sports, camping and skiing

Page Description: Snow+Rock - Retailer of clothing and equipment for athletics, mountain sports, camping and skiing. Store locations, snow reports, resort guides and online sales.

Keywords: Snow+Rock, SR, Stores, Catalogue, Snow Reports, Climbing Shoes, Ski Boots, Ski Clothing, Ski Equipment, Ski Jackets, Skis, Snow Boots, Snowboards, The North Face.

Image descriptions: 13 descriptions; 14 images have no ALT attribute (52%)

Descriptions are on some of the images, but it's still hit or miss as to whether visitors will encounter any of them.

HTML size: The page is huge. Visitors with fast connections might wait, but most users will leave long before the page loads.

Blacks

Overall grade 16/24 (67%)

No H1 text

Some images don't have descriptions

Page is large (52k)

Image descriptions: 5 descriptions; 8 images have no ALT attribute (62%)

A handful of images have descriptions, but not nearly enough to make an impact.

HTML size: This page isn't extremely bloated, but it's by no means small; a decent proportion of your competitors will likely have smaller and faster pages.

(source: <http://www.summit.co.uk/>)

Appendix 6 – Viral promotion idea

Create a video where skiers and snowboarders on a slope are undressed to their underwear. The video shows skiers bumping into each other, awkward situations, sore body parts etc. The slogan for the video, which only appears right at the end would be 'Don't get caught short this season, shop at SR for the latest deals on Skiwear'. All ideas would need running through a focus group and creative agency before implementing.



Appendix 7 – order confirmation

Subject: **Your order has been posted**

From: **SR**

Sent: 13 February 2008 16:32:15

Reply-to: info@snowandrock.com

To: Stuart Moore

Your order for **Berghouse Mens Elevation Jacket** has been posted.

Please note SnowandRock will show on your statement.

Please allow 3-5 days delivery.

Please check the following order information:

Order reference: 1111111

Title: **Berghouse Mens Elevation Jacket** (Black, Small)

Price: GBP 79.95

Delivery Cost: FREE

Payment: Credit Card

Delivery Address: xxxxxx

Order terms and conditions / returns policy. Find out more at:

<http://www.snowandrock.com/AboutUs>

If you have any queries in relation to the above order, please contact our Customer Services team by visiting our website at **<http://www.snowandrock.com/helpdesk>**

Thank you for ordering with snowandrock.com

By receiving this email from snowandrock.com you are accepting our terms and conditions, a copy of which can be found on the website at: [snowandrock.com/AboutUs](http://www.snowandrock.com/AboutUs)



Appendix 8

6Cs (Chaffey 2005)

Content – good visuals, rich media and up-to-date news and articles about winter and outdoor activities will help build a loyalty with the core customer base.

Customization – personalised content - dynamic webpage, referred emails
You bought this so here is something else you might like....

Online communities – add user contribution to content
Blogs/forums/discussion groups
Rate, add your comments about this product...

Convenience – quick, reliable customer journey available at all times.

Choice – all products available on price-comparison sites with competitive pricing. Offer multi channel customer support and communication.

Cost – reduction – offer good value for money on goods sold online, offer incentives for instant purchase e.g. buy online and save 10%.



Appendix 9 – Project timeline for Snow and Rock e-strategy

Snow and Rock Online

15% Online sales growth

Search marketing	784d	1/09/08	1/09/11
Online advertising	784d	1/09/08	1/09/11
Price comparison / mixed mode / virals	784d	1/09/08	1/09/11
Email communication	762d	1/10/08	1/09/11
Online PR	739d	3/11/08	1/09/11
Online Partnership	719d	1/12/08	1/09/11

Increased online value

Personalised homepage	262d	1/09/08	1/09/09
Media content	784d	1/09/08	1/09/11
Delivery tracking system	90d	1/09/09	2/01/09

Improved CRM and tracking

Guarantees	Deadline	1/09/08
Privacy	Deadline	1/09/08
Redesign purchasing process	217d	3/11/08
Website tracking	784d	1/09/08
Customer dialogue	784d	1/09/08

Reduce operating costs by 15%

Integrate stock systems	306d	3/11/08
Re-develop intranet	262d	1/09/08

Increase brand awareness by 30%

Identify online partners	Deadline	3/11/08
Create applications on community sites	70d	1/09/08

784 days 1/09/08

784 days 1/09/08

784d	1/09/08
784d	1/09/08
784d	1/09/08
762d	1/10/08
739d	3/11/08
719d	1/12/08

271 days 1/09/08

262d	1/09/08
784d	1/09/08
90d	1/09/09

784 days 1/09/08

Deadline	1/09/08
Deadline	1/09/08
217d	3/11/08
784d	1/09/08
784d	1/09/08

351 days 1/09/08

306d	3/11/08
262d	1/09/08

70 days 1/09/08

Deadline	3/11/08
70d	1/09/08

1/09/11

1/09/11

1/09/11
1/09/11
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1/09/11
1/09/11
1/09/11

14/09/09

1/09/09
1/09/11
2/01/09

01/09/11

1/09/08
1/09/08
1/09/09
1/09/11
1/09/11

4/01/10

1/09/10
1/09/09

5/12/08

3/11/08
5/12/08

Staffing

OME / SME / OMM / SM / WM / FM

OME / OMM / WM / ITM / MD / ITD

OME / OMM / WM / ITM / MD / ITD

SLM / WM / OMM / ITM / ITD / FM

OME / OMM / WM

Online Marketing Executive (OME)
Marketing Director (MD)
IT Manager (ITM)
Finance Director (FD)

Search Marketing Executive (SME)
Sales Manager (SM)
IT Director (ITD)
Supplier Liaison Manager (SLM)

Online Marketing Manager (MM)
Website Manager (WM)
Finance Manager (FM)

