Social Media Marketing Plan

Cherry On Top



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I. Executive Summary

Cherry On Top frozen yogurt is a healthy and customizable dessert alternative. They offer endless flavor combinations with over 43 toppings and 45 yogurt flavors. The Fullerton store opened in December 2010, and their slogan is "It's Simple, Frozen Yogurt. Your Way." The value proposition is to create a fun, healthy, and flavorful family-friendly self serve experience. The main consumers are teens, young adults, and families, who each engage in social media as well as health conscious behaviors. Going out for frozen yogurt is an experience that is affordable, guilt free, and fun. There is a saturation of self-serve frozen yogurt places, however the major competition is Yogurtland.

Cherry On Top has several strengths, including the trendy design of the location, neighborhood proximity, great topping selection, and vegan friendly flavors. The store also has a number of weaknesses, including unlabeled toppings, fewer flavors, high price, and low brand differentiation. There are, however, opportunities for Cherry On Top. They can develop a unique brand position by embracing the eco-friendly trend so that consumers feel good about their purchase. It is important that Cherry On Top increase brand presence across social media channels by producing high quality content for Facebook and responding to comments made by customers. They will also induce purchase intention and increase sales revenue by 20% by educating



consumers about the unique flavors, encouraging social media engagement, moving into an eco-friendly direction, and using a variety of other coupon and promotion strategies. By becoming more active on social media sites, pushing promotions, and making environmentally conscious choices for the store, Cherry On Top will capture of attention of the target consumer while simultaneously differentiating the brand from the rest of its competition.

II. Situation Analysis

1. Industry Overview

Frozen yogurt is a healthy alternative to traditional ice cream. The frozen yogurt industry began in 1980. Although the frozen yogurt industry is popular today, it suffered a decline in the late 1990s due to competition with ice cream shops and coffee houses. Yet, new frozen yogurt franchises such as MY Culture, 16 Handles, Farr's Fresh, The Fuzzy Peach, Yogurtini, Pinkberry, and Yogurtland provide a variety of flavors and toppings. Due to this effort, the industry is now back on track and more popular than before. Not only do stores offer a variety of flavors, they have also modernized the store with high-end furniture, Wi-Fi, and flat-screen televisions. This environment creates a relaxed and cozy atmosphere for consumers.

According to IBIS World's Industry Analysis & Industry Trends, the Frozen Yogurt industry will likely remain stable over the next five years.



Nowadays, there are many health-conscious consumers, and those people will stimulate the markets' growth. From 2007 to 2012, the number of frozen yogurt stores has grown at an average annual rate of 4.1%. IBIS World expects this percentage to slow down to 1.1% of average annual growth over the next five years leading up to 2017.

2. Company background

Though it serves only desserts, Cherry on Top keeps its customers' health in mind: each of its frozen-yogurt flavors contains live, active cultures believed to aid in digestion and overall health. The shop also allows for customization. Visitors create their own frozen treats at a self-serve bar, choosing from 12 fruit-tart flavors such as green apple, orange cranberry, and lychee and 33 cream-based flavors such as chocolate-cherry jubilee and oatmeal cookie. Cherry on Top also finishes treats with a long list of toppings, ranging from fresh blueberries, kiwi, and pineapple to gummy bears, cereal, brownies, and M&Ms. These self-serve selections are available at more than 30 locations in the United States, Egypt, Kuwait, and Hong Kong. The company's slogan is "It's simple, Frozen Yogurt. Your Way." The value proposition of Cherry on Top is to bring people flavorful, fun, healthy and family-friendly self-serve frozen experience. Our social media campaign is focused on Cherry On Top at Fullerton, which opened in December 2010.



3. The Consumers

According to MRI research results as well as the consumer information from the Cherry On Top store in Fullerton, the demographics and psychographics of the target market can be summarized into three different groups of personas:



Teenagers

- Lower discretionary income
- Hang out with their friends after school while enjoying frozen yogurt
- Use Internet to seek deals like couponing site Groupon.com
- Social media sites heavy users



Family with children

- Ages 18 to 34 years old
- Houshold income over \$50,000 annually
- Care about their health
- Subscribe health magzines



Young adults with no children

- Ages 18 to 24 years old
- Household income under \$30,000 annually
- Health consiousness
- Social media sites heavy users
- Use Internet to seek deals like couponing site Groupon.com

4. The Competitors

Cherry On Top faces fierce competition in the frozen yogurt market. In recent years, frozen yogurt competition has increased. Some of Cherry on Top's primary competition includes: Yogurtland, Pink Berry, Tutti Fruitti and Golden Spoon.



5. Marketing Mix

- Product: high-quality fresh frozen yogurt which includes 12 fruit-tart flavors, 33 cream-based flavors, and over 43 toppings.
- Price: \$0.39/oz. The price for an ounce of yogurt is higher than average self-serve yogurt chains. Yogurtland is \$0.30 per ounce, and Tutti Fruitti is \$0.35 per ounce.
- Place: Cherry On Top is a franchised business. It grew to more than 24 locations in the United States. We chose the Fullerton location for our social media campaign. It is located in Amerige Heights Town Center, Fullerton. It is a nice and clean shopping area with a great selection of shops and places to eat.

Promotion:

- ✓ If you "Like" them on Facebook get 10% off
- ✓ Join online eClub to receive special offers
- ✓ Take a Loyalty Card for a FREE 8 ounce after purchasing 9.
- ✓ PR: They also donate 9,000 certificates to local schools for teachers to give away to good students.
- ✓ Buy 6oz. and get 6oz. free
- ✓ Blog
- ✓ Co-brand with Hello Kitty

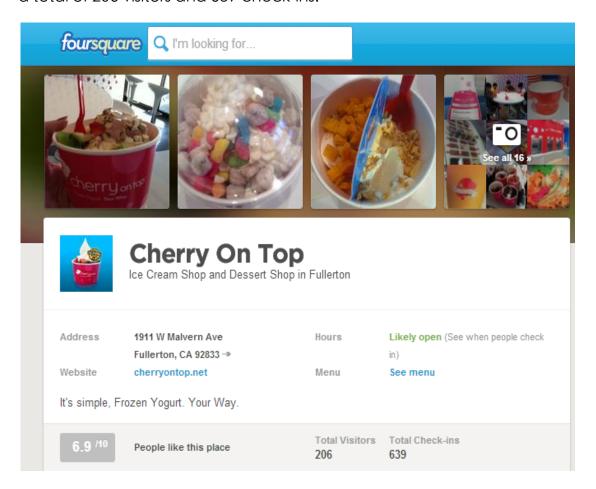


6. Assessments of 'Cherry On Tops' social media and online strategy

The following part, regarding the social media and online strategy, will compare Cherry On Top (Fullerton branch) to Yogurtland (Orangethorpe Avenue in Fullerton).

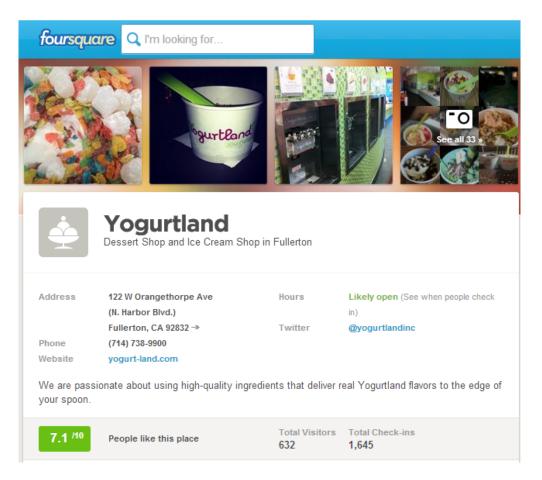
Foursquare

Customers can check in at the local Cherry On Top on foursquare. They can write tips, post photos, and earn mayorship. On its foursquare page, Cherry On Top has 16 photos and scores 6.9 out of 10 in likes. There are a total of 206 visitors and 639 check-ins.





By comparison, Yogurtland scores 7.1 out of 10 and has a total of 632 visitors and 1,645 check-ins. They have 33 pictures on their page.



After comparing the two stores, we have discovered that Cherry On Top has fewer check-ins than Yogurtland. In order to compete, Cherry On Top should encourage customers to use foursquare to check-in in order to increase its social media presence.

Twitter

Cherry On Top (Fullerton) has its own twitter account, however it is not active: the page only has 7 followers and 1 tweet. The twitter page needs a lot of work; however Cherry On Top is ahead of Yogurtland (Orangethorpe) which does not even have an account.



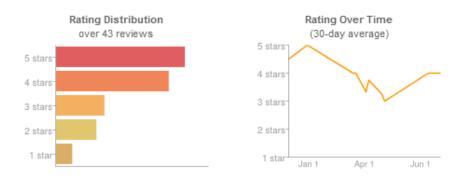


Yelp

Customers can find reviews and information about a store on yelp. This enables Cherry On Top to read feedback from customers and improve service. Also, by engaging with customers, they can even develop new flavors based on what the customers want. Cherry On Top's yelp page has 43 reviews.







Yogurtlands yelp page has 78 reviews.



Cherry On Top has more 4 stars ratings than Yogurtland on yelp.

Facebook page

Both stores have a Facebook page. Cherry On Top's Facebook page has 399 "likes", while Yogurtland has 411 "likes." Yogurtland's Facebook background provides a seasonal summery feel. The background has pictures of their summer inspired flavors of yogurt,



which delivers a message that those customers should go to Yogurtland to have a refreshing summer. On the other hand, Cherry On Top's background does not engage the consumer. They use a generic picture of toppings rather than using their creativity to bring excitement to the page.

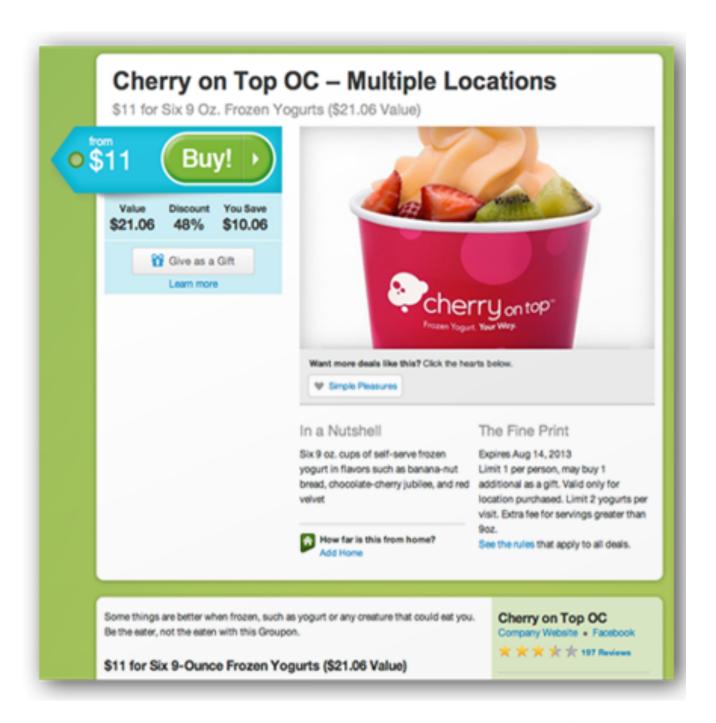
Neither Cherry On Top nor Yogurtland update their Facebook pages regularly: Cherry On Top's last update was on March 19th, and Yogurtland's last update was on May 27th. Yogurtland does a better job of promoting their variety of summer flavors by uploading photos and coupons.





Groupon

Cherry On Top uses Groupon for its coupon promotions. The deal offers customers a discount of almost 50%: \$21 worth of frozen yogurt for only \$11. This deal is a limited time offer, it expires on Aug 14, 2013. However, Yogurtland does not use Groupon for coupon promotions.



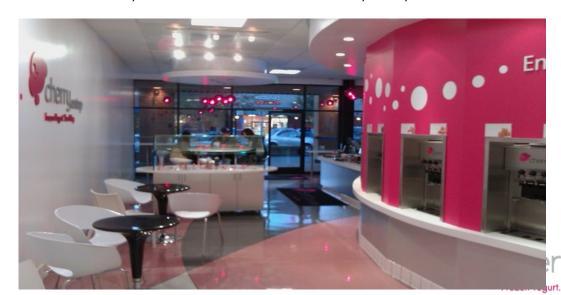


Internal			
Strengths	Weaknesses		
✓ Clean and trendy interior design	✓ Unlabeled toppings		
✓ Great selection of toppings	✓ Less variety in yogurt flavor		
✓ Neighborhood proximity	✓ Pricy		
✓ Vegan friendly	✓ Lack of brand differentiation		
External			
Opportunities	Threats		
✓ Unique brand positioning	✓ Seasonality		
✓ Cater in eco-friendly trend	✓ Fierce competition		
	✓ Large selection of product substitution		

7. SWOT Analysis

(1) Strength:

 Clean and trendy interior design. The ambiance of the place is very hip and modern, with bright pink décor. The barstools and seating area are nicely decorated. The store is always very clean.



Great selection of toppings. Compared to Yogurtland, Cherry On
 Top has a greater variety of toppings. Moreover, the fruit toppings
 are very fresh.



- Neighborhood proximity. Cherry On Top (Fullerton) is located in a plaza, which is near to a neighborhood. Since there is an elementary school and a high school nearby, a lot of families and teenagers visit the shopping center.
- Vegan friendly. Cherry On Top also provides choices for vegans. For example, they have dairy free sorbet, such as watermelon sorbet.

(2) Weakness:

Unlabeled toppings. Cherry On Top does not label its toppings.
 Yogurtland labels their toppings, which makes it easy for customers



to choose what they want to add to their frozen treat.

- Less variety in yogurt flavor. Yogurt flavors are not as extensive as Yogurtland's.
- Pricy. Cherry On Top is 39 cents per ounce, while Yogurtland is 30 cents per ounce, and Tutti Fruitti is 35 cents per ounce.
- Lack of brand differentiation. There are currently so many self-serve frozen yogurt stores in the market. Cherry On Top does not have a distinctive value to differentiate it from other competitors.

(3) Opportunity:

- Unique brand positioning. Cherry On Top needs a unique position to differentiate it in the marketplace and increase brand loyalty.
- Cater to eco-friendly trend. Cherry On Top can take advantage of the eco-friendly concept to differentiate itself from other frozen yogurt shops.

(4) Threat:

- Seasonality. During the winter months, Cherry On Top's sales will drop.
- Fierce competition. There is fierce competition in the frozen yogurt market with strong competitors like Yogurtland.
- Large selection of product substitution. Consumers can choose other dessert stores or ice cream stores as alternatives.



III. Digital Media Campaign Plan

1. <u>Strategic objectives</u>

(1) Increase brand presence across social channels

Increase the number of followers on Twitter, number of fans on Facebook, number of check-ins on foursquare and so on.

- (2) Improve customer engagement on Facebook
- Creating high-quality content: Take the time and effort to create high-quality content, add great photos on Facebook, Twitter, Yelp among others.
- Responding to comments: Take time to respond to customer comments and online reviews on Facebook. Say thank you to the customers who have shared their experience and offered their valuable feedback. It is also important to address the concerns and complaints of unsatisfied customers to maintain goodwill and ensure that customers will return.
- (3) Induce purchase intention and increase sales revenue by 20%

 Provide information to educate customers about the ways in which the flavors of yogurt are inspired. Cherry On Top needs to use creative advertising and promotion on social media sites.

2. Implementation strategy

(1) To increase the number of check-ins on foursquare

Foursquare turns visiting businesses into a contest: the individual with the



most check- ins within a 60 day period is crowned mayor.

We will use Twitter, Facebook and the company blog to encourage customer to earn mayorship by visiting Cherry On Top and checking in more. These sites will promote the marketing message.

Marketing message: Dear Foursquare users, this could be you! Cherry on Top is offering 15% off for every 3rd check-in on Foursquare. The "mayor" will receive 10oz of frozen yogurt for free! This offer is for a limited time only, so check-in and start earning your free frozen yogurt!

(2) Increase level of engagement on Facebook

Cherry On Top already provides free Wi-Fi in store, this can foster electronic sharing of frozen yogurt. To encourage customers to tweet, post and share pictures on Facebook, we suggest Cherry On Top use a smart TV that displays Cherry On Top's social media pages and mentions in real time. For example, when a customer posts a picture of his or her perfect frozen yogurt creation, it will pop up on the smart TV in the store.

To promote this, we also made two posters which will be included on Cherry On Top's Facebook, twitter and blog to encourage customers to customize their frozen yogurt and share it with their social circles.







Your Yogurt, Your Toppings



Your Indulgence.



We also create two flavor cards for Cherry On Top, which they can put them on their Facebook page.

Cupcake (low-fat)

The delicious taste of frosting and batter all in one swirl.

You will definitely want to lick the the batter off the spoon.



Dutch Apple Pie

(non-fat)

An apple a day keeps the doctors away.





(3) Induce purchase intention and increase sales revenue by 20% To induce purchase intention and generate real sales for Cherry On Top, we will have a promotional event, which is called "Color of the week". For example, if the watermelon sorbet is the featured frozen yogurt of the week, customers who wear red clothing will receive watermelon sorbet for 10% off. Cherry On Top can do the same things with pink lemonade (pink shirt), blueberry tart (blue shirt), and several other flavors. This is a fun and interactive way to get customers involved.







Stop Thinking.. Start Tasting

try our new flavors!
Chocolate Malt & Peach Tart





IV. Recommendation and Conclusion

We recommend Cherry On Top to differentiate its brand from other frozen yogurt shop as an eco-friendly brand. According to labbrand.com, new eco-friendly frozen yogurt shops can gain a competitive advantage in already saturated markets with other frozen yogurt shops. In recent years consumers place a greater importance on the environment and corporate social responsibility. They are likely to buy green products, even if its quality is the same as a similar non-green product. An eco-friendly image will enhance the brand identity and create loyalty for eco-minded customers. The socially-conscious consumer trend, enhanced by effective branding, should help Cherry On Top to obtain a unique position in the frozen yogurt market.

By promoting sustainable and environmentally friendly practices, we want to change customer's perceptions of Cherry On Top. Customers should view Cherry On Top as an eco-friendly company in order to build a socially-responsible and green image. More specifically, we suggest Cherry On Top take the following steps to reduce their impact on the planet:

- Use reclaimable serving materials
- Use energy-saving appliances, such as light-bulbs to reduce electrical consumption
- Donate 1% of profit to environmentally oriented charities



Cherry On Top has a trendy design, great topping selection, neighborhood proximity, and vegan friendly options. However, they also have unlabeled toppings, fewer flavors, a higher price and low brand differentiation. By transitioning into an eco-friendly store, Cherry On Top will create its own unique position and distinction within the frozen yogurt market. They must also engage consumers through Facebook, Yelp, Groupon, and Foursquare with quality content and rewards for staying connected and providing feedback. Customers are encouraged to leave comments, post photos, and check-in through discounts and recognition via the smart TV which will showcase a live feed of social media activity. Promotional flavors will be pushed by posting flavor cards on Facebook and through the "Color of the Week" promotion. Through social media presence, environmental efforts, and a variety of engaging promotions, Cherry On Top will reach its target market and increase sales.





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APPENDIX

	Tall 2012 Product: Household Product		NUIX				
	Fall 2012 Product: Household Product	is - Food prod	ucts				
	Frozen Yogurt	Cl \					
	Jsed in last 6 months Total (Principal	Snoppers)					
I	Total Homemakers	T-+-11000	D: 1000	D-+ A	Dat Darrin	Lucal av.	
		Total '000	Proj '000	Pct Across	Pct Down	Index	
Total		142539	15780	11.1	100	100	
Women		97103	11268	11.6	71.4	105	
Educ: did not	t graduate HS	18127	2405	13.3	15.2	120	
Educ: post gr	raduate	15543	1940	12.5	12.3	113	
Age 18-24		11272	1350	12	8.6	108	
Age 55-64		24649	2888	11.7	18.3	106	
HHI: \$150,00	00+	12873	1487	11.5	9.4	104	
HHI: \$20,000)-\$29,999	15648	1991	12.7	12.6	115	
HHI: <\$20,00	00	25947	3194	12.3	20.2	111	
Marital Statu	ıs: Now Married	70341	8006	11.4	50.7	103	
Child age: <1	2 months	5732	729	12.7	4.6	115	
Child age: 6-:	11 years	23037	2653	11.5	16.8	104	
Child age: 12	2-17 years	23238	2923	12.6	18.5	114	
Race: Black/	African American	17274	2104	12.2	13.3	110	
Race: Asian		3969	609	15.4	3.9	139	
Race: Other		12133	1771	14.6	11.2	132	
Race: Black/	African American only	16665	2069	12.4	13.1	112	
Race: Other	Race/Multiple Classifications	17720	2474	14	15.7	126	
Spanish spok	ken in home (most often or other)	19489	2919	15	18.5	135	
Internet I (He	eavy)	28191	3185	11.3	20.2	102	
Internet IV		28215	3404	12.1	21.6	109	
Internet V (L	ight)	29893	3463	11.6	21.9	105	
Web Sites: di	isney.com	3726	428	11.5	2.7	104	
Web Sites: fo	ox.com	5477	696	12.7	4.4	115	
Web Sites: H	ulu.com	7112	936	13.2	5.9	119	
Web Sites: iT	unes.com	17894	2064	11.5	13.1	104	
Web Sites: Ti	icketmaster.com	6523	799	12.3	5.1	111	
Web Sites: Ya	ahoo! Movies	3374	510	15.1	3.2	137	
Web Sites: A	bout.com	4251	496	11.7	3.1	105	
Web Sites: Ye	ellowpages.com (YP.com)	10609	1280	12.1	8.1	109	
	areerBuilder.com	7811	1011	12.9	6.4	117	
Web Sites: m	nonster.com	5908	767	13	4.9	117	
Web Sites: B	BC.com	3836	515	13.4	3.3	121	
Web Sites: fo	oxnews.com	10209	1370	13.4	8.7	121	
Web Sites: n	ytimes.com	9756	1200	12.3	7.6	111	
Web Sites: C	oupons.com	6171	879	14.2	5.6	129	
Web Sites: G		12409	1677	13.5	10.6	122	
	vingSocial.com	6012	857	14.3	5.4	129	
	ny Spanish Language Website	3385	630		4	168	
Web Sites: H	, ,	7053	870	12.3	5.5	111	
Web Sites: H		5365	640		4.1	108	
Web Sites: Tr	ravelocity.com	9524	1134		7.2	108	

