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# Executive Summary

With a market potential of over 1.2 million members, Singapore’s senior citizen demographic has high return potential for the club. Great news for management, this age group has never been easier to reach. Increasing internet usage and broad media consumption creates many opportunities for advertising to reach underserved segments and populations.

The following strategic advertising plan seeks to address reaching club goals of recruiting 100,000 new members per by 2015. In addition to goals, the budget for this project is $100,000 SgD, or $1 per new member. This is a moderate budget and will successfully be able to support advertising efforts to achieve its goals.

Numerous marketing channels have been identified in the areas of digital and print media with small initial investments for improvement during the first year of implementation. During year two and three of the plan, growth is guaranteed. Advertising budget cash flows used during year one of the plan will become available for additional advertising efforts to drive membership sales. Lastly, special offers and sales promotions will be utilized to recruit new members.

The implementation of customer relationship management (CRM) software should be able streamline communication efforts, maintain data, protect information, and manage special offers for the selected target (member vs. non-member). Not only will CRM be useful in these areas, but will be able to assist the club in maximizing its retention efforts.

# Unique Selling Proposition

Careful selection of the club’s unique selling proposition (USP) is important since it expresses how it sets itself apart from the competition while simultaneously expressing value to potential members. Since Singaporeans value modesty and demonstrate respect for elders (Qiang, 2012), a USP that honors the clubs’ demographic is important. The club provides four types of fitness for Singapore residents, age fifty years and up. The four types of fitness are:

1. Physical
2. Intellectual
3. Social
4. Purposeful

The club creates value for its members by offering a whole, healthy lifestyle network during the later life stage. The unique benefit provided is total personal wellness. As such, the following is the recommended USP for the club:

“Complete fitness of body, mind, and spirit during your best years.”

The USP is inspired by the clubs’ ability to deliver complete and total wellness in all areas for their members. Not only does the USP reflect what the club does, it also differentiates itself from other senior club wellness competitors. The tone also mirrors a mindset of good health and wellbeing.

# Strategy Recruitment Channels

There are several member recruitment channels that the club can use to meet its goals of reaching 100,000 members per year by 2015. The channels were selected based upon criteria that reflects the most efficient and effective usage of connecting with senior age Singaporeans.

## Internet Marketing

Internet usage among senior citizens is a surging viable channel. With an internet penetration rate of seventy-five percent, Singapore has an active online community. Three out of five adults use the internet in Singapore every day (Nielsen, 2009). Internet marketing is a very broad term; therefore, should be subcategorized for ease of communication in the promotion strategy. The following channels will be utilized for internet marketing efforts

1. Email marketing
2. Club website
3. Social media
4. Search engine marketing
5. Online Advertising

### Email Marketing

#### Email Database

If not already implemented, a customer relationship management (CRM) system with email marketing functionality should be implemented by taking the following steps:

1. The club should assess its CRM needs, frequency of use, technology needs, personnel needs, web integration capabilities, capital purchase requirements, and ongoing price considerations.
2. Make a final purchase decision and complete the transaction.
3. Integrate the database with current data and website.
4. Begin implementation of database according to implementation schedule discussed later in the plan.

#### Newsletters

Regular email newsletters sent to existing and potential members is a great way to communicate key information to the people who want to know about your organization. The importance of segmenting your email list is useful in newsletter marketing efforts. The following recommendation for newsletter implementation is:

* Send a “daily digest” to current subscribers. This daily email can include health and wellness information, how-to guides, club events, membership drives, and share lifestyle tips that reflect the clubs values.

### Club Website

The club website is the “hub” of all internet marketing efforts. A site that is functional, informative, content-driven and easy to navigate will strengthen the club’s brand image and build emotional rapport with its members. The following recommendations for the website are:

* A newsletter sign-up box should be located within the top third of the site on the right hand side, if possible.
* Implement the “No more than 2-clicks away” rule. Membership sign-up forms should be accessible within two-consecutive link clicks.
* Design a clean, functional site that is easy to read.
* Place your most important links “above-the-fold” of your website.
* All elements of the website should be developed with the goal of driving customer membership.
* Social media links should also be located near the top third of the website page.

### Social Media

Senior citizens are the fastest growing social media demographic in the world. The following recommendations (categorized by platform) are given in order to optimize the club’s social media impact. However, it should be noted that social media has both “soft sell” and “hard sell” elements. Appropriate distinctions will be made in the outline below.

1. Facebook
   * Utilize target Facebook ads and sponsored posts to attract attention to target market.
   * Create a Facebook page that updates media-rich content on a daily basis.
   * Engage in other Facebook groups
   * Utilize event pages to attract potential people to membership drives.
2. Twitter
   * Create a Twitter account and begin following key members.
   * Understand how to leverage Retweets (RTs) and hashtags. Determine which hashtags are used by your target audience.
   * Develop an attractive profile page for visitors.

### Search Engine Marketing

Pay-per-click (PPC) advertising is highly effective in attracting new members. For example, Google AdWords can be used to drive traffic to your website and boost membership revenues. Each campaign can be tailored to meet goal needs and speak directly to target audiences. Forecasts indicate this will account for 30% of the club’s website click-through traffic (Buresh, 2008).

Search engine optimization (SEO) is a form of unpaid advertising, relatively speaking. The club’s website can be optimized be an SEO certified professional that is proficient in indexing, crawling, and increasing prominence.

### Online Advertising

Regular internet advertising should be placed on websites frequented by Singapore’s senior citizens, especially in the financial services, health care, personal wellness, and lifestyle sectors. Regular promotion through these websites will drive potential member directly to the club’s website and create a call-to-action by signing up and paying for the one-time fee. Several forms of attention-getting advertisements can be used to achieve membership goals:

## Direct Mail Marketing

Direct mail is selective, easy to track and offers flexibility regarding the timeliness and content of each mailing. Since higher costs are associated with direct mail-to-home promotions, strategic usage for the greatest return on investment will be implemented. Direct mail marketing efforts can be divided into two sub-categories within our target audience: current members and potential members.

### Current Members

Current members are individuals who will receive direct mail communications alerting them of events, special invitations, new benefits, products in which they may have interest, and recruiting drives.

### Potential Members

Contact information from potential members through direct mail lead generation lists can be used to sell non-members on membership benefits with a call-to-action.

## Word-of-Mouth

Word-of-mouth and internal referrals are the most powerful advertising the club can receive. Since word-of-mouth communication is the number one factor that drives the consumer persuasion response (Moriarty, Mitchell, & Wells, 2012), it is one that can be stimulated by management during the promotion process. There are many different sources:

* Existing members
* Friends and family
* Professional colleagues
* Influencers

The first three sources on the above-mentioned list are implemented by simply asking people to tell others about the organization. For example, in your email marketing campaigns to current members, the club can include a link that refers their contacts to become a member. The referrer can be provided an email template in a pop-up window through the website that reads:

“Dear Mary, I am a proud member of the XYZ club! I think you would really enjoy it, too. Here is a link that tells you about the exclusive benefits I get by being a member. – Catherine.”

The most powerful category in word-of-mouth marketing is from the “influencer” source. This group is your biggest advocate, and they speak well of you when you continue to meet their needs and create consistent, customer value.

## Public Relations

Public relations (PR) can be used to leverage the club’s social impact for senior citizens in Singapore. Strategic PR can be used to influence positive public opinion towards the club while also promoting its good reputation and stewardship towards its communities. PR strategies include:

* Regular press releases to the media
* Annual reports available through the club website
* Press conferences when significant contributions to the industry have been made
* Research reports available through website

## Distribution Materials

Attractive and eye-catching marketing distribution materials can be used at events, membership drives, or for networking purposes. This channel includes the following items:

* Flyers can be distributed in visible public locations.
* Brochures can be created to attract new members and investors.
* Membership forms should be enticing and eye-catching with a information to find you online.

## Niche Magazines

As markets become more specialized, so do its marketing channels. Singapore has a robust magazine market targeted at senior citizens. Niche magazines are delivered directly to the club’s target demographic with unlimited potential for a call-to-action. Advertisements are expensive; however, the impact will create huge potential in advertising efforts targeted at people who are age fifty-five and above. It is recommended that the club create regular ad campaigns to develop brand awareness.

## Radio

Singapore’s radio stations offer several niche stations that are targeted towards senior citizens through MediaCorp, Inc. (MediaCorp Radio, 2008), including Singapore’s only classical radio station which has a high rate of listenership among the target audience. Radio advertising is inexpensive yet effective, with radio stations offering high flexibility in terms of message customization.

Radio advertisements should be strategically used to encourage membership commitment throughout the course of the year. Monthly campaigns can be implemented and controlled according to the communication goals during the set time frame.

# Special Offers

Special offers and sales promotions will be utilized strategically in order to create awareness through test trials, increase market share, and serve as a brand reminder.

## Price Deals

Price deals are especially attractive to the senior citizen audience, which is often quite sensitive to pricing due to fixed or limited incomes that occur after retirement. There are several price deal strategies that can be used to attract more members, including:

* Annual membership drives are an ideal time to offer a special price due to the nature of higher-than-normal buyer participation rates. Building awareness and interest prior to the event, with an emphasis on value and special pricing, will be key to the success of the promotion.
* Current members can be enticed through price deals, such as a member referral fee payment, in an effort to promote word-of-mouth advertising and drive membership numbers throughout the year.

## Contests

Contests are an exciting and fun way that current and new members can participate in recruiting efforts. For example, a new member recruitment contest can be offered to current members. Individuals with the highest referral numbers can win large sums of money or cash prizes.

## Displays

Displays are a suitable match for distribution of printed marketing materials, such as fliers and brochures to create greater awareness of the club and its activities. Display locations should be placed at all events and programs, retailers frequented by senior citizens, assisted living facilities, and hospitals.

## Sampling

Sampling allows potential members to experience the total value offered by the club. The “try before you buy technique” is effective in reducing post-purchase cognitive dissonance. There several ways this tactic can be utilized:

* “Refer-a-friend” promotions are great way for potential members to experience the value created by participating in the club. Current club members are rewarded through cash and prizes for referrals.
* Occasional “30 day free trial offers” will entice potential members to experience the benefits of club membership prior to committing to the purchase.

## Specialties

Specialty distribution items are effective at creating strong brand recall for current and potential clients. In addition to brand recall, a secondary advertising effect is created when the item holder keeps the item on display. Branded items, to name a few, include:

* Calendars
* Pens
* Water bottles
* T-shirts

These items can be distributed at trade events, as referral prizes, during initial sign-up, and at all club events.

# Promotion Strategy

## Target Audience

The target audience of the club to support member recruitment efforts are Singapore residents who are aged 55 years and above. The entire market potential for the club is 1.2 million members. Over the next three years, the club seeks to capture twenty-five percent of market share by 2015.

## Promotion Budget

Distribution of the promotion budget considered return on investment (ROI) by creating a weighted average of ROI and percentage of budget. The following distribution of the advertising is recommended:

* Internet Marketing $ 30,000 Average ROI: 278%
* Direct Mail and Materials 22,000 120%
* Special Offers 13,000 119%
* Niche Magazines 13,000 112%
* Public Relations 12,000 105%
* Radio 10,000 105%

**Total $ 100,000**

Average ROI calculations were based upon a Nielsen study regarding short-term promotion efforts (The Nielsen Company, 2009).

## Promotion Schedule

All specific, actionable items should be delegated and implemented by management and key personnel according to the organization’s goals and objectives. A recommended promotion schedule has been developed to reflect implementation over a three year period. The strategic promotion schedule has been outlined below:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Tactical Promotion  Activity | Promotion Strategy | Expected Improvement | Estimated  Cost | Target  Date |
| Database Implementation | Customer relationship management | Communication | $10,000 | End of Y1Q2 |
| Newsletter marketing | Online sales | Sales revenue | $2,000 | End of Y1Q1 |
| Website updates | Online sales and information | Conversion rates | $2,000 | End of Y1Q2 |
| Social media implementation | Online sales and member contact | Conversion rates and sales revenue | $2,000 | End of Y1Q1 |
| Search engine marketing and online advertising | Web site visits | Higher click through rates | $10,000 | End of Y1Q2 |
| Direct marketing, public relations, distribution materials | Brand awareness | Conversion rates and sales revenue | $34,000 | End of Y1Q4 |
| Magazine ad layouts and provider selections | Sales | Sales revenue | $13,000 | End of Y1Q1 |
| Radio Ads | Sales | Conversion rates and revenue | $10,000 | End of Y1Q1 |
| Implementation of special offer tactics | Sales | Recruitment | $13,000 | End of Y1Q1 |

The first year of the promotion schedule includes many capital expenses and initial marketing investments. Further, it is also recommended that the club utilize temporary or contract workers to develop the tactical plans for each strategy since several of them are due at the end of the first business quarter. The second and third year will have additional funds to increase advertising penetration to its target audience.

# Conversion Strategy

The club’s conversion goals are very aggressive. As such, sales management, close monitoring of ad campaigns, and consistency in tactical implementation will be crucial in achieving sales goals. A 10% sales conversion rate will be necessary across all platforms in order to achieve goals. It is imperative to expose at least one million senior-aged Singaporeans, their friends, and family during year one. This number will become subsequently less each year.

The means of achieving these goals are outlined below. However, it is also recommended

## Internet Marketing

### Facebook

There are 240,000 Singaporeans aged 55+ who are active Facebook members. Therefore, paid and unpaid page advertising is significant. The goal of FB conversions is 24,000 new members.

1. Create paid campaigns that cost $1.00 per new acquisition.
2. Ads should be used to inform people of your organization, FB page, website, membership benefits, special promotions, or events.
3. Engage with fans on FB page. Develop daily content calendars and hire a copy writer.
4. Measure results and adjust accordingly.

### Twitter

There are 100,000 Twitter accounts managed by Singaporeans. The goal of Twitter conversions is 10,000 new members. While Twitter is not a “hard sell” environment, by nature, it is recommended that Twitter is used to promote its page and grow its follower base.

1. Create paid campaigns that cost $1.00 per new follower.
2. Ads should be used to inform people of your organization, Twitter page, website, membership benefits, special promotions, or events.
3. Engage with fans on Twitter page. Develop daily content calendars.
4. Measure results and adjust accordingly.

### Google

Google AdWords paid advertising is going to be the advertising “strong-arm” of the entire campaign. Since the internet searching is the most commonly used form of digital consumption for the target audience, this is where the majority of the budget should be allocated. The audience potential for Google AdWords is 720,000. The goal of Google AdWords conversion rates are 46,000 new members.

1. Create paid campaigns that cost $1.00 per new acquisition.
2. Ads should be used to inform people of your organization, social media pages, website, membership benefits, special promotions, or events.
3. Engage with fans on FB page. Develop daily content calendars.
4. Measure results and adjust according.

## Offline Advertising

The remaining 20,000 members need to be recruited from offline advertising from radio, events, direct mail, and niche magazine advertising.

Consistent marketing and branding is the key to success. Additional recommended conversion activities for the club are listed below:

1. Map the club’s sales process. Diagram the step-by step processes required to convert prospects into members.
2. Measure conversion rates in order to effectively manage results and employ contingency plans as necessary.
3. Qualify better leads up front by offering a specific approach to the target audience.
4. Use packaged information offers.
5. Create enticing offers.
6. Gather and utilize testimonials.
7. Offer members money-back guarantees.
8. Streamline sales management efforts.
9. Win awards.
10. Capture and log prospect information.

# Joint Ventures & Partnerships

## Membership Benefit Providers

The club currently offers members benefits that can be expanded upon through strategic partnerships. It is recommended that business leaders research which benefits current members value most or would like to see available to them. The club will then be able to craft mutually beneficial agreements among its providers.

## Capital Investors

Capital investors can be utilized for short-term capital acquisitions. This will be necessary to fund expansion of market share to twenty-five percent within a three year period. Access to capital will become increasingly important as 2015 approaches and beyond.

## Co-branded Products

It is recommended that the club seek out strategic partnerships that can co-brand products that Singapore senior citizens frequently use. As an example, co-branded financial products, such as affinity marketed credit cards, are popular with this demographic. Members would be able to apply for a credit card that is co-branded by the club and the financial institution that is providing the secondary market with capital. There are many complimentary products that can be co-branded in association with the club.

# Referral Strategy

The overarching referral strategy will be to reward current members and potential members through special offers. Strategic implementation of a referral strategy and its uses are outlined above in the “Special Offers” section of this plan.

# Retention Strategy

The retention strategy of current members can be achieved through the use of carefully executed tactical customer relationship management. Monitoring interruptions in member benefit usage can be implemented, as an example. Personnel from the club can then employ retention tactics to fulfill the overall retention strategy.

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