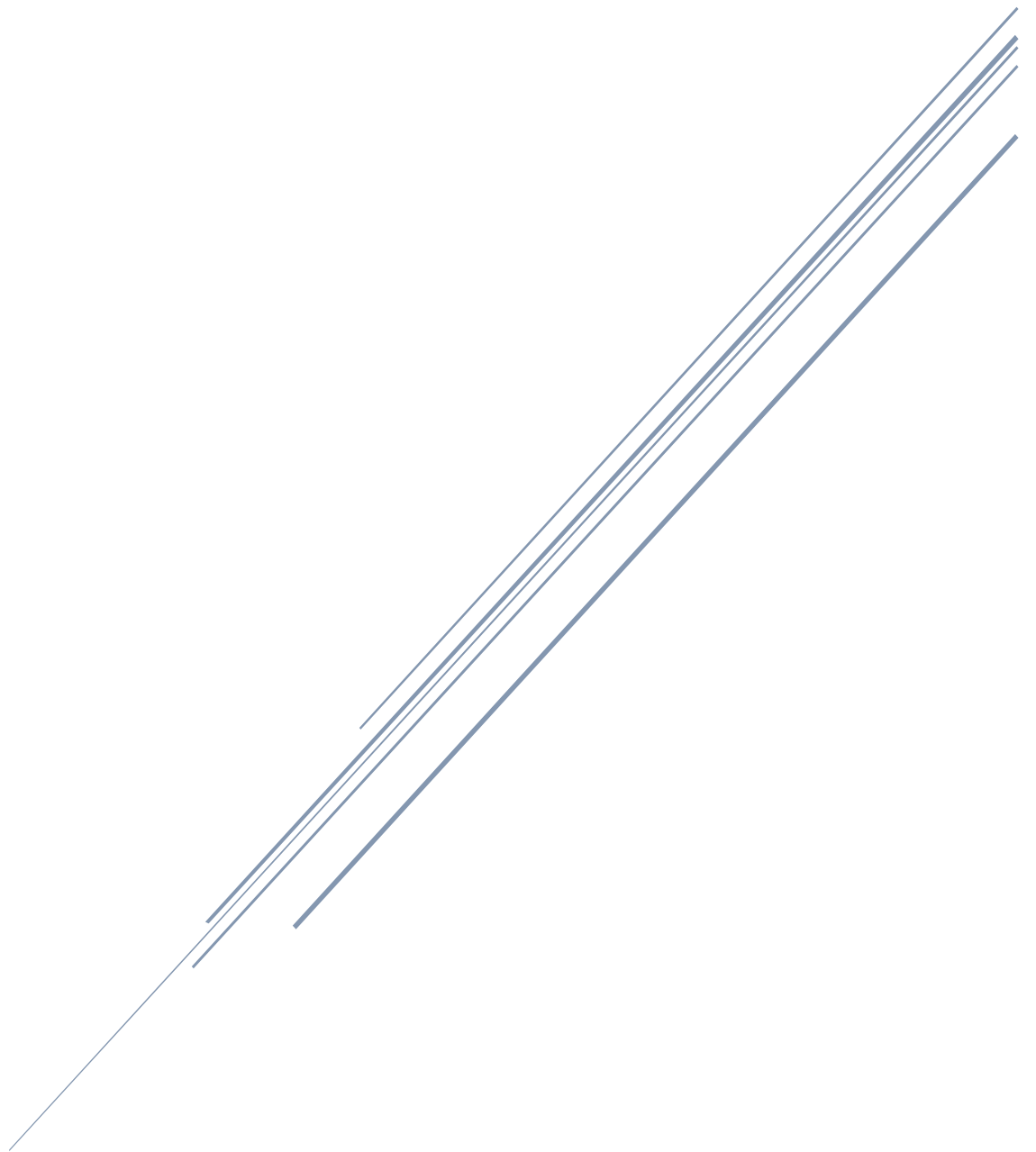


# AN INTEGRATED MARKETING COMMUNICATION PLAN FOR LE' ECHECS CAFÉ



Bachelor of Business and Commerce

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**For Executive Summary 1, Please refer to previous proposal report.**

**Executive Summary 2 (Part2 : Section 6 – Section 10)**

This report are conducted for the purpose to plan the effective Integrated Marketing Communication (IMC) that is going to be implemented for Le' Echecs Café (The Chess Café). Besides, this reports will further elaborates how this IMC campaign will be implemented in order to reach the target market segment in Malaysia, through various media for 12 months based on limited budget.

Le' Echecs Café decided to conduce various marketing communication campaigns including advertisement, public relation, sales promotion, and interactive marketing. Comparing communication plan and the set objectives in Part 1, it is analyzed that the planned marketing communication plans are appropriate and reasonable to achieve those communication objectives.

Budgets required for whole marketing communication are estimated to be RM552,010 which is almost half less than the predetermined limitation of budgets. Total communication plan are drawn for a year from June 2014 to May 2015. The timeline schedule varies according to its strategies whether it is continuity, flighting, or pulsing. See *section 8.5* budgets and timeline.

In order to measure the effectiveness of the integrated marketing communication campaign for Le' Echecs café, a variety of methods are used. It includes post-testing method (for advertisement and sales promotion), click-through rate method (for interactive marketing), in-event survey (for public relation- event sponsorship).



## 1. Introduction

The purpose of this report is to develop a comprehensive planning of the integrated marketing communication (IMC) that is going to be implemented for a theme café, namely Le' Echecs Café. The report elaborates how the IMC campaign will be pursued to reach each market segments, which are located in Malaysia, through various media during the duration of 12 months with accordance of limited budget of RM1,200,000.

Le' Echecs Café (The Chess café) is a café in where French-oriented decorations and Chess décors are adopted that emits luxurious and cozy atmosphere. The café serves their customers with a variety types of meals, beverages such as different coffees from different type of coffee bean, latte, decaf, ice blended, and desserts of which some are served with Frances recipe. The interior of the café is designed to be alike with chess theme. For instance, the floor is a chessboard-look, the cutleries provided on the table are the basic colour (black and white), the design of the chair is pawn-shaped, and more. The café is structured with a two-stories, which has smoking place at upstairs whereas downstairs is non-smoking area, then 40 tables comes with comfortable chair for their customer to enjoy their leisure time.

The planned outline of the report consists of introduction, IMC situation analysis that is divided into two sections: internal and external analysis or the SWOT analysis. Furthermore, the report will also analyze the café's potential market by market segmentation, targeting and positioning strategy. A perceptual map will be constructed that purposes to compare and contrast with the existing competitors in market and to identify the gap that can be fulfilled by Le' Echecs Café. Finally, SMARTT guidelines will be used to develop objectives that are to be a standard for effective IMC campaign.

## 2. IMC Situation Analysis

In order to implement IMC strategy, first of all, both Internal and external relevant situations need to be analyzed. By examining these two factors, it can be helpful to determine the



organization's core competencies, to shape for potential profits and to strengthen the organization's overall performance (Ayub, 2013)

## 2.1. Internal Analysis (strengths and weaknesses)

To comprehend more on the internal analysis, this report will explain more on the assessment of relative strengths and weaknesses of Le' Echecs Café and the key benefits.

### 2.1.1. Strength

**Variety** - Le' Echecs Café provides diversities on both food and beverages with chef recommendations specified for each section in the menu, for instance the appetizer, main course, dessert, beverages, and so on. This is to cater consumer needs for uniqueness at their first time visit, and to satisfy various types of consumers as well. In addition, some of foods and beverages served will be made of various European countries' recipe.

**Entertainment** – Le' Echecs Café provides chess games, complementarily, there are various cards and board games as well. These enable customers to be able to enjoy their meals as well as having fun with their peers or family.

**Atmosphere** – an enjoyable atmosphere by providing comfortable pawn-shaped seats and a special room to play the games with background music, which is mostly classic or relaxing songs, playing on during having meals at the café.

**Strategic location** – The potential customers will have an easy access for both private and public transportation to the Le' Echecs Café as it will be located in Pavilion, Malaysia which is in the middle of the city. Besides that, the potential target markets of the café might mostly come from that area. In short, strategic location will be one of the essential strength that Le' Echecs Café has.



To emphasize the overall view of the key benefit of Le' Echecs Café is the luxurious and cozy environment, facilities and equipments that enables the potential customers to enjoy meals as well as play chess.

#### 2.1.2. Weaknesses

**Brand awareness** – customers are not aware of Le' Echecs Café as it is new in the market in Malaysia.

**Time consuming** – Playing chess or other board game requires higher concentration in order to win the game. In this case, it turns out that customers will enjoy spending more time while playing games which might cause a long queuing list. This might cause a turnover problem which could lead to consumer dissatisfaction during peak hours.

#### 2.2.External analysis

Changing lifestyle of consumers in Malaysia became a major factor driving demand at cafés/bars. Recent economic conditions in Malaysia were better than expected, resulting in more consumers having higher purchasing power to spend on entertainment expenses incurred in independent bars and chained/independent cafés available across the country (Euromonitor, 2013). Purchasing power parity of Malaysian rose up to \$17,500 as of 2013 which is almost 70% increment from a decade ago (Central Intelligence Agency, 2013). It may lead the consumers to change their lifestyle in accordance with their income, education, and so forth.

##### 2.2.1. Opportunities

**Consumer demand for café is increasing** - There is increasing number of people whose preferred place of time spending during free time or socialization are mostly café. Whenever consumers choose to dine out, cafés appear to be an ideal choice for them since they offer wide varieties of food and beverages from which consumers can choose without having to overspend.



**Word-of-mouth** - Since playing chess while enjoying foods and beverages is Le' Echecs Café's key benefits and theme, it is highly possible that Le' Echecs Café's can be more effectively aware among people by word-of-mouth than the ordinary café. In particular, age group 18-34 could be attractive segment that facilitates word-of-mouth through online as it contributes 63% of total social media users (David, 2013).

#### 2.2.2. Threats

**Number of increasing competitors** - As consumer demand for café is increasing, there are number of competitors emerging as well. There are increasing number of theme cafes as well such as Meeples, Garage, Oldtown White Coffee, George Town, Tenshi no Café, TWG tea, Garage 51, The studio café, and more. Oldtown White Coffee, which is one of predominant competitors, has over 230 outlets in South-East Asia including Malaysia (Oldtown White Coffee, 2014). It recently increased its marketing budget to promote the newly acquired Halal status to widen its market segments (Insider Asia, 2013). It is expected that Oldtown White Coffee will expand its market share even up to whole Muslim consumers.

Another main competitor is Meeples European Boardgame Café, which has two outlets in Malaysia, is expanding their business with the slogan of 'A different kind of fun' (Meelples, 2014). Meeples' mostly used media is online which includes social media, and sponsorship link between relevant websites such as Tripadvisor that can attract new customer segments.

### 3. Segmentaion and Targeting

Segmentation is referred to the process of dividing customers into groups with different needs, characteristics or behavior (Kotler, & Armstrong, 2010). It is effective strategy that can result in the more efficient and effective use of marketing, especially in advertising (Kotler, & McDougall, 1983). It is believed that benefits which people are looking for in consumption of a given product are the basic reasons for the existence of true market segments, and are better determinants of



behavior than other segmentation approaches (Haley, 1968). Therefore, Le' Echecs Café divided into 3 main segments which are namely Health platter, Sophisticate, and Price hunter mainly based on the benefit sought.

Targeting is evaluating each market segment's attractiveness and selecting one or more segments to enter (Kotler, & Armstrong, 2010), and to determine which market segments were most desirable for the established marketing efforts (Loker, & Perdue, 1992). As Le' Echecs Café is unique and luxurious in terms of atmosphere, features, products, and services, Sophisticate segments are considered the most desired and profitable target segment.

Segmentation Bases	Segmentation Variable	Health platter	<b>Sophisticate</b>	Price hunter
Behavioral	Benefit sought	Food quality, Healthy	<b>Atmosphere, dining experience</b>	Economic price
Demographic	Age Income Education	30-50 Mid-high Degree	<b>20-40 Mid-high Degree</b>	15-40 Low-Mid Middle-High School
	Occupation	Whitecollar, Professional,	<b>Whitecollar, University students,</b>	Agricultural, Bluecollar-labour
Psychologic	personality	High ambitious, moderate consumer innovativeness,	<b>Moderate extrovert, gregarious, high consumer innovativeness, high NFU, variety seeking, high OSL, low consumer dogmatism</b>	Low introvert, high consumer dogmatism, low consumer innovativeness, low need for uniqueness, low osl, low variety seeking
	psychographic	Visible achievements Conventional family	<b>Young optimism, Look-at-me, Socially-aware</b>	Basic needs Traditional family
Geographic	Location	Inner-city	<b>Inner-city,</b>	Suburban, rural

*Figure 3.1. Possible market segmentation for Le' Echecs Café*

### Health platter

In this segment, consumers are mostly health conscious, and tend to look for best quality food that consists of healthy ingredients. In particular, they are conscious of the ingredient and nutrition that are contained in the foods and beverages. Health platters, who usually have





education level of university, usually stay in capital cities and they are possibly adopting urban lifestyle. Their income level tends to be from mid to high level, are in range of age in-between 30 and 50, and mostly are working as white-collar or professionals. Their relatively higher income or purchasing power may trigger their needs for healthy foods. Therefore, they are ambitious to achieve healthy lifestyle and well balance diet. In addition, before making purchase decision, they are likely to seek information on nutrition of foods and beverages due to high NFC and well educated background.

### **Sophisticates**

Sophisticates hunt for dining experience and unique atmosphere in a café. They also tend to have mid to high income level and are well educated. Potential customers are mostly in-between 20 and 40-year-old, and are university students or white-collars. They love to socialize with families, friends and colleagues in unique atmosphere of restaurants that can cater their need-for-uniqueness (NFU) and optimum stimulus level (OSL). Due to high level of openness, they tend to be less dogmatic, and have extrovert personality. In terms of Roy Morgan's psychographic, categories of young optimism, look-at-me and socially-aware fall into Sophisticates as they are desperate to learn new things, experience everything, and seek to spend money on socializing.

### **Price Hunters**

The prior criteria for choosing foods and beverages of this market segment is the price. Price hunters' income level may range from low to middle level, and their education level are also likely to be low. They are mostly introvert, dogmatic, have low consumer innovativeness, and need for uniqueness which lead them to seek the basic and simple lifestyle and economic ways to live on. Moreover, Price Hunters are likely to work in agricultural area, or as blue-collar worker. They mostly live in rural or suburban area which is seldom exposed to latest market trends.



#### 4. Positioning

Positioning is a need in order to distinct Le' Echecs Café from its competitors. It aims to develop an image on customer's perception and behaviour towards (name of café) against other cafes (Karedeniz, 2009).

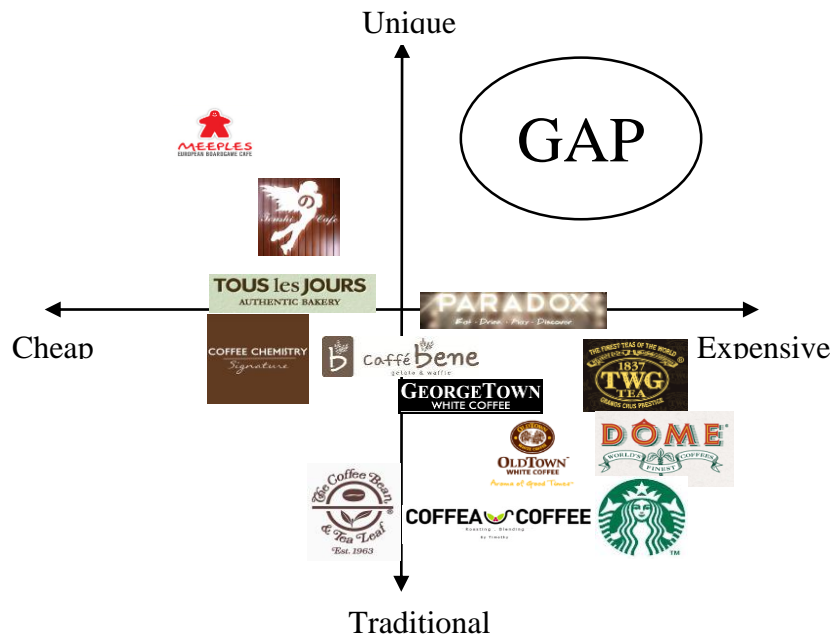


Figure 4.1. Perceptual map of Malaysian café industry.

The perceptual map in figure 4.1 consists of variables such as: ranges from diversity of prices, the uniqueness of the café. The map shows many cafes with more classic themes and pricy offers. Even though there are many treats from the existing competitors the opportunity for Le' Echecs Cafe does exist, which can be shown from the gap on the map. According to the perceptual map, the gap for Le' Echecs Cafe will be positioned as a unique and luxurious. The uniqueness of Le' Echecs Cafe is that the potential customers can enjoy eating meals and play chess afterwards. The meals at the café are a little bit more expensive compare with other cafés due to it provides western cuisines and famous French pastries, which will more expensive instead of traditional desserts. To emphasize, the image of Le' Echecs Café on the potential customers' mind would be an elite café that offer board game especially chess at the same time.

#### 5. Objectives



Objectives will be held for 12 months and the target audiences here are referred to Sophisticates segments.

Objective 1: Create awareness among 90 percent of target audience. Use sophisticated message and repetitive advertising.

Objective 2: Create interest in the brand among 70 percent of target audience by conveying the key benefits and features of the brand.

Objective 3: Position brand images among 40 percent of the target consumers.

Objective 4: Create brand preference among 20 percent of target audiences by conveying information, sales promotion, and weekly chess championship.

Objective 5: Create 5 percent of regular visiting of target audiences.

Objective 6: Increase sales by 20 percent by a year.

Objective 7: Create and control the word-of-mouth through interactive marketing and online marketing.



## **6. Creative Strategy Statement**

Creative strategy provides guidance for the thoughts, feelings, and impressions that are communicated in advertising and other marketing communication (Belch, 2012). It is important to create advertisement that targeted and within the message strategy. An analytical approach using Foote, Cone, & Belding (FCB) grid could help creative team understand how to focus message strategy (Parente, 2006). FCB had classified product into four categories based on the involvement level and thinking versus feeling scales (Belch, 2012). Le'Echecs café are considered as high involvement/feeling purchase, since Le'checs offers not only serving dished but also the unique atmosphere which concern with personal intuition and unconscious sense. As the result, Le'Checs café are categorized as Affective (feeler) with feel-learn-do model. For this types of product, Le' Echecs café should emphasize on psychological and emotional motives that raise self-esteem or enhance self-pride or image.

### **6.1. Creative Process**

The next move is entering the creative process which consists of three steps – message strategy, the big idea, and the execution- as the blueprint for campaign development (Belch, 2012).

#### **6.1.1. The message strategy**

The message strategy concern on what to speak to the prospective consumer, namely the major selling idea and value proposition, which need to be consistent in every commercial campaign. Overall, the message strategy contains three principal aspects: benefit, reason, and tone or brand personality (Belch, 2012).

Le'Echecs café has identified 'Sophisticate'- a highly sociable- as their target segment. Based on target market assessment, Le'echecs café develop value proposition for effective advertising foundation. Value proposition is the statement of function, emotional and self-expressive benefits



that provide value to the target segment and conformity values among the internal team (O'Guinn, Allen, & Semenik, 2012). Here are the value propositions for Le'echecs café:

- **Functional benefits:** Various choice of dish including appetizer, main course, desert; good-tasting and classy European cuisine; luxurious and unique interior design; located in elite and strategic location; extras such as board game playroom supported with finest sound system.
- **Emotional benefits:** 'Sophisticates'- warmth via time spent enjoying meal with friend and family; excitement and pleasure of sharing interest and hobbies on chess; calm and soothing feeling with the cozy atmosphere; increase confidence, status, and recognition from the first-class service.

The statements of benefit contain message that need to carry by advertisement to inform the values that is offered for the target segment (O'Guinn, Allen, & Semenik, 2012). From these two statements above, the advertising should convince 'Sophisticates' that Le'echecs café is the best place to spent time for gathering and socializing. The next action is provides evidence of the product claim. Le'echecs café offers a delight ambience and scrumptious meal that could satisfy appetite and social needs. Finally, entering to tone and brand personality decision. The tone of the advertisement is joyful and the brand personality is sociable and friendly.

#### **Types of message strategies:**

There are numerous ways to design creative advertisement and seven message strategies are identified which is group into three categories. The most appropriate categories for Le'Echecs cafe are symbolic or experientially orientation that focused on psychosocial needs (Shimp & Andrews, 2013). Under this group, there are three message strategies which are brand image, resonance, and emotional as the most suitable style for Le'Echecs.



The brand image style involves in psychological differentiation which attempt to build strong image or identity for a product that influence target audience attitude (Belch, 2012). Le'Echecs café defined their brand image as playful themed café via their sociable and friendly personality to appeal 'Sophisticate' segment. The second strategy is resonance, which attempt to evoke positive memories associated with the brand (Shimp & Andrews, 2013). Le'Echecs café will introduced a campaign that associate the brand and 'Sophisticate' memory recall on spending time together and play traditional games. Emotional is the third strategy which uses purely affective approach which has been recognizes to be successful if used properly in the right brand (Shimp & Andrews, 2013). Joy and excitement will be the main emotion for Le'Echecs café advertising that precise for 'Sophisticates' extrovert personality.

### 6.1.2. Big Idea

Big idea is the central theme of the IMC campaign and provide a collective bond to unify all advertisement within a campaign. Thus, consistent theme and brand's image could be developed to unify the way people perceive the advertisement (Belch, 2012).

Theme is the overall idea that becomes advertisement foundation and unifying element in most campaign (Parente, 2006). Le'Echecs café use **"When Grandmaster meets Babblar. Only in Le'Echecs"** slogan to express the advertisement theme which shows how Le'Echecs is the perfect place to mingle and play chess at the same time which similar to 'Sophisticate' benefit sought. Furthermore, Le'Echecs intends to establish, reinforced, and intensify their brand image as playful themed café with their friendly atmosphere to engage 'Sophisticate' emotion.

### 6.1.3. execution



**Advertising appeal:**

The execution style which is way when advertising appeal evolves into advertising message delivers to the consumer (Belch, 2012). Le'Echecs café use emotional appeals to induce 'Sophisticate' emotion to purchase product. Joy and excitement are feeling directed to the self will be dominance emotion in Le'Echecs advertisement. Furthermore, Le'Echecs also represent as symbol of prestige on the advertisement to insert social-based feelings- status and recognition- that evoke 'Sophisticate' self-esteem.

**Executional technique:**

The executional technique need to be defines and relevant to the objective. There are some executional method will be used by Le'Echecs café to achieve the objective (O'Guinn, Allen, & Semenik, 2012).

- Imagery: Le'Echecs rely on visual that evoke joy and excitement feeling about the brand and meet the objective of define the brand image as playful themed café among “
- Transformational advertising: Le'Echecs advertisement will show how 'Sophisticate' experience in Le'Echecs transform into unforgettable and intimate moment with their close person.
- Slice-of-life: Le'Echecs depict the brand usage in a sociable condition to show 'Sophisticate' that Le'Echecs are the ideal place for hang-out which aim to give the brand desired social meaning.
- Feel-good advertising: Le'Echecs creates advertisement that induces positive feeling for the 'Sophisticate' which led to higher probability of purchase.



## **7. Overview of IMC Programme Mix**

### **7.1 Advertising**

Advertising is one of the IMC campaign tools that can be used by Le' Echecs Café to reach the target audiences effectively in short period of time. Advertising itself involves paying to distribute a message that identifies about the brand (product or services) or an organization to many people at one time (Saylor, 2013). In addition, it is the typical of media that normally used by the organization for advertising includes television, magazine, newspaper or radio due to the ability to reach the target audience easily and broadly. Advertising will be used by Le' Echecs Café in order to achieve objective 1 and 2 which are creating awareness among 90% and create interest in the brand among 70% of target audiences.

### **7.2 Event Sponsorship (Public Relation)**

Sponsorship is also one of the communication mix tool that can be used by Le' Echecs Café to achieve their IMC objectives. Sponsorship means that Le' Echecs Café will holding the event while an organization in the position of a sponsor will provides funds, goods, services and the instruction to both its own event (Satawedini, 2005). In addition, sponsorship also leads to many benefits such as building the brand awareness and stimulating the brand image of the company (Satawedini, 2005). Thus, sponsorship can be used by Le' Echecs Café to achieve objective 1, 2, 3, 4, 5 which are creating awareness, interest, brand images, brand preferences and also create 5% of regular visiting due to the weekly chess championship event.

### **7.3 Interactive and Internet Marketing**

Interactive and internet marketing also have an important role that might be helpful for Le' Echecs Café to achieve the IMC objectives. Internet marketing itself referred to as online marketing or E-marketing that makes the consumer and company more convenient and comfortable to interactively communicate by using the internet (Arizona, 2007). In fact, Malaysia





is number fourth-highest proportion of “Digital Native” in the world, Digital Native itself indicates as youth aged 15 to 24 that at least experienced five years of active internet uses (Sipalan, 2013). Internet marketing is also one of the ways to build the relationship with the target market. For example, one of the bigger innovators for interactive marketing is Amazon.com. Thus, these tools will be used to achieve objectives 1, 2, 3, and 7, which are creating awareness, interest, and the position of brand images. Besides that, it is also create word of mouth that might spread and reach target audience effectively.

#### **7.4 Sales promotion**

Sales promotion is can be effective when they provide benefit that are congruent with those products or services that being promoted (Chandon, Wansink and Laurent, 2000). In addition, sales promotion is one of the marketing techniques that help the company to easily achieve the goals or better sales such as competitions, free samples, couponing on the flyer, and price cuts (Satawedin, 2005). Le’ Echecs Café will introduce several promotions techniques such as student promotion, coupons and loyalty card. Therefore, sales promotion can be used by Le’ Echecs Café to achieve objectives 1,2,4,5 and 6 which are creating awareness, interest, brand preferences, regular visiting of the target audiences , and also increase sales by 20% by a year.



## 8. Discussion of MC Function

### 8.1. Advertising

Advertising has traditionally been defined as any paid form of non-personal communication about an organization, product, service or idea an identified sponsor. The non-personal component means that advertising typically involves mass media (TV, radio, magazines, newspapers) that can transmit a message to large groups of individuals, often at the same time (Belch, Belch, Kerr, & Powell, 2008). In order for Le Echecs café to target and reach the selected segments (Sophisticates) by advertising, its media will include magazine, online advertising, and out-of-home advertisement.

#### 8.1.1. Magazine

In Malaysia, Magazine industries are targeting various customer segments based on different types of language, race, lifestyle, interests, occupations and hobbies (Brand Equity, 2014). It is recommended that the target segment is to be reached by 3 main Magazines based on its rates, circulation, and main audiences. In particular, the first media vehicle of magazine is **Popcorn** at which main segments are mostly teenagers and young customers. Its circulation is about 20,000, language is English. It will costs about RM5,500 per year to insert outside back cover. Secondly, Campus Plus's main segments are mostly young customers from university students to young workers. Its language is English, and it has circulation about 35,000. It publishes monthly and its half page – full color will be reasonable as of RM3,100. Thirdly, Flavours's main segments are mostly those who are highly involved and interested in food and lifestyles, which also has circulation of 25,000. It uses English, publishes monthly as well. It is most reasonable to purchase the full page – full color which will cost RM7,000. With



three magazine distributors, the total costs for magazine will be **RM15,600**.

### 8.1.2. Online Advertising (Social Media)

According to Comscore (2013), Malaysian web users more likely to visit blog sites and also likely to visit social networks and entertainment sites. Online Marketing, social media, blogs and social commerce platform will be used as the media function. In particular, Facebook and Youtube will be functioned as social media vehicle, whereas few power bloggers and Groupon will be used as media vehicle for social commerce.

Malaysian is found to averagely spend 3,279 minutes per month, 4.1million of people are daily users of social media as of February 2013 (Brand Equity, 2014). The cost-per-click (CPC) advertisement will be used for the social media advertising campaign. In particular, Facebook CPC will be vary depending on the advertiser's industry, targeted audience and destination, however, it is found that it averagely costs about US\$.35 (equivalent to approximately RM1) (Facebook, 2014). The limit of exposure is going to be set 500 clicks per day and it will last constantly for a year which will cost 30 days x RM 500 = RM 15,000, RM 15,000 x 12 months = **RM 180,000 per**

**year.**

### 8.1.3. Out-of-home advertising

Furthermore, out-of-home advertising may be able to reach locational segments who are mostly living in Kuala Lumpur and Selangor.



Due to its costs, it is decided to only pursue the campaign by combination of frequency. In particular, KL Monorail Overhead panels cost about RM150,000/annum whereas KL LRT overhead panels cost RM100 per unit per month. Thus, KL Monorail overhead advertisement will be displayed continuously for a year and KL LRT overhead panels will be exposed in 5 units per quarters which will costs about  $10 \text{ unit} \times \text{RM}100 \times 4$ , RM4,000 in a year.

In addition, Wifi@starbucks will also be used as the target audiences are likely to be concentrated in those café areas. It is exposed per two months regularly which will cost about  $\text{RM}32,000 / \text{slot} \times 6 \text{ months} = \text{RM } 192,000$  in a year. Overall, total of **RM346,000** will cost for out-of-home advertising in a year.

## 8.2. Public Relation

In order to pursue public relation, it consists of 4 steps: 1) preplanning-determine PR problem and evaluate public attitudes; 2) develop PR plan – determine relevant target audience and PR objectives; 3) Develop and execute PR program – identify optimal PR tools, and execute program activities; 4) Evaluate program effectiveness. Event sponsorship, which is one of public relation tools, refers to a type of promotion whereby a company develops sponsorship relations with a particular event such as a concert, sporting event or other activity (Belch, Belch, Kerr, & Powell, 2008).

The current problem of public's attitudes toward playing chess at the café may be awkward or weird that people play the chess at the place at where they usually drink and enjoy the meals and beverage. In order to change this attitudes of from 'traditional playing chess' to 'entertaining and fun playing chess during meal time', it is decided to set up event sponsorship. Kuala Lumpur Chess Association (KL Chess) will be sponsored and invited to Le'Echecs Café to compete the tournament with the customers. KL Chess will be paid RM 200 per round which will be held in every 2 weeks (RM400 /



month). While they are being sponsored, KL Chess will set the banner of Le'Echecs Café on their website in order to attract the traffic into the websites and enhance awareness, interest among Chess maniacs. Also, KL Chess will come to the café every second and fourth Friday of the month to compete with customers. If the customers are win, they will be given free coupon for one meal which can be redeemed within two weeks whereas the losers will be given the key holder with the name of the café embraced on it. These activities will encourage customers to participate in playing chess in the café while they can enjoy their foods and beverages, which will ultimately change consumer's attitudes towards the café to be favorable and enjoyable. The total cost will include the sponsorship for the KL Chess (400 x 12months) of RM 4800 and the costs of making key holders and free coupons will cost RM 500, thus, it is RM5300.

### **8.3 Interactive marketing**

#### **8.3.1 Social Network**

Social networking sites such youtube, Facebook, twitter, and blogs are becoming important media to generate marketing activities in today's society. For instance, in Malaysia Facebook is the most visited website, there are 10.4 million active users and 3.5 million are people age between 18 to 24 year-old (Subramaniam, 2014). In order to achieve Le' Echecs Café objectives, by creating a Facebook page will be useful where it is free and the customer coverage is wider and as well as enabling the company to stay in touch and engage with the customers (Michaels, 2013). It will be used to keep the customers aware of any updates with all the promotions or important events happening and generate interests from the customers. Besides, by using Facebook, customers are able to comments and feedbacks. It is the effective way to reach the customer and no addition costs for creating the page. The account will be official post for the public on 1<sup>st</sup> of June.



Le' Echecs Cafe

Home 5

**Le' Echecs Cafe**  
 Be the first person to like this.

[Update Page Info](#)
[Like](#)
[Follow](#)

Food/Beverages  
 Chess Cafe with French Cuisine

[About](#)
[Photos](#)

[Status](#)
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[Event, Milestone +](#)

What have you been up to?

**Le' Echecs Cafe**  
 about a minute ago

**Le' Echecs Menu** (5 photos)

Invite Your Friends to Like This Page
 [See All](#)

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**Ash Ashley**

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**Le' Echecs Cafe** changed their cover photo.
 18 hours ago

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## 8.4. Sales Promotion

### 8.4.1. Student Promotion

Le' Echecs Café is offering student price promotion by showing their student ID. They will get special price offers of 10% discount only from Monday to Friday (weekdays only). This will create loyalty and also it will generate more sales revenues during weekdays.

### 8.4.2. Discount Coupons

Giving out coupons is one of customer-oriented promotions where it provides beneficial advantages between Le' Echecs Café and its customers. The main benefits of using coupons are to attract more customers, to get higher return of investment, and to increase sales volume (Heffernan, 2011). These coupons will be allocated on flyers, which will be distributed at universities, in-store, magazine, and at Jalan Bukit Bintang intersection (customer traffic) on 1<sup>st</sup> of June in order to increase awareness of brand and attract new customers. The selected universities are: Sunway University, Monash University, UCSI, University of Malaya, INTI, Taylor's University, HELP university, UCTI, and Nottingham University. The Flyers are A5 paper size and will be double-colour printed with map attached at the back. The discount coupon is a price inducement trick to provoke customer's curiosity to come visit the café. Specifically, the expiry date of the coupons will be within three-month period.

Media	Salary/ day (8 Hours)	Number of printed flyers	Cost of printed flyers	Total costs
Flyers (A5 paper, colour, and double printed)	RM 100 x 3 person = RM 300	12000pcs	RM970	RM1, 270
Total				<b>RM1,270</b>

Estimated flyers distribution for three days distribution period





#### 8.4.3. Contest

In order to appeal to more customers to visit the café, it will hold a contest. The contest is a combination strategy to persuade the customers to engage to the official Facebook page. The basic requirements to join the competition are by inviting five or more friends to come eat or/and to play chess. Then, the staff will give a registration paper to fill-in applicants' details and continue to take a creative/funny picture to post it into the official Le' Echecs Café's Facebook group page. The winner of the competition is defined when the contestants get the most likes. The winner will be selected for monthly basis; therefore, by the following month there will be new pictures and new winner every month. Every 1<sup>th</sup> of the month, the winner will be announced and they prize is a





premium and unique set of chess with engraved brand name on it, which worth RM320 and will be delivered to the address written on the registration form.

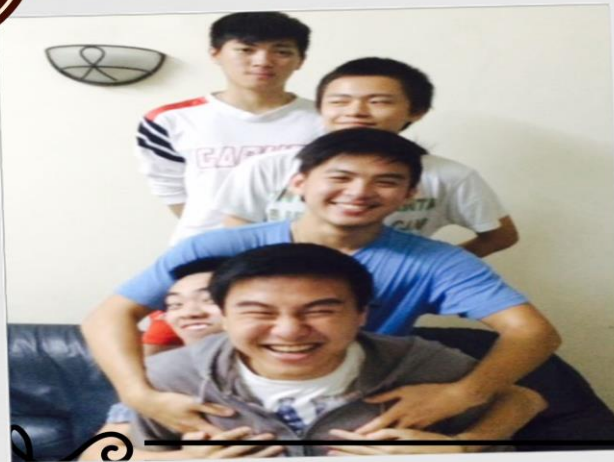
Quantity	Number of Months	Cost per set of chess	Total Cost
12	12	RM320	12 months x RM320
Total			RM 3840

Quarterly times 4





Liking Contest



Prize Options



Dragon and Knights Chess



Royal Egyptian Chess Set



Chinese Warrior Chess Set

LIKE

Enquiries:

1. Bring your friends to eat with you
2. show your receipt
3. Fill the registration form
4. Take a creative photo
5. Like the page
6. Get the most like
7. Choose one of cool limited set of chess!!

*Friendship and Togetherness*

Options of prizes for the winner of the liking contest:





#### **8.4.4. Loyalty card**

Le' Echecs café is also offering a reward card to the customers. The card is a reloadable cash card and as well as collecting points for every purchase to the store. Every 10 ringgit purchases will get one point, when the customer collected 10 points, they can change the point to 10 ringgit vouchers. Besides, they also will enjoy 10% off for using the cards. The registration of the card is only RM10.

#### **8.4.5. Social Commerce**

Also, social commerce platform will be used. Groupon is the most famous social commerce platform in Malaysia and it also has business operations in 48 countries with 200 million subscribers and 41.7 million customers over the world (Groupon, 2014). However it is decided to utilize Groupon only at the beginning stage of IMC campaign as it is the most suitable for enhancing awareness level and costs high commissions for which is about 50% of total revenue (groupon, 2014). The basic dinner meal will be promoted through Groupon for first three months.

### **8.5. Budgets and Timelines**

By summing up all the expected costs above for whole IMC campaigns, RM552,010 is expected to expenditure over a year of period of time as shown below.



<b>Tool</b>	<b>Expected cost</b>
Magazine	15600
Social Media Ads	180000
Out-of-home ads	346000
Public relation	5300
Social Networks	-
Student promotion	-
Discount Coupons	1270
Contest	3840
<b>Total</b>	<b>RM552,010</b>

Also, timelines are elaborated at *table 8.1*. Magazines are allocated only once in a year as it is considered having enough circulation for enhancing sufficient level of awareness at the first time. Continuity strategy is used for social network marketing (interactive marketing), KL monorail overhead outdoor (out-of-home), social media advertising (advertising) and student promotion (sales promotion) in order to remind customers for a long term and in various channel. Also, flighting method is used for event sponsorship (public relation), contest (sales promotion), KL LRT overhead ads and Wifi@starbucks (out-of-home advertising) in order to keep the image in consumers mind weekly and monthly basis whereas social commerce (sales promotion) is used for the first three months to increase awareness and interest of the consumers.



year	2014																								2015																							
mont h	June				July				August				September				October				December				January				February				March				April				May							
week	w 1	w 2	w 3	w 4	w 1	w 2	w 3	w 4	w 1	w 2	w 3	w 4	w 1	w 2	w 3	w 4	w 1	w 2	w 3	w 4	w 1	w 2	w 3	w 4	w 1	w 2	w 3	w 4	w 1	w 2	w 3	w 4	w 1	w 2	w 3	w 4	w 1	w 2	w 3	w 4								
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(Flavou rs)																																																
Online Adverti sing																																																
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Out-of- home																																																
(KL monora il overhea d)																																																



## **9. Campaign Evaluation**

The final step in the advertising campaign is to measure the result of the campaign that has been carried out by Le' Echecs Café. In fact, campaign evaluation is helping the marketers to measure whether the campaign held by Le' Echecs Café has successfully achieved all the IMC objectives or not. Moreover, Le' Echecs Café will be using post-testing, sales figure, clickthrough rate, and in-event-survey in order to evaluate the effectiveness of the MC tools.

### **9.1. Post testing method**

#### **9.1.1. Advertising**

Post testing method applied after the advertisement has occurred; it is helping the marketers to find out how far the advertising campaign has been successful implemented (Thirawiyen, 2012). Besides that, it was clear that the objective of advertising is to create consumer awareness, and interest towards the brands. Therefore, "Recognition test and recall test" will be used to evaluate the effectiveness of the magazine, online ads, and out of home. Recognition test is actually measuring the readership of the printed advertisement. Moreover, the reader will be approached and asked to find out whether they have read about the advertisement of Le' Echecs Café or not. However, recall test is depends on the memory of the respondents (Thirawiyen, 2012). The respondents are asked whether they have seen the advertisement for the first time or more than that. Besides, if the respondents can recall and describe correctly at



least one of the features in the magazine or online ads, it means they are now aware towards the product and advertising campaign is succeeded.

### 9.1.2. Sales Promotion

To measure whether Le' Echecs Café has achieved objective 6 which is increase sales by 20% after using sales promotion or not, it can be tested by compare then **“sales figure”** before the coupon promotion distributed with sales figure at the end of the promotion which is the end of December 2014. If it is shown that the sales jumped during the promotion period, therefore this would show that the objective was achieved. Thus, the coupon itself has increased interest of customers to come to Le' Echecs Café and it has attracted new customers.

## 9.2. Interactive marketing

**“Clickthrough rate”** can be used to measure the effectiveness of interactive marketing campaign (Pwc, 2010). In fact, this indicator is measured much more extensively compare to other methods (*see figure 9.1.*).

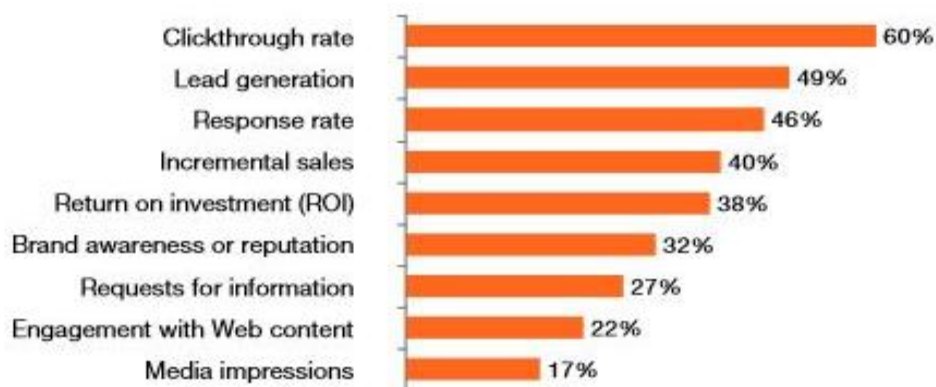


Figure 9.1. Measuring the effectiveness of online advertising. By PCW.



This method can help the marketers to measure the number of internet users clicking on Le' Echecs Café's advertisement on the Facebook. In addition, if it is shown that there are a significant portion of internet users return to the website several times a day, it can be concluded that the intention to display advertising campaign has a positive impact on search behaviour.

### **9.3. Sponsorship (Public Relation)**

**"In-event-survey"** will be used to measure the effectiveness of the Master Chess Competition. The survey will be conducted and those participants can be evaluated through this technique. The surveys are basically conducted via personal interviews. The purpose is to determine whether the sponsorship of the event is being clearly communicated or not. The participants will be asked regarding the attitude and perception towards the events, whether the customer are attracted or interested to the event held by Le' Echecs Café'. Thus, it can help Le' Echecs Café' to improve in the future.

## **10. Conclusion**

The most appropriate and effective tools and functions of IMC have been selected and planned throughout this report. Based on the evaluation of the campaign, it is expected that the IMC objectives are possibly achieved throughout the campaign. The total budgets that are going to be utilized for a year is only **RM552,010**. This budgets may cover the whole IMC campaigns which are advertising, public relation, sales promotion, and interactive marketing for one year of time.



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