

Experience The Art



Interchange Soccer Shoe

Western Washington University

Integrated Marketing Communications
Spring 2011

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Assumptions Page

- 1) Assume unlimited funds
- 2) Research, development and design costs for Theart technology are not taken into account with IMC budget.
- 3) Soccer shoe industry sales in the U.S. are \$753,241,655.
 - a. 13,600,000 active soccer players (Appendix 2)
 - b. 308,745,538 (Appendix 3) total number of people in the US
 - c. 4.4 % of Americans play soccer
 - i. $13,600,000 / 308,745,538 = 4.4\%$
 - d. \$17,100,000,000 (Appendix 4) athletic footwear sales in 2009
 - e. 4.4 % of people play soccer
 - f. \$753,241,655 U.S. Soccer shoe industry sales
 - i. $\$17,100,000,000 \times 4.4\% = \$753,241,655$
- 4) The average rate soccer players replace shoes is every two years (Appendix 7)
- 5) Nike spends approximately 12% of soccer shoe revenues on advertising based off **Appendix 8** stating Nike spends approximately 12% of entire revenues on marketing & advertising.
- 6) Adidas spends approximately 5.1% on advertising based on **Appendix 9** using the equation (2010 Advertising Commitments/ 2010 Net Sales)
 - a. 613 million / 11,990 million (Financial Statements in Euros in millions)
- 7) Puma spends approximately 3.3% on advertising based on **Appendix 10** using the equation (2010 Promotion & Advertising Agreements/ 2010 Sales)
 - a. 88.3 million/ 2,706 million (Financial Statements in Euros in millions)
- 8) Assume that other brands combined for the remaining 40% of the market combine for a total advertising cost of \$22,295,953.
 - a. This is based off the same ratios that apply to Nike and Adidas (60%) compared to what other brands hold in the market share (40%). (Appendix 6),
 - b. Nike and Adidas combined advertising expense (\$33,443,929) is 60% of the total advertising spent in the soccer shoe industry.
 - c. The remaining 40% of the total market advertising (\$22,295,953), comes from $(\$33,443,929 \times 100) / 60 = \$55,739,882$
- 9) Assume that Fox Soccer channel has the same advertising expense as ESPN Classic or NFL network costing \$250 per showing. (Appendix 11)
- 10) We are assuming that each college/high school soccer team consists of 3 coaches and 7 staff members. Creating a total of 1500 coaches and staff members for all 150 teams.
 - a. $(15 \text{ teams per area}) \times (10 \text{ staff \& coaches}) \times (10 \text{ metropolitan areas}) = 1500$
- 11) Cost to rent a MLS stadium for a day is equal in all the cities in the U.S.
 - a. (Appendix 15)
 - b. Average cost of MLS stadium rental = \$35,000
 - c. Cost per person to enter = \$2
- 12) Kasey Keller will take our contract deals which would match their current club contract.
- 13) Assume the price of billboards for each city is the same price. (Appendix 23)

Executive Summary

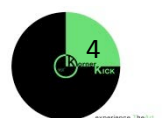
The Korner Kick interchangeable soccer shoe is a revolutionary soccer shoe that takes into account every factor and condition on the field as well as on an indoor court. Its innovative design of the shoes multipurpose sole consists of screw-in/ replaceable studs, fillers and new technology known as THEART material. THEART material is a hybrid material that integrates soft flexible rubber and hard stiff rubber providing exceptional grip and ground penetration on both playing fields. This design is constructed to give the individual athlete leading support and comfort and the advantage throughout any type of competition needing minimal preparation.

Our one year Integrated Marketing Communication (IMC) plan is created to promote the Korner Kick soccer shoe and implement it into the soccer shoe market. The IMC approach is a mix between promotional strategy as well as a way to communicate directly with our target market. The IMC plan is largely constructed around advertising and brand awareness with focused advertising efforts using commercials, magazines, player endorsements, trial seminars, billboard ads, and internet marketing.

Our target market consists of active soccer players between the ages of 18 and 49, with college experience and from families with a salary of at least \$50,000. Their sufficient amount of disposable income attracts them to high quality premier items. Our target market continues to be active as they get older possibly because of the fact that they have young children and a growing family. The Korner Kick satisfies our consumers' preference for a reliable, high-quality shoe that can quickly change so they can be worn on and off the field.

Our 12 month IMC plan would start October 1st, 2012 prior to the start of MLS playoffs where our billboards will be posted surrounding the 10 MLS playoff teams' stadiums initiating our process of 90% awareness, throughout the soccer player community. This will also start our commercials through ESPN, Fox Soccer Channel (FSC), as well as other components of our communication plan in hopes of achieving a 5 % purchase rate through the first year, and giving us forecasted sales of over \$78,000,000.

Reaching our first year sales objective would lead to a 22 % share of the soccer shoes market in the United States. To achieve this goal, roughly 20% of first year sales would be allocated to the total IMC plan, amounting to a first year IMC budget of \$15,736,968.



Recommendations

Segmentation Strategy (Appendix 1)

Main Dimension	Segmentation Variable	Typical Breakdowns
Geographic (Appendix 1a)	Region	West, Midwest
	City or Metropolitan statistical area (MSA) size	Over 500,000
	Density	Suburban
	Climate	Northern
Demographics (Appendix 1a)	Age	18-49
	Sex	Male, Female
	Marital Status	Never Married, Now Married
	Family Size	1+
	Stage of Family Life	Married Couple with Young Children
	Ages of Children	Younger than 12 months, Older than 2 Years
	Children Under 18	1+
	Income	\$50,000+
	Occupation	Professional and Related Occupation, Natural Resources, Construction and Maintenance Occupation, Entrepreneur
	Education	Attended College, Graduate College Plus, Post Graduate
	Race	White, Asian, Hispanic (Other/Multiple Classification)
	Home Ownership	Lived at Current address between 1 to 4 years
	Dwelling	Home, Home Value = \$100,000 +
Psychographics (Appendix 1b)	Personality	Confident, Intelligent, Forward-Thinking, Outgoing, Demanding, Leader, Goal Driven, Caring, Knowledgeable, Opinionated
	Life-Style	Fast Paced, Energetic, Busy, Successful, Educated, Strong Beliefs, Family Oriented, Athletic, Health Conscious, Up-to-date, Successful, Wealthy, Risky

Benefits Sought	Products Features	Theart Material, Interchangeable Shoes, Water Resistant, Lightweight, Custom Fit Orthotics and Inner Padding, Shoe Changing Tool and Replacement Shoes with personal bag
	Needs	Multi-Purpose, Ease of Use, Comfortable, Reliable, High Quality, Effective, High Status Brand Image
Usage	Rate of Use	Heavy User
	User States	First Time Buyer, Converted Buyer
Awareness & Intentions	Readiness to Buy	Informed, Interested, Satisfied
	Brand Familiarity	New Product
Buying Conditions	Types of Buying Activities	Specialty Product Purchase, Comparison Shopping
	Kind of Store	Sporting Goods Store, Soccer Specific Store, Online

Consumer Target Market Description (Appendix 1): The Korner Kick Interchangeable Soccer Shoe will be marketed to both active male and female soccer players who are between the ages of 18 and 44, with college experience and from families with a salary of at least \$50,000. The T.M. may also be self-employed and have an above average yearly income. They are constantly on the move and have to face time constraints; having large amounts of disposable income, attracting them to high quality and premier items.

Our T.M. continues to be active as they get older possibly because of the fact that they have young children and a growing family. The Korner Kick shoe satisfies our consumers' preference for a reliable high-quality shoe, that can quickly change so they can be worn on and off the field.

Consumer Target Market Size: 13,600,000 - Estimated T.M. for the Korner Kick Shoes
(Appendix 2)

Trade Target Market: A majority of soccer shoes are purchased at sporting goods retailers, sport specific stores, and online. The large amount of online purchases will greatly affect our marketing strategy.

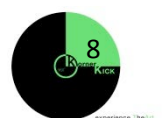
(Appendix 5)

- Dick's Sporting Goods 384 Stores
- Sports Authority - 400 stores
- Foot Locker (Includes Foot Locker, Lady Foot Locker Footaction and Champs Sports) - 3640 Stores
- Footlocker.com (Includes footlocker.com, eastbay.com, footaction.com, champssports.com) - 93% of total sales

Positioning Strategy

Statement of Positioning Strategy: The positioning strategy used for the Korner Kick is a cross market approach where we are integrating two markets, the game of indoor soccer and outdoor soccer, with a compatible shoe to control each playing field. The outdoor and indoor soccer markets are the focal targets behind the philosophy we have designed for the Korner Kick. The value of the shoe is the individual's personal interest. It allows the individual to transition easily to any playing field opportunity, providing direct integration of the indoor and outdoor soccer market. This develops a new market to the soccer industry.

The Korner Kick is a dynamic shoe structured to superiorly penetrate and conquer any penalty or environmental change in the game of soccer. Its field coverage is a spectrum of 360 degrees (portrayed in our logo design, 360°), providing optimal performance for every aspect and angle of the game. The Korner Kick will not only improve the skills and control that one has on the soccer field, but also gives the individual the choice of delivering those skills on an indoor surface or on the outdoor pitch; with one pair of shoes by simply removing or attaching the studs to the Theart material. The Korner Kick allows the individual to train in the off season and competitively compete during the soccer season while maintaining and progressing skill level.



Competitive Analysis (Appendix #6)

Competitors by Product Class and Brand

Product	Market share	Price	Place	Differentiation
Adidas	40%	\$50-\$300	Online/store	<ul style="list-style-type: none"> -Higher segment in market -Large range of prices for various income and quality -Supply large variety of shoes for every age category -German Engineered
Nike	20%	\$50-400	Online/store	<ul style="list-style-type: none"> -Higher segment in market -Large range of prices for various income and quality -Supply large variety of shoes for every age category
Puma	40%	\$40-\$250	Online/store	<ul style="list-style-type: none"> -Newly established soccer brand -Large range of prices for various income and quality -Supply large variety of shoes for every age category
Others		\$40-\$250	Online/store	<ul style="list-style-type: none"> -Famous brand, yet not as popular in the world of soccer -Low-cost -Lower quality -Established

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> • Multi-Purpose • Ease of Use • New Material and Interchangeable Cleat System • Brand focused solely on Soccer Shoes 	<ul style="list-style-type: none"> • New Brand • Low Awareness • Established Competition • Cheaper Alternatives 	<ul style="list-style-type: none"> • Gain market share from smaller companies • Expansion of brand overseas • Apparel and Accessory Line 	<ul style="list-style-type: none"> • Competing products • Consumer resistance to purchase • Unforeseen flaws in design

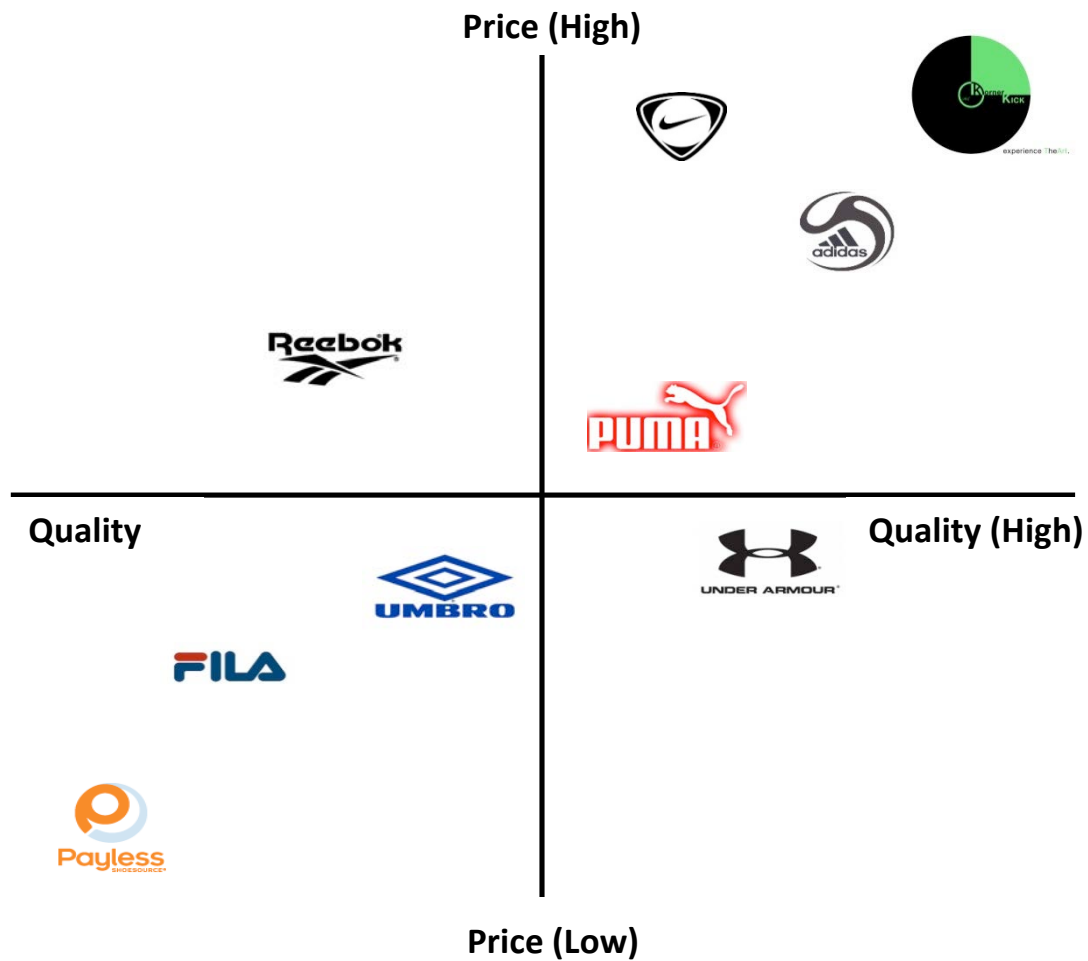
The Korner Kick soccer shoe introduces features and material that have never been seen in the soccer shoe market. The attribute that clearly differentiates our product from past soccer shoes is the ability to easily change the sole of the shoe so that it can be worn on and off the playing field. The TheArt™ material gives the Korner Kick a solid, durable feel while also being incredibly lightweight. We want our potential consumers to know that Korner Kick focuses all of its resources to the soccer shoe market, instead of venturing into other markets.

Weaknesses that the Korner Kick expects to encounter include our ability to introduce the shoe as a serious competitor of the two dominant brands, Nike and Adidas, which are already well established in the soccer footwear industry. The high price for a shoe attempting to enter the market may lead consumers to search for cheaper substitutes that satisfy their needs.

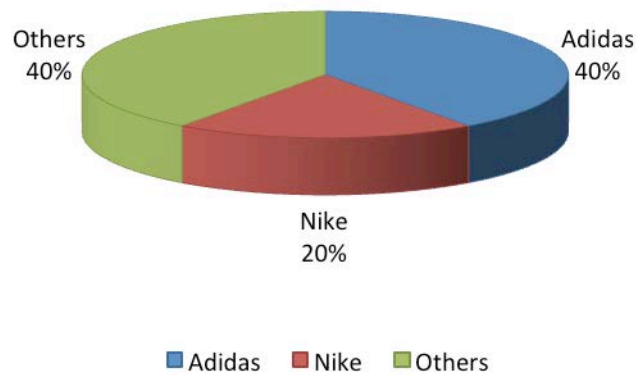
Korner Kick has the opportunity to gain solid market share from the many struggling companies in the soccer shoe industry. If the Korner Kick is successful in the US, we would explore the idea of introducing our product in Europe where soccer is even more popular. Korner Kick would eventually like to create an apparel and accessory line which would include items such as warm-up gear and shine guards.

Potential threats that we must prepare for are competing brands creating similar soccer shoes that would take away the features that makes our product different. Potential consumers that have been loyal to our competitors may not even consider the shoe because they are comfortable with what they know. It is our job to communicate why our product is better and to at least get them to try them on. Finally, we must prepare for any possible design flaws that may have been overlooked during production of the Korner Kick.

Perceptual Map



Market Share



(Appendix 6)

Marketing Objectives

- **Year of Plan:** 12 month period beginning October 1st, 2012
- **Year One Sales Forecast** (See pg. 16 First Year Projected Sales)
 - Forecasted Year One Wholesale Sales: \$78,684,840
 - Forecasted Year One Retail Sales: \$110,160,000
 - Forecasted Year One Market Share: 14.6%

Marketing Mix

Product Strategy

The Korner Kick is a soccer shoe that consists of a Multipurpose Sole, which is virtually designed for every factor and condition on the soccer field and the indoor court. The innovative design of the shoes' multipurpose sole consist of, screw-in/ replaceable studs, fillers, and Theart material. Theart material is a hybrid material that integrates soft flexible rubber and hard stiff rubber providing quality grip and superior ground penetration on both playing fields. The design is constructed to give the individual athlete the advantage in any competitive circumstance; needing no preparation, quality control, secure stability, advance turning ability and strong grip on multiple playing fields.

The Multipurpose sole consists of four heel and eight forefront studs that maintain quality traction and create enhanced agility, permitting the athlete to compete at a high performance level on outdoor courts. The studs have replaceable capabilities allowing the Multipurpose sole to transition from high performance on the field to high performance on the court. The studs unscrew and are replaced with Theart fillers providing more opportunity for the athlete to perform at indoor pickup games or indoor competitive soccer leagues.

The Multipurpose Sole built into the Korner Kick, provides each individual athlete the confidence to suit up and perform on any playing field at any time.



Key Product Attributes:

- Multi-purpose sole
- Screw in studs/ replaceable studs
- Screw in fillers
- THEART material combination of flexible soft rubber and hard stiff rubber
- Water Resistant
- Custom Fit Orthotics
- Inner Padding
- Shoe Changing Tool
- Replacement Shoes

Key Benefits:

- Upper advantage for transitional playing field
- Opportunity for year around training
- No preparation
- Quality control
- Secure stability
- Advanced turning ability
- Strong grip on both playing fields
- Warranty on the replaceable studs

Pricing Strategy

The premium pricing strategy will be used for our product to maintain price artificially higher in order to encourage favorable perceptions among consumers based on price, high quality of the shoe, and most importantly introducing a new innovative design into the soccer shoe market.

In today's market, high quality soccer shoes run from the \$200-\$300 range. Since the Korner Kick is a premier and multipurpose shoe for both indoor and outdoor soccer, it will be showcased in retail stores at a going price of \$360 a pair.

The Korner Kick will be marked up 40% from the manufactured cost of \$257.41.

Distribution Strategy

Selective distribution allows us to provide saturation coverage of multiple markets by using available outlets such as retailers. This will allow our product to be available in selective geographic location that sells sporting goods and equipment within the United States. This will be done by our distribution team from the manufacturing company.

Advertising

Communications objectives

1. Successfully infiltrate into the soccer shoe industry by generating awareness and brand identity.
2. Give endorsements to Kasey Keller of Seattle Sounders who is the Club Captain, to provide symbolism of loyalty with the brand and the quality level of shoe Korner Kick offers.
3. Introduce the product to soccer leagues for trial seminars, increasing knowledge about the product, and interaction with the target market.
4. Count on primary sales promotions, advertising, and publicity in entering the market

First Year Projected Sales (October 1st, 2012- Sept 30th, 2013)

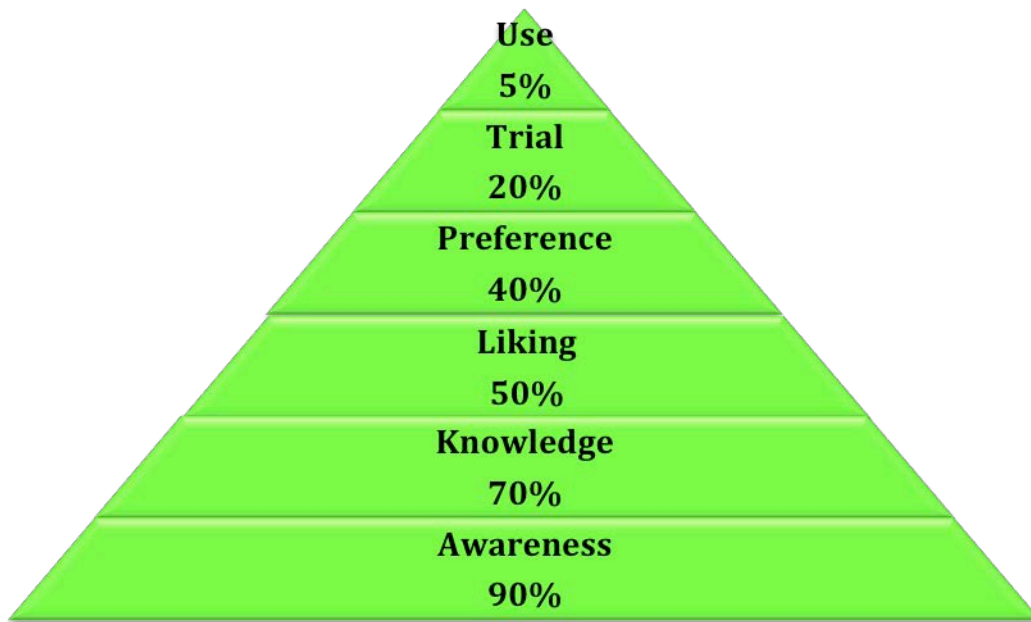
	Aware Target Market	Quantity	Replacement Rate	Price (\$)	1 st Year Sales
Wholesale	612,000	1	50%	\$257.14	\$78,684,840
Retail	612,000	1	50%	\$360.00	\$110,160,000

- Total Target Market: 13,600,000 (Appendix 2)
- Awareness = 90%
- Purchase Rate = 5%
- Replacement Rate = 50% (Assumption 4)
- Awareness TM = 612,000 (13.6 million Target Market) x (90 % Awareness) x (5 % Purchase Rate)

Market Share: \$110,160,000 (Forecast 1st year Retail Sales) / \$753,241,655 (Annual Category Retail Sales)

Advertising Objectives

Communications Pyramid



Target Market Size: 13,600,000

- Awareness (90%) 12,240,000
- Knowledge (70%): 9,520,000
 - Awareness and knowledge will be created through commercials, magazines, billboards.
- Liking (50%): 6,800,000
- Preference (40%): 5,440,000
 - Liking and preference will be impacted through our endorsement deal with Kasey Keller, from the Seattle Sounders and past member of the U.S. National team.
- Trial (20%): 2,720,000
- Use (5%): 680,000
 - Trial and use will be influenced by trial seminars, promotions, advertising and word-of mouth in hopes of new users as well as converting users.

Budgeting Method

Korner Kick is a new product that has no awareness in the soccer industry, putting the company at a challenge in entering into a multi-million dollar industry. Having high exposure risk places the Korner Kick in a situation to gain identity by spending out maximum ceiling percentage on advertising.

The budgeting methods used are objective & task and percentage of sales. The Korner Kick will spend approximately 20% of sales on advertising to achieve 90% awareness during the first year.

Advertising Budget

Floor: $\$78,684,840 \times 4\% = \$3,147,394$

Ceiling: $\$78,684,840 \times 20\% = \$15,736,968$

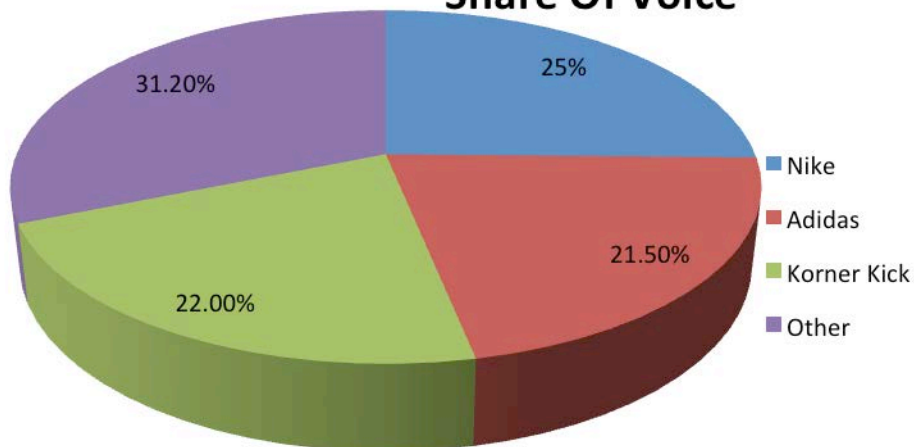
- Advertising/Sales ratio for top three competitors (Assumption 5-7)
 - Nike: 12 % of sales
 - Adidas: 5.1 % of sales
 - Puma: 3.3 % of sales
 - Industry Average: 6.8 %

Statistics Soccer Shoe Industry

Brand	% of Industry Sales (Appendix 6)	Industry Sales	% of Sales Spent on Adv.	Adv. Spent on Industry
Nike	20 %	\$150,648,331	12 % ²	\$18,077,799
Adidas	40 %	\$301,296,662	5.1% ³	\$15,366,130
Other	40%	\$301,296,662	N/A	\$22,295,953 ⁴
Total	100%	\$753,241,655 ¹		\$55,739,882

- ¹ \$753,241,655 refers to Assumption 3f
- ² 12 % refers to Assumption 5
- ³ 5.1 % refers to Assumption 6
- ⁴ \$22,295,953 refers to Assumption 8

After Entrance to Market: Share Of Voice



Share of Voice - Before & After Korner Kick

Brand - Before	Brand Advertising Spend	Share of Voice (SOV)	Brand – After	Brand Advertising Spend	Share of Voice(SOV)
Nike	\$18,077,800	32.4%	Nike	\$18,077,800	25.3%
Adidas	\$15,366,130	27.6 %	Adidas	\$15,366,130	21.5%
Korner Kick	N/A	N/A	Korner Kick	\$15,736,968	22.0%
Other	\$22,295,953	40.0%	Other	\$22,295,953	31.2%

- $SOV = \text{Brand Adv. Spend} / \text{Total Category Adv. Spend}$
- Total Category Advertising before Korner Kick - \$55,739,882
- Total Category Advertising after Korner Kick - \$71,476,850
- 2.5 multiplier

Share of Voice: 22%

- At a 22% share of voice it would put Korner Kick second among the share of voice of the other leading competitors with Nike in first with over 50%.
- Share of Voice for top three competitors
 - Nike: 25.3%
 - Adidas: 21.5%
 - Puma: N/A

Justification: Most commonly used when introducing a new product. It also allows the advertiser to associate advertising expenditures with our primary marketing objectives.

- Total Product Category Advertising Spending:
 - \$71,476,850

Copy Platform

Target Market (Appendix 1a-b)

Demographic Dimensions

- Age: 18-49
- Sex: Female/Male
- Income: \$50,000+
- Occupation: Professional and Related Occupation, Natural Resources, Construction and Maintenance Occupation, Entrepreneur
- Education: Attended College, Graduate College Plus, Post Graduate
- Stage of Family Cycle: Young Married Couple with Young Children

Geographic Dimensions (First 12 months)

- USA
 - Suburban
 - Urban

Psychographic Dimensions

- Confident
- Intelligent
- Forward-Thinking
- Outgoing
- Demanding
- Leader
- Goal Driven
- Caring
- Knowledgeable
- Opinionated

Lifestyle

- Fast Paced
- Energetic
- Busy
- Successful
- Educated
- Strong Beliefs
- Family Oriented
- Athletic
- Health Conscious
- Up-to-date
- Successful, Wealthy
- Risky

Target Market Benefits Sought:

- High Quality
- Comfortable
- Reliable
- Effective
- Multi-purpose
- Brand Image

Objective:

The objective is to infiltrate the soccer shoe market by generating strong product awareness, influential knowledge, and live interaction by introducing the Korner Kick. These objectives will be demonstrated through viral repetition and unique selling proposition by integrating Web, T.V., Print ads, trial seminars, and endorsements; forming the message of benefits and capabilities the shoe offers.

Key Benefits:

- Upper advantage for transitional playing field
- Opportunity for year around training
- No preparation
- Quality control
- Secure stability
- Advanced turning ability
- Strong grip on both playing fields
- Design

Key Product Attributes:

- Multi-purpose sole
- Screw in studs/ replaceable studs
- Screw in fillers
- Theart material combination of flexible soft rubber and hard stiff rubber
- Water Resistant
- Custom Fit Orthotics
- Inner Padding
- Shoe Changing Tool
- Replacement Shoes

Campaign Theme:

- “Experience TheArt”
- Refers to the new creation and art of Theart material, designed to make the Korner Kick capable for every playing field for the game.
- Referring to the new technology of the shoe, as the new art of soccer.

Message Strategy (Message Objective and Type of Appeal):

Our primary objective is to grab our target markets attention and communicate our brand personality as an elite company ready to take on the current leaders of the industry. We believe that this would be best achieved through TV, print ads, trial seminars, and endorsements. The dates that we have selected to bring awareness of our new product is the pre-playoff games. This will build up hype for our premier release of the Korner Kick at the opening playoff games at the start of October 1st 2012. The objective is promoting brand recall by utilizing airtime on national TV during the finals. This allows us to reach more spectators and athletes in the soccer industry by high repetition of ads and the display of endorsements. With exposure during one of the biggest events in the U.S. soccer industry allows us to connect with fans on an elevated level, increasing awareness and hype of what the Korner Kick can offer to the game of soccer.

After introducing, creating, and gaining exposure and awareness at the highlight of the soccer season, we will promote new ads and trial periods to provide knowledge of the key attributes and benefits of the shoe. Strategically planning this time period, transitioning from outdoor to indoor soccer, will be an immense opportunity to provide knowledge and value through trial seminars and information about the multipurpose shoe. Giving the explanation of how the shoe provides the transition for you.

- Pre-season hype communicating the new product
- Highlight season exposure communicating the elite quality of the shoe (playoffs and athletes)
- After season knowledge during transition of season provides the offer of smooth transition and multi-purpose capabilities.

Print Ad Layout (Appendix 21)

TV Ad Storyboard (Appendix 22)

Radio Advertising: We are not going to use radio advertising for a couple of reasons. First, we believe that advertising a shoe through T.V., magazine, endorsements, and trial periods would be more effective than with radio. This is due to the fact that radio doesn't provide a visual demonstration of the Korner Kick not giving the consumer the real life visual of the key attributes and benefits. It is also difficult to measure if we would hit our target market effectively through radio and with similar costs; magazines are a more fitting outlet.

Media Plan

Timeline: Media plan covers a 12 month period from October 1st 2012 to September 31st 2013.

Media objectives:

The 12 month media plan will begin on October 1st 2012, to increase awareness of the Korner Kick from 0-90%, meeting our media objectives. The release of the Korner kick will be during the start of October, the month of the playoff games for the national MLS Cup. We will reach our target market by using TV ads, print ads, billboards, and an endorsement of a MLS player. Product release will be scheduled at the starting peak of the finals for the MLS Cup where the number of viewers increases dramatically, giving us the opportunity to bring awareness more effectively.

Since our target market is on a national level, with 18 professional teams playing in the US. We will be targeting each team's metropolitan areas that they represent, to reach out to the team's players and fans bringing exposure and creating loyalty to the brand and geographic scope. One way this will be done is by billboards posted near the soccer stadiums of each of the 10 teams entering the finals. Average cost of a soccer ad billboard during the season is about \$200,000 multiplied by 10 area equals 2 million spent.

Media Strategy:

Reach: Reach is 90% of the target market three to five times over an average four week period during the 12 months of the media plan.

Pulsing: Combination of continuous and flighting strategy

- TV and print advertisements are going to be continuous throughout the 12 month period. This will influence and ad repetition to our target market allowing us to gain and maintain popularity within in the shoe market.
- Billboards and trial seminars are going to be used as a flighting strategy. Billboards are going to be displayed near each of the 10 MLS teams who are entering the playoffs, only during the playoff season. Trial seminars will take place after the playoffs have ended. This strategy allows soccer fans and players to gain awareness of the product and have the opportunity to test trial the product after seeing the performance and quality of the Korner Kick throughout the playoffs.

Length/size of advertisement:

- 30 second TV spots
- Billboard advertising
- Magazine full page color ads
- MLS player endorsement
- Trial seminars after playoffs



[illegible]

Media Mix

1. **30 second TV ad spots** will be during 6am-12 midnight. (Appendix 11)

ESPN channel: (Appendix 1a. pg. 1&3)

ESPN is one of the largest sport related media channels in the US. Many sporting events and games are shown live and many times in reruns for the viewers to enjoy including soccer. Being a sport focused channel and providing soccer games to the viewers, this is a perfect opportunity for the Korner Kick to create awareness towards the target audience. According to Media Mark index, adults who bought soccer shoes are 29% more likely to watch ESPN than the average viewer.

- **Frequency:** 7 times a week for 12 months
- **Index:**129
- **Reach:** 1.431 million TM view/3.706 million in TM
 - =38.6% of TM
- **CPM:** \$1400 cost for 30 second ad/1.431 million x 1000 (Appendix 11)
 - =\$0.98 cost per thousand in TM
- **Total Cost:** \$1400 x 365 commercials= \$511,000

FSC (Fox Soccer Channel): (Appendix 1a. pg. 1&4)

Fox Soccer Channel is one of the few networks on cable TV today that focuses strictly on soccer. From games to reports, soccer fans that have access to this channel take advantage of the programs that they have to offer. According to Media Mark index, people who bought soccer shoes in the last 12 months are 686% more likely to watch the FSC channel than other viewers.

- **Frequency:** 7 times a week for 12 months
- **Index:**786
- **Reach:** 456,000 TM view/3.706 million in TM
 - =12.3% of TM
- **CPM:** \$250 cost for 30 second ad/456,000 x 1000 (Assumption 9)
 - =\$0.55 cost per thousand in TM
- **Total Cost:** \$250 x 365 commercials= \$91,250

ESPN2: (Appendix 1a. pg. 1&3)

ESPN2 channel serves as a second outlet for ESPN's mainstream sports coverage. It features numerous sporting events and shows with a higher rating of soccer programs and live events than many other sporting channels. Being a sport focused channel and providing soccer games to the viewers, this is a perfect opportunity for the Korner Kick to create awareness towards the target audience. According to Media Mark index, adults who bought soccer shoes are 50% more likely to watch ESPN2 than the average viewer.

- **Frequency:** 7 times a week for 12 months
- **Index:150**
- **Reach:** 965,000 TM view/3.706 million in TM
 - =26%of TM
- **CPM:** \$800 cost for 30 second ad/965,000 x 1000
(Appendix 11)
 - =\$0.83 cost per thousand in TM
- **Total Cost:** \$800 x 365 commercials= \$292,000

Discovery Channel: (Appendix 1a. pg. 1&3)

Discovery channel allows the viewer to explore science, history, technology, and environmental updates. One of the categories that the Korner Kick applies to is innovative technology in the soccer industry. The Discovery channel is a great outlet to show every aspect and new feature that has been invented and tested to provide knowledge of the Korner Kick. According to Media Mark index, adults who bought soccer shoes are 10% more likely to watch Discovery channel than the average viewer.

- **Frequency:** 7 times a week for 12 months
- **Index:110**
- **Reach:** 1.389 million TM view/3.706 million in TM
 - =37.5%of TM
- **CPM:** \$1400 cost for 30 second ad/1.389 million x 1000
(Appendix 11)
 - =\$1.01 cost per thousand in TM
- **Total Cost:** \$1400 x 365 commercials= \$511,000

History Channel: (Appendix 1a. pg. 1&4)

The History channel is used by the viewers as a source of educational purpose and to learn new facts. The Korner Kick can be introduced on this channel to grab the attention of viewers who are interested in learning about new inventions and products. According to Media Mark index, adults who bought soccer shoes are only 2% more likely to watch Discovery channel than the average viewer, but this source yields a high reach of our target market at 34.6%.

- **Frequency:** 7 times a week for 12 months
- **Index:102**
- **Reach:** 1.283 million TM view/3.706 million in TM
 - =34.6%of TM
- **CPM:** \$800 cost for 30 second ad/1.283 million x 1000
(Appendix 11)
 - =\$0.62 cost per thousand in TM
- **Total Cost:** \$800 x 365 commercials= \$292,000

For the promotion and the first year of the Korner kick being introduced to the market, we have chosen to focus on ESPN channel, the FSC, and ESPN2 due to two main factors:

- We feel that our audience, who are all the active soccer players in the US at 13.6 million, will watch the soccer channel to keep updated of the latest news and performances.
- ESPN and ESPN2 falls under the same situation considering the fact that they focus on a broad number of sports including soccer, and being an active soccer player chances are that they are familiar and enjoy other sports to watch or possibly even participate in.
- ESPN2 often carries SportsCenter on days where the regular ESPN is broadcasting longer sporting events.
- The History and Discovery channels are specifically used as an introductory reach vehicle for the Korner Kick to attract other parts of our target market.
- All of the above networks are used as frequency based media vehicles with seven exposures per week throughout our 12 month period to help accomplish our media objectives.

2. Print Ads (Display Magazine Advertising, Full Page, Color)

The decision to include magazine advertising was made due to the ease of display and description of the product features of the Korner Kick soccer shoes. The data that we based our decisions on were based on the audience size and Index number from MediaMark. To insure that our product was exposed to the proper group, we chose magazines that had an Index number of at least 120, meaning that they are 20% more likely to purchase one of these four magazines than the average consumer.

We took into consideration that half of our target market is composed of women (Appendix 1a) and, compared to men, their index numbers were relatively low when compared to the men. We chose magazines that both sexes read but our sport magazine is focused on our male demographic and the people magazine are directed towards both male and female.

Target market =13,600,000 (Appendix 2)

People, 1/3 Page Color Ad (Appendix 1a. pg. 1&8)

- **Frequency:** Once per week (52 magazine per year)
- **Index: 133**
- **Reach:** 988,000 TM view/3.706 million in TM
 - =26.6% of TM
- **CPM:** \$132,270/988,000 TM Views x 1000
 - =\$133.87 cost per thousand in TM
- **Total Cost:** \$132,270 x 26 Ads= \$3,439,020 (Appendix 12)

ESPN, Full Page Color Ad (Appendix 1a. pg. 1&6)

- **Frequency: 24** times per year
- **Index: 151**
- **Reach:** 362,000 TM view/3.706 in TM
 - =9.8% of TM
- **CPM:** \$192,118/362,000 TM Views x 1000
 - =\$530 cost per thousand in TM
- **Total Cost:** \$192,118 x 24 Ads= \$4,610,832 (Appendix 13)

Online Banner Ads

The target market of the Korner Kick soccer shoes spend a lot of time surfing the internet. According to MediaMark, they are 49% more likely than the average adult to be a heavy internet user. A heavy user is someone who spends over 20 hours per week on the internet (appendix 1a). Our target market is composed of adults who need to stay up to date, are athletic individuals, and are also very health conscious. We took these into consideration when deciding which websites to place online banner advertisements. According to MediaMark, ESPN.com, WebMD.com, and weather.com all have indexes of over 150 and have large group size. Our banner ads are going to be same design as the billboards. (See page 34)

Average CPM for Sports Banner Ads = \$5.48 (Appendix 20)

$$\text{Cost of Media Buy} = (\text{CPM} \times \text{Reach}) / 1000$$

ESPN.com

- Index: 181
- Reach: $13,600,000 \times 18.7\% = 2,543,200$ (Appendix 1a)
- CPM: \$5.48 (Appendix 20)
- Cost of Media Buy: $(\$5.48 \times 2,543,200) / 1000 = \$13,936.73$

Weather.com

- Index: 165
- Reach: $13,600,000 \times 38\% = 5,168,000$ (Appendix 1a)
- CPM: \$5.48 (Appendix 20)
- Cost of Media Buy: $(\$5.48 \times 5,168,000) / 1000 = \$28,320.64$

WebMD.com

- Index: 189
- Reach: $13,600,000 \times 17.7\% = 2,407,200$ (Appendix 1a)
- CPM: \$5.48 (Appendix 20)
- Cost of Media Buy: $(\$5.48 \times 2,407,200) / 1000 = \$13,191.46$

Total First Year Cost

$$\$13,936.73 + \$28,320.64 + \$13,191.46 = \$55,488.83$$

Monthly Cost

$$\$55,488.83 / 12 = \$4620.74$$

Website

Objective: The site that is going to be created for the Korner Kick will provide content focused on the Korner Kick. This site is going to provide the consumer with information of the shoe, our company's vision and mission statement, and frequent updates of our company's activities.

This website is giving the consumer exposure to learn everything about the Korner Kick; including pictures, key features and benefits, material used, news about Kasey Keller and his experience with the product, information about the trial seminars being offered, copy of print ad, video of TV ad, "about us", contacts, where and when the company was founded, and more information about the people in the corporation.

Integration: Our website is going to be focused with the other ads provided, making sure that the green and black color scheme, 360° logo, and our campaign theme "Experience TheArt", is consistent with the TV, print, and billboard ads. This is going bring awareness to our brand by the consistency of the promotion, and also allows us to increase the recall; because consumers are going to see the same colors, logo, and campaign theme everywhere Korner Kick is displayed and advertised.

Cost:(appendix 14) According to webpagefx.com, an average website cost for a company that employs more than 100 employees and includes heavy use of flash and video, high quality design on all pages, content management system, and extra components such as website search; is going to be in the range of \$10,000-\$25,000.

There are other costs involved with creating a website that follow:

- Domain name: \$9/year
- Hosting: \$75-\$200 a year
- Website maintenance: \$500-\$1250 a year

We are going to aim for high quality site, since the design and quality of the website can change the perspective from the consumer about the brand and the product.

- **\$25,000** is the expense to create the site to be created
- Other cost= **\$9** (Domain name) + **\$200** (Hosting) + **\$1250** (Web site Maintenance)
- Total cost =**\$26,459** first year

Direct Marketing

The Korner Kick promotion plan will include a consumer direct marketing plan. Direct mail or email is not the most effective way to reach our target market. The Korner Kick TV and print ads can be integrated to help reach our consumers. Trial events are then added to help the process.

Objective: To increase awareness of the brand, knowledge of the shoe, and provide one on one demonstrations of the Korner Kick soccer shoe through directly reaching and creating relationships with active soccer players.

Strategy: The TV and print ads running on a continuous bases bringing awareness to the Korner Kick, and using trial seminars to increase awareness among the colleges and high schools we select. After the playoffs have ended, trial seminars will be held in the top 10 team stadiums that made the playoffs.

The Trial Seminars will invite the top five colleges, and top 10 high school soccer teams players, coaches, and staff from that particular metropolitan area. During this trial seminar we will allow each individual to try out the product, and show them the key benefits and features of the Korner Kick shoe. Our endorser Kasey Keller will be at each of the seminars sharing personal stories and opinions about his own experience with the Korner Kick; allowing attendees to get a real life moment with a pro athlete.

- Each seminar will introduce the product to 330 players, (22 player per team x 15 teams) plus coaches and staff.
- We will provide a Korner Kick T-shirt to every player, coaches and staff members, giving them a memory of our brand and the experience that they gained. (Assumption
- Time with professional athlete providing knowledge, training skills and advice.
- Shoe trial to test the Korner Kick

Timeline: This process will be scheduled to launch in January, and be held twice a month over the next 4 months.



Reach: 4800 people

330 player x 10 stadiums = 3300 players

150 coaches & staff x 10 stadiums= 1500 coaches and staff (Assumption 10)

1500+3300= 4800

We are inviting a total of 4800 players, coaches and staff from 150 different teams. Since it is mandatory for each player and staff member to make an appearance and participate in team activities, all 4800 members will be appearing at our seminars.

Total Costs: \$373,280 (Assumption 11)

$(35,000 \times 10) + (4800 \times 2) = \$359,600$

- Stadium rental cost: \$35,000
- Number of Stadiums rented: 10
- Per person cost to attend: \$2
- Total Number of people attending: 4800

$(4800 \times 2.85) = \$13,680$ (Appendix 16)

- Total number of people attending: 4800
- Cost of T-shirt to printed: \$2.85 each

Integration to IMC: How the trial seminar is integrated with other advertisings will help establish awareness towards the Korner Kick. Using our colors and logo and providing each person attending with a T-shirt, is one way to integrate this seminar with the rest of our advertising. This process of giving free product to the consumer will create brand recall and word of mouth for the Korner Kick.

Promotions: Guerilla Marketing

To set up an impromptu simulation of an indoor and outdoor court in different parks in Seattle to stimulate awareness of the Korner Kick shoe and the brand, grab attention from park traffic by handing out 10% discount coupons to Dicks Sporting Goods for the Korner Kick, and spread virally through word of mouth and press releases of the impromptu simulations. This will be give cost effective, build recognition of the Korner Kick shoe and the brand, and provide a unique experience for the general public in Seattle with Kasey Keller.

Objectives: to spontaneously set up a marketing and viral campaign, to unexpectedly grab attention in a unique, engaging, and thought provoking way for the Korner Kick to the Seattle traffic. This will generate buzz and help make the Korner Kick become viral through word of mouth and press releases.

Strategy: Have a spontaneous approach using guerilla marketing by setting up simulations of an indoor and outdoor court with Kasey Keller and the promotional team; visiting highly populated parks in Washington. They will all be wearing soccer apparel with the Korner Kick logo and the Korner Kick shoes.

The promotional team will bring coupons to hand out, 3 soccer balls, a soccer goal, and a 12' by 12' wood floor court. The delivery of the flooring will be dropped off at Alki Beach and Gasworks Park, located in Seattle, setting up an example of a real life indoor soccer court setting in an outdoor environment. The goal will be 6' by 6' by 4' and set in place on the wooden court. Kasey Keller will start off goaltending the goal while 3 of our promotional team members shoot penalty kicks at Kasey Keller. The team and Kasey Keller will be constantly switching out positions and changing out their cleats to fillers, and then fillers to cleats to portray the features of the multipurpose shoe.

Timeline: This process will take place on Saturday, September 8th and 15st 2012, during the summer season when the traffic of the parks is high. The set up will start at 11am and continue until kicked off by the City Officials. This promotion is taking place a month before the product release in order to raise awareness.

Cost: \$390.83

\$53 for the soccer goal. (Appendix 17)

\$325 for 12x12 wood floor (Appendix 18)

\$2.83 for white masking tape (Appendix 19)

Company truck for delivery: free

Integration with IMC: This promotional strategy will integrate brand awareness and discount incentives for the Korner Kick.

Public Relations Press Release

Objective: Create awareness and interest in the Korner Kick with a press release write up of the different unique strategies used by our company to promote our product and explain the shoes' features.

Timing: The press release will be issued before the product is available in stores in order to create hype.

Cost: The press release will be a write up done by the media about the strategic marketing implemented in our promotion plans. This will be at no cost to the company, because the strategy will attract media attention and spread virally.

Integration with IMC: The press release will bring our company free publicity with the media, helping spread our marketing campaigns and creating relationship with the public. Different media outlets will build hype about the new innovative soccer shoe that is being released and how the Korner Kick is being worn by top athlete Kasey Keller.

The press release will be based off the promotion strategy used at the selective parks in Washington. This impromptu guerrilla marketing strategy will create buzz about the product and the relationship of the Korner Kick with Kasey Keller; achieving our overall goal of creating awareness.

Billboards

Billboards are large, creative advertising vehicles, allowing us to grasp the attention of the target market our company is aiming for. Billboard advertising around the stadiums increase high repetitive exposure, low message competition, and great positional selectivity in high traffic areas. This will potentially create fan purchasing through frequency of passage.

Objective: To increase awareness through high frequency traffic around the stadium.

Strategy: The design we have created of the shoe is going to be placed on the billboard along with the logo, explaining the features and purpose of the Korner Kick. The billboards we have selected are placed near the stadiums of the 10 teams that qualify for the 2012 playoff season. This type of advertising is specifically based off of location and frequency of traffic in hopes of reaching a high number of individuals from the specific metropolitan areas.

Cost: \$2,000,000 (Assumption 13)
10 billboards x 200,000 cost per billboard



Point of Purchase (POP)

Designing a point of purchase structure of the Korner Kick in retail stores will attract consumers towards our product to view, gain knowledge, and try on the shoe. Positioning the Korner Kick on a point of purchase will be located in the corner of the soccer shoe section in the store, used as a measuring platform for the shoe and showcase.

Objective: Point of purchase is a form of advertising that encourages impulsive purchasing. It is known that roughly 70 percent of purchases are made on the spot, in the moment when the consumers are shopping around the store. Using this method will allow us to gain attention and lure in shoppers to purchase our product.

Strategy: The design of the point of purchase is going to be a turf that is replicated as an outdoor soccer field corner kick area. The turf will be positioned and placed in the corner of the soccer shoe selection of the store, taking up a 3'x3' section. The point of purchase turf will be utilized to showcase the shoe in the store, as a platform to measure your foot using a foot ruler installed in the corner of the turf, and an opportunity to have a similar real life feeling of moving in the store on and off turf.

This POP lures customers to see and get an understanding of the turf platform and shoe displayed on it. Then convinces the customer to try on the shoe and feel the experience that the Korner Kick offers as a multipurpose shoe. This strategy allows customers gain knowledge of the Korner Kick with customer care and actual feel of the shoe and a potential buying interest.

We will also gain customer attention by providing every employee at Dicks Sporting Goods with a T-shirt displaying our logo and our campaign theme, to be worn as uniforms during the POP timeline.

Cost: \$180,069.40

\$1.15/sqft = turf cost (Appendix 24)

(3x3)x 1.15= \$10.35 per pop

384 Dicks sporting goods store (Appendix 25)

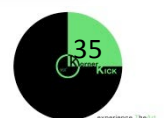
384x10.35= **\$3,974.40**

\$2.85=per T-shirt (Appendix 16)

26,700= employees at Dicks Sporting Goods

2.85x26,700= **\$76,095**

Agreement for POP at all Dicks Sporting Goods stores= **\$100,000**



Athlete Endorsement

The athlete we chose to endorse is Kasey Keller, starting goal keeper for the MLS soccer club Seattle Sounders. Kasey is the captain, leader of his club, and is a well-known veteran in the United States. He has also proven himself internationally throughout the European soccer leagues and as a member of 1996 U.S. Olympic team. He is also a 3 time U.S. Soccer Athlete of the year in the 97', 99', and most recently in 05'.

Kasey Keller's values and personality match those of the Korner Kick. His presence and popularity in Seattle (Home of the Korner Kick) and across the United States will benefit our companies brand awareness. Kasey Keller endorsing the Korner Kick will provide a co-branding relationship with him and the shoe influencing fans to purchase a pair of the Korner Kicks.

Objectives:

- Increase Korner Kick awareness throughout the MLS.
- Develop a relationship with Kasey Keller and the Korner Kick
- Create a link between high level athletes and the Korner Kick

Costs: \$350,000

- Endorsement: \$300,000
- Travel Expenses: \$50,000

Expectations:

- Kasey Keller will attend all of our trial seminars where he will interact with our promotional team and help demonstrate the different elements of the Korner Kick
- Wear the Korner Kick during all MLS games
- Sign autographs at certain events
- Take part in one television ad
- Interact in our promotional strategies

Integration with IMC: Having Kasey Keller as an endorser will create a relationship with the Korner Kick brand and professional athlete, giving fans and active soccer player's the realization of the quality and high performance level of the shoe.

Social Media



Korner Kick Soccer Shoes

(Appendix 26)



@KornerKicks

(Appendix 27)

Facebook and Twitter are two websites that Korner Kick can use to efficiently raise brand awareness while also getting feedback from our target market. These forms of social media are both low risk because both are free services that have the ability to reach users outside of our target market. In terms of group size, Facebook is much larger than Twitter but we've linked both profiles so that information is viewable to all users regardless of where the content is posted.

Objectives:

- Gain Brand Awareness
- Establish a brand personality
- Learn more information about our target market
- Encourage action
- Form positive image of company

The combination of these two services will allow us to quickly update our fans about product news and events which help us achieve our marketing objective of establishing 90% brand awareness. It will also provide potential consumers with a source of valuable information about shoe and give them the chance to read user reviews. User reviews won't always contain information praising our product. Facebook will give us the chance to listen to criticism and recommendations directly from the consumer so that we can critique the product to better fit the consumer. In order to establish a good reputation with our target audience, we must address customer ideas and opinions promptly with professionalism.

We would like to use Twitter to promote word of mouth throughout the market by having competitions and sweepstakes. An example would be to tell our Twitter followers that the first five people to tweet us back will win a free pair of Korner Kicks.

Both of these services can be evaluated as the number of fans change over time and based on the content that we receive from our target market. Further research can be done to see if there is any correlation between sales and information spread through social media.

IMC Budget

Budgeting Method:

- Objective and Task Method
- Percent of Sales
 - 4% Floor
 - $\$78,684,840 \times 4\% = \$3,147,394$
 - 20% Ceiling
 - $\$78,684,840 \times 20\% = \$15,736,968$

Explanation	Cost per year	# of Times	Total Costs
20% of Total Forecast Sales (Wholesale)			\$ 15,736,968
10% for AD production costs			\$ 1,573,697
			\$ 14,163,271
TV commercial ads for FSC	\$ 250	365	\$ 91,250
TV commercial ads for ESPN	\$ 1,400	365	\$ 511,000
TV commercial ads for ESPN2	\$ 800	365	\$ 292,000
TV commercial ads for Discovery Channel	\$ 1,400	365	\$ 511,000
TV commercial ads for History Channel	\$ 800	365	\$ 292,000
			\$ 12,466,021
Billboard Adverting at each MLS Playoff City	\$ 200,000	10	\$ 2,000,000
			\$ 10,466,021
ESPN The Magazine Full Page Color Ad	\$ 192,118	24	\$ 4,610,832
People Magazine	\$ 132,270	26	\$ 3,439,020
			\$ 2,416,169
MLS Player of the Year Sponsorship	\$ 350,000	1	\$ 350,000
			\$ 2,066,169
Trial Events - Direct Marketing	\$ 373,280	1	\$ 373,280
			\$ 1,692,889
Guerilla Marketing	\$ 391	1	\$ 390.83
Point of Purchase Costs	\$ 180,069	1	\$ 180,069.40
Online Banner Costs	\$ 55,449	1	\$ 55,448.83
Website Cost	\$ 25,000	1	\$ 26,459
			Remain Budget \$ 1,430,521

Total IMC Budget: \$14,306,447

Forecasted Sales: \$78,684,840

Total IMC Budget as a percentage of forecasted sales: 18.2%