

Marketing Plan For Chrono United Watches

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Introduction

1.1 Part A. Feedback

The feedback received in the previous report discussed that the branding strategy was cohesive, including important touch-points for the brand logo and slogan. Demographic, psychographic, and behavioural bases were used to describe the relevant target market. The review also remarks on how the branding elements are well connected with consumers buying decisions. The feedback received has positive remarks on all aspects of the report, including content, formatting, and referencing.

1.2 Company Profile

Chrono United is a US-based [watch company](#) that deals in authentic sports and luxury watches, as well as timepieces. The company operates from Annapolis, Maryland, a great city in the tech corridor of New York and Baltimore. Annapolis, Maryland's design district, has grown rapidly during the last couple of decades, and experts believe that it can easily rival Madison Avenue or Rodeo Drive any day. Many brands like Rolex, Pulsar, Nike, Adidas, Ice-Watch, Casio, Timex, Calypso, Swatch, Titus, and Weiss have their corporate branches operating from Annapolis, Maryland. The city offers high social life and economic opportunities.

The marketing plan is structured as follows: section 2 will discuss the pricing and distribution strategies considering the various macroeconomic and microeconomic variables. Section 3 will discuss an integrated marketing communication plan, and section 4 will discuss public relations. Section 5 will highlight sales, discussing aspects of promotions and personal selling. Section 6 will discuss competitive analysis, highlighting the competitors. Section 7 will shed light on the online and direct marketing plan, and the last section, section 8, will discuss social responsibility, followed by a conclusion.

Pricing and Distribution Strategy

Pricing strategies focus on finding the optimum price for the product, considering the cost and market share. The profits depend on the price (Dolgui & Proth, 2010). The distribution channels require strategic and tactical decisions (Rangan & Jaikumar, 1991).

Various macroeconomic and microeconomic factors play a part in the cost of the product and its

pricing. As Chrono United manufactures watches and timepieces, recent shortages due to lockdown, closure of businesses, and less disposable income impacted the business. Therefore, considering the cost, the market trend, and the purchasing power of people, pricing strategies have to be devised.

Distribution channels are essential to making the product available to the customer. They add value and convenience and are the channels to reach your customers, creating sales for the business. Well-thought-out distribution channels reduce the barriers between the seller and its customers.

Pricing Strategy

Considering that the watch market has well-established existing brands that present a challenge for a new company, pricing strategy requires a competitive take. The pricing strategy that is considered at the introduction level is price penetration. Considering that Chrono United is a mid-premium brand that has positioned itself on authenticity and product quality, a dynamic pricing strategy will be employed. The first strategy is price penetration, which introduces the product to the market with some variants priced at the low-end pricing range of \$80 to \$200. At the same time, the high-end, premium variants will be priced using competition-based pricing according to the market competitors. The brand eventually wants to develop a customer value-based pricing strategy as the brand's customer base grows.

To find a market footing, a price penetration strategy will be used to introduce the product in the market at a low price to generate word of mouth and capture a market share. Price penetration also considers the fact that there are existing competitors, like Chrono United, who are selling authenticity. In a market saturation, either the introductory price has to be low or the differentiation has to be high (Spann et al., 2015).

As a mid-premium brand, the pricing of high-end variants falls between \$500 and \$2000 using competition-based pricing. Keeping in mind that our competitors have premium variants in the range of \$1500 and above, our premium variants are priced in a similar range. Considering our target market, which spends a monthly of \$500 on luxury items such as watches and jewellery, we know that the product has to be priced on perceived value, which has been communicated through various branding activities that lead the brand towards customer value-based price.

Distribution Strategy

Distribution channels determine how the product reaches the customer. As a new brand, three retail stores will be opened in Annapolis, Maryland, Baltimore, and Washington, DC. As for most fashion items, the purchase decision is usually made by experiencing the product, its touch, feeling, and appearance. Therefore, at the introductory level, the brand will introduce pop-up stores in major retail stores across Annapolis, Maryland, Baltimore, and Washington, DC, and, in the second phase, target the remaining business hubs of the country. Not only will this help us create the brand image, but it

will also help us connect with our customers. This will lead to essential data collection that will help us establish extended distribution channels later on. The company may later develop wholesale distribution networks in states where retail stores are not made. However, the initial operation will be in three main stores where the company will manage distribution using its resources. A step-wise introduction through pop-up stores will guide us through the future decision-making process of distribution channels.

The company will also operate online through a website. The product delivery will be available throughout the United States at the initial level. We aspire to build a global market in the next five years of our operations.

Integrated Marketing Communications

With the growing influence of technology, a variety of marketing channels have emerged. Integrated marketing communication refers to the idea that a consistent message regarding the brand, the company vision, and its value-adding practices are communicated across all channels.

Brands operating in markets of today understand that these channels are customer touchpoints and can foster customer loyalty and develop a connection with their stakeholders (Kitchen & Burgmann, 2010). Media channels are a great way to make your presence known to your potential market. These marketing communication channels are used for the promotion of the company and include multiple aspects, as shown in the image below.

THE PROMOTION MIX: MARKETING COMMUNICATION METHODS



Figure ((*Promotion: Integrated Marketing Communication (IMC)* | *Introduction to Business*, 2016)

Integrated marketing communication creates the promotional mix, leading to value addition and strategic advantage in the market through communication with the stakeholders. This includes advertising, sales promotion, public relations, and direct marketing. These activities are very customer-centred and result-driven (Kitchen & Burgmann, 2010).

Message Strategy

The brand slogan is 'Time with Perfection'; all marketing communication channels of the brand will convey this to build the brand's perception of authentic, high-quality luxury products. An effective message strategy communicates the brand perception, positioning, and goal of the brand. The brand name Chrono United means time united us to customers; as an effective brand message needs to have an emotional touch, the brand website will include the message of 'connected through time' to develop the perception of a lifelong brand-customer relationship. These two key aspects of our brand will be consistently shared through all channels used for our communication, marketing, and promotional activities.

Media Strategy

Media strategy today has become synonymous with social media strategy. For a mid-premium luxury watch brand, the social media presence is vital for delivering the brand message to a larger audience and creating a customer base. Chrono United will have an online presence through a company website and social media networks, including Instagram and Facebook. The company will hire a social media manager to create buzz for launch events, inform customers about pop-up stores, and also manage the creation of content with media influencers that match the company's vision and target market.

With our target market that is looking for the latest trends, social media is the best platform for communicating those trends.

Public Relations, Sales Promotion, and Personal Selling Plan

Chrono United wants to create a long-term relationship with its customers. As a new brand, the company has to engage in multiple forums to get the brand message across to its target market.

Public Relations Plan

Public relations helps in delivering information regarding the brand practices that can help in creating its image and credibility. Modern markets have merged the roles of public relations, advertising, and media communication. Public relations can help build a brand's reputation (Mikáčová & Gavlaková, 2014). Chrono United will use public relations like press releases and press conferences. These will involve information about store launches, the company's vision, and the processes that ensure quality and value for the customers. These will also be shared on all online platforms that the brand uses.

Sales Promotion Plan

To promote sales as a new market entrant, Chrono United will employ a price penetration strategy for some of its watches and timepieces at its launch. Another promotional strategy will be an introductory 10% discount in the first week of the retail store launch on premium category articles ranging between \$500 and \$2000.

At the pop-up stores, the same 10% discount will be offered on premium watches. The brand will also offer a 20% discount on Black Friday and Christmas later in the year. Watch accessories such as straps for sports watches will be discounted by 15% on bundle purchases of 5 straps.

Personal Selling Plan

The face-to-face sales will happen in two modes: the first will be our retail stores, and the second will be pop-up stores in at least five major shopping malls in Annapolis, Maryland, Baltimore, and Washington, DC. Marketing consultants will be employed at pop-up stores to help with future decisions regarding the expansion of the retail network. A virtual sales representative will be engaged to promptly address customer queries online. As communication is vital to building customer loyalty and brand image, the sales representatives in the retail and pop-up stores will be trained by the sales department to convey the brand image and provide a seamless customer purchase experience.

Online and Direct Marketing Plan

Chrono United is operating through an online medium, a website. The customers will also be able to have the 'view on website' option available on social media platforms such as Instagram and Facebook. The brand will not be using any direct marketing channels; as a premium luxury brand, this strategy can not be effective in creating our desired brand image.

Website

The website for Chrono United has been created through a thorough process of ensuring customer experience to add value to the brand perception. The products are categorized by price range, materials, design series, and product category. Each product is supported with images that show all product dimensions; the zoom-in option can further enhance product detail. The products also include information regarding the materials, their source, and the environmental friendliness of the materials. There is an option to track the progress of orders on the website. The payment options have been made secure, and payment has been supported by all major banks in the US. The brand will develop the website to offer customization in the coming year of the business.

Advertising

Chrono United will be using print media to advertise in magazines such as People magazine, Time magazine, and Monochrome Watches Magazine. These magazines are popular and offer lifestyle and trend information to their readers. For online advertising, both display advertising and pay-per-click will be used. The type of display advertisement will be interstitial ads as these pop up as a whole page ad, creating higher engagement and click-through rate. These ads also help to generate brand awareness as they emerge on related websites. Pay-per-click advertisements are also a low-budget advertising option that can lead the target market to the website through keyword searches.

Search Engine Optimization

Search engine optimization can be exceptionally beneficial for a new business like Chrono United as this increases the probability of appearing in the search engine, leading to more people visiting the website. With keywords search of watches, trendy or sports, the more often the brand name emerges, the more likely there will be an increase in customer and brand interaction.

Social Media

The social media platforms used are Facebook and Instagram. Many lifestyle trendsetters share Instagram stories, which are an excellent advertisement medium. As Chrono United will be using influencers to create word of mouth and reach a larger customer base, this seems like an excellent choice. Statistical figures represent the effectiveness of Facebook as an advertising medium. With 1.39 billion active users, more than 92% of companies use Facebook as an advertising tool. It is one of the most prominent tools for creating relevant and personalized ads (Tran, 2017).

Direct Marketing

The business will not employ any direct marketing tools as the brand will not gain much through direct sales and call centres. The brand will, however, have virtual assistance to address consumer queries on the website.

Social Responsibility Plan

Chrono United is a socially and environmentally responsible brand. All materials used are sourced under approved material licenses. The brand has an active stance towards any materials sourced through child labour. We also advocate a healthy lifestyle, and our sports watch range promotes various features of active life.

Conclusion

Chrono United markets itself on perfection and authenticity. We endeavour to build a lasting relationship with our customers. As a mid-premium luxury brand, we consider ourselves to be trendsetters.

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