Campaign Book

Target
Bullseye Virtual
Shopping Experience

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Insights and Analysis

<u>Situational Overview</u>

      Since 1962, Target's purpose has been to "help all families discover the joy of everyday life." As a multi-department store featuring clothing, health, wellness, beauty, grocery, home and electronic departments, Target's exciting shopping opportunities is what keeps guests coming back. Even throughout the Covid-19 pandemic Target's in-store sales boomed. "Fourth-quarter 2020 [1]profits soared 66% and sales jumped 21%" according to ABC News. In 2021, Target is now seeking ways to further increase guest loyalty and customer's in-store experience.

      Although shopping online is a safe-alternative to shopping during this pandemic, it lacks the emotional and physical experience and opportunity to connect with the employees. In order to elevate the in-store experience even more and provide options that satisfy and assure the safety of customers our team decided to create the best of both worlds: a feature on the app that provides a quick contactless way to shop in-store. Our team will develop a concept application for mobile phones, in partnership with Target Wallet that allows shoppers to scan the barcodes of items in-store while they shop. As they scan, items will be uploaded into a virtual shopping cart on their mobile devices where they can check-out without going through check-out. The shopper will then get their barcode scanned and receipt checked with trained Target representatives before exiting the store. This feature will create an option that allows customers to shop safely and efficiently in-stores without sacrificing the pleasure of the Target experience or waiting days for online orders to be shipped.

Sources: Target, ABC News

<u>SWOT Analysis</u>

      Target's current internal and external environments will shape our team's strategy to drive Target's guest loyalty. Initially, we have identified four internal strengths that tie to our

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[1] Source: ABC News

developing campaign. First, Target has strong brand recognition. According to Harvard Business School, "The bulls-eye [logo] is recognized by 96% of American consumers." Additionally, consumers enjoy the in-store shopping experience. This means people generally want to spend time in the stores as opposed to online shopping. Harvard Business School noted that Target "was perceived as outperforming (Walmart) on specific dimensions: cleanliness of stores, shopping environment and experience, and shorter waiting time to pay." All of these factors also support Target's third strength, which is the public's perception of Target as a high-end store when compared to competitors. Therefore, people looking for more quality items may be more likely to choose Target. Finally, Target has a large following on social media. They have 4.5M followers on Instagram, 2.5M on Twitter, and a whopping 22.8M on Facebook. Looking forward, this massive following will serve our campaign as a wonderful way to reach engaged consumers.

In addition to strengths, there are two main internal weaknesses that we recognize. To begin, Target has slightly higher prices than its competitors. This may be a turn-off for some consumers in lower income brackets. Additionally, as was discussed in our initial meeting with Target, customers underutilize the Target app and Target.com.

Looking externally, the main opportunity in relation to our campaign is the public's increased interest in quick and contactless shopping options. Due to the pandemic, there has been a rise in services such as Instacart, and Amazon same-day delivery. In-store shopping is being allotted less and less time in the consumer's day. Target has the opportunity to grow by offering a quicker and more contactless way to shop. Target's main consumer bracket is from ages 18-44. Whether they're busy college students or busy parents, they're all looking for safer and quicker ways to get what they need.

Finally, there are also external threats facing Target. With a record number of jobs lost and small businesses failing, the past few years have been very difficult financially for many people. As the middle class continues to shrink, Target's slightly higher prices may drive some

customer's to the cheaper competition. This ties into the second threat facing Target: constant competition from other giant corporations. For example, Walmart's entire advertising slogan "Save Money. Live Better." directly contradicts one of Target's weaknesses- higher prices. The competition is never-ending. In order to compete, Target must continue to innovate.

Our team will propose a way to give customers a safer and quicker way to shop at Target through the Target app. By driving more people to the app, our strategy also offers an opportunity for more customers to learn about the app's personalized savings features and reduce the idea that Target is not a place for savings.

Sources: Target, Harvard Business School, Instagram, Facebook, Twitter, Instacart, Amazon

Problem Statement

Target is in need of a strategy that will drive guest loyalty through their Target app, while enhancing the in-store experience for those who are less comfortable shopping in-store due to ongoing health concerns worldwide. In order to do so, Target will implement a feature in their app, in collaboration with Target Wallet, that allows customers to scan their items into a virtual shopping bag as they shop and checkout via their personal device.

Key Publics

The app feature will cater to current and future Target guests. This feature is ideal for anyone looking to shop in-person in a faster and more efficient way. The target audience for this campaign are people between the age of 18 to 24-years-old. This decision was based on multiple factors, the first of which being that Target focuses their marketing strategies primarily based on their younger customers. In addition, customers who fall into this age range are more likely to download and use the Target app.

Primary Research

Research Question: How interested would Target shoppers in our key demographic be in the Bullseye feature on the Target app?

Method & Participants:

       We conducted an online survey using Qualtrics in order to gather data for our research question. Our survey was completed by 113 people who also gave their consent. Participants included college students ranging in ages 18-24 years old. We obtained participants through group chats for various clubs and organizations on campus, and reached out to professors for support in finding participants through their classes. Of the sample, 24.3% were male, 73.83% were female, and 1.86% indicated they were non-binary or preferred not to answer. In addition, 81.82% were White, 4.55% were Asian, 6.82% were African American, 4.55% were Hispanic, 1.14% were Multiracial, and 1.14% identified as other. For the rest of our survey, we chose to utilize likert scales and multiple choice for questions pertaining to Target and shopping habits.

RQ Findings:

- Results indicate that most respondents (39.6%) *frequently* shop at Target. 38.61% of respondents shop at Target *sometimes*, 20.79% *rarely* shop at Target, and .99% *never* shop at Target. (*M*=3.22, *SD*=.83)

- Results indicate that most respondents (63.11%) *strongly agree* that they use self-checkout kiosks when available in-store. 29.13% of respondents *somewhat agree*, 3.88% *neither agree nor disagree*, and 3.88% *somewhat disagree*. (*M*=4.51, *SD*=.75)

- Results indicate that most respondents (57.28%) *somewhat agree* that they have time to go shopping in person, 19.42% *strongly agree*, 12.62% *neither agree nor disagree*, and 10.68% *somewhat disagree*. (*M*=3.85, *SD*=0.85)

- Results indicate that most respondents (37.11%) *strongly disagree* that they are familiar with the Target app. 22.68% *somewhat disagree* that they are familiar with the Target app, 7.22% *neither agree nor disagree*, 20.62% *somewhat agree*, and 12.37% *strongly agree*. (*M*=2.48, *SD*=1.47)

- Results indicate that most respondents (65.98%) *strongly agree* that they are familiar with the Target in-store shopping experience, while 24.74% *somewhat agree*, 3.09% *neither agree nor disagree*, 4.12% *somewhat agree*, and 2.06% *strongly disagree*. (*M*=4.48, *SD*=.9)

- Results indicate that most respondents (34.02%) *somewhat agree* that they would be interested in a faster shopping experience at Target, while 25.77% *strongly agree*, 30.93% *neither agree nor disagree*, 7.22% *somewhat disagree*, and 2.06% *strongly disagree*. (*M*=3.74, *SD*=0.99)

- Results indicate that most respondents (65.98%) *strongly agree* that they would rather shop at Target in-person rather than online, while 19.59% *somewhat agree*, 8.25% *neither agree nor disagree*, 2.06% *somewhat disagree*, and 4.12% *strongly disagree*. (*M*=4.41, *SD*=1.01)

- Results indicate that the majority of respondents (35.05%) *somewhat agree* that they would utilize the virtual shopping experience feature in the Target app, with the second largest group of respondents (31.96%) *strongly agreeing*. 14.43% *neither agree nor disagree*, 11.34% somewhat disagree, and 7.22% *strongly disagree*. (*M*=3.73, *SD*=1.22)

Conclusion:

Following the findings from our survey, we can conclude that our key public would rather shop in-person at Target instead of online. Our results showed that the majority of our respondents utilize the self-checkout kiosks at Target and would potentially be interested in the

scanning feature in the Target app. However, the majority of respondents reported not being familiar with the Target app, which is where the scanning feature will be located and utilized. Although, considering the majority of respondents reported using self-checkout kiosks at Target and were interested in a faster shopping experience, we are confident the scanning feature will increase traffic on the Target app and be a popular method of in-store shopping since it will be an even faster process than self-checkout kiosks.

I would be interested in a contact-free checkout option at Target.
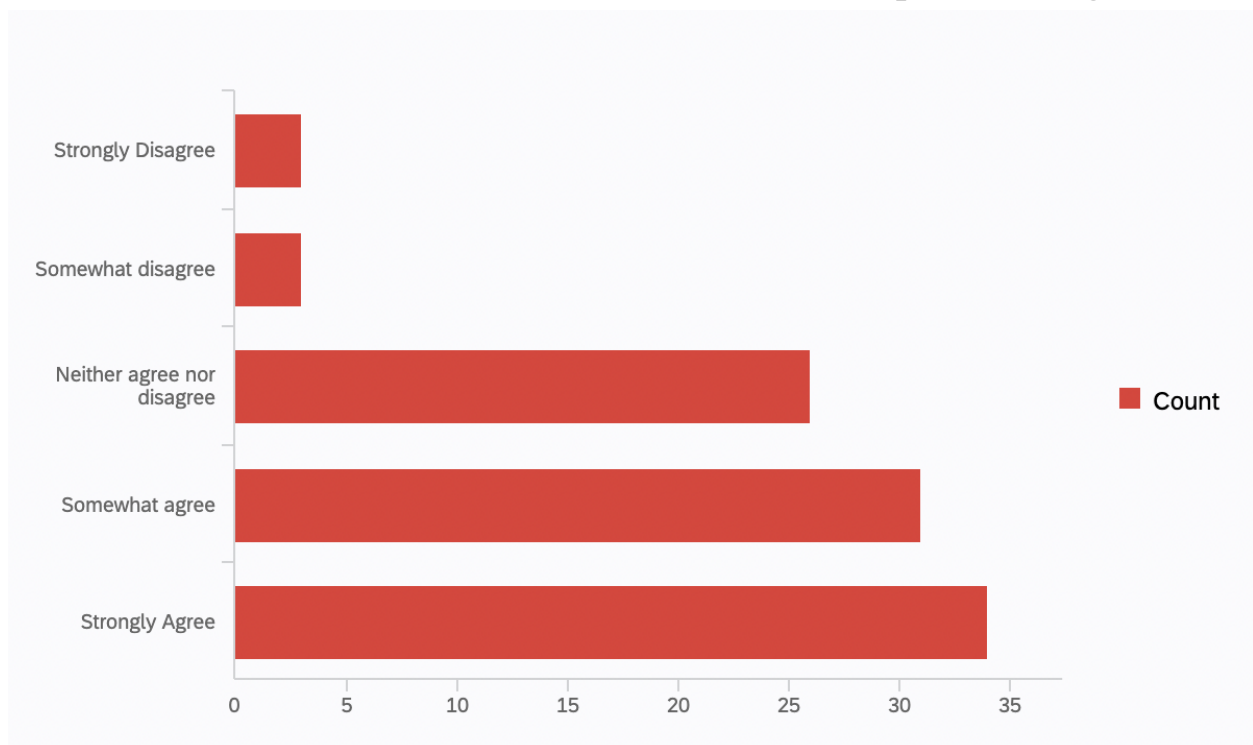
I would be interested in a faster shopping experience at Target.
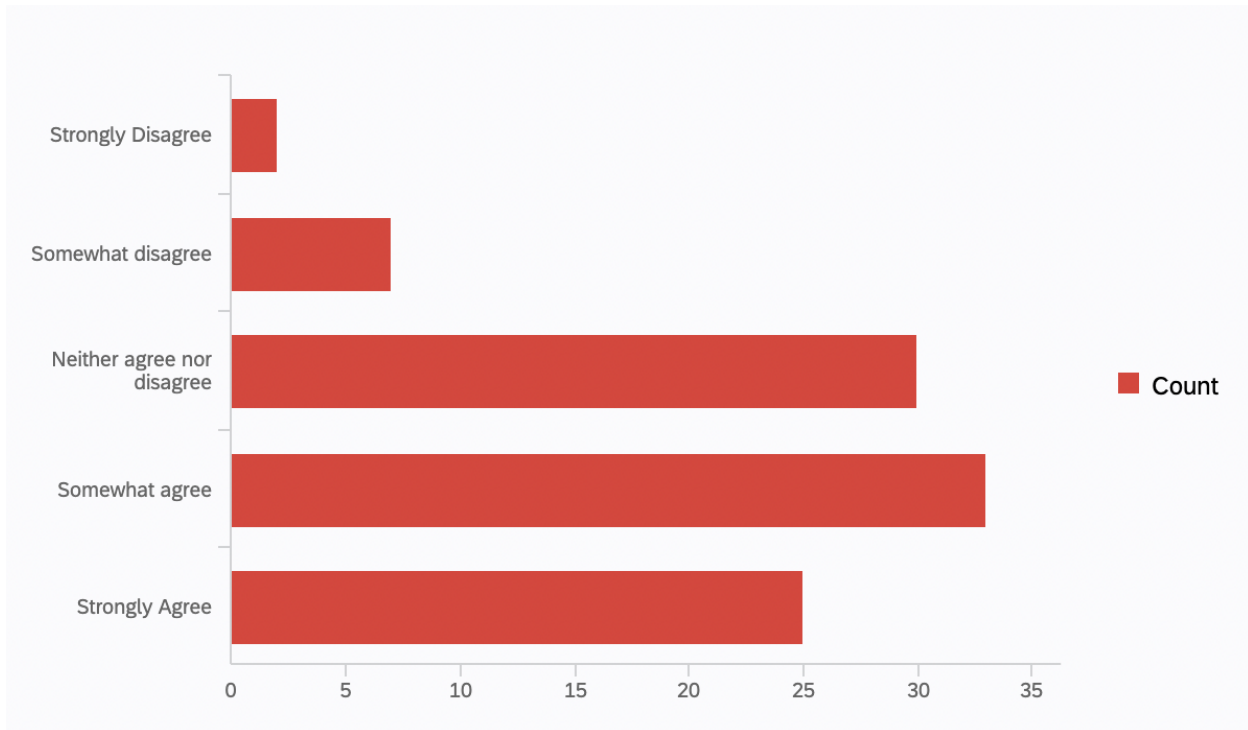
Planning

Goal:

The goal of our campaign is to bring more shoppers into the store by creating a faster, more efficient, contactless shopping experience through a new feature in the Target app.

Objectives:

- **Objective 1. To increase use of the Target app by 10% by May 2023**
    - **Strategy 1.** Utilize Target's software development team to create required software needed to launch the scanning feature in the Target app
        - **Tactic 1.** Utilize QR codes on banners to open scanning feature

- **Objective 2. To increase in-store sales revenue by 5% by December 2022**
  - **Strategy 2.** Develop in-store promotional opportunities
    - **Tactic 2.** Offer 20% off of first order utilizing the scanning feature
- **Objective 3. To decrease use of cashier checkout/self checkout kiosks by 5% by May 2023**
  - **Strategy 3.** Create advertisements promoting the new scanning feature as a faster way to check out
    - **Tactic 3a.** Run an advertising campaign on Instagram promoting the new scanning feature
    - **Tactic 3b.** Design, print, and distribute standing banner ads to display in-store
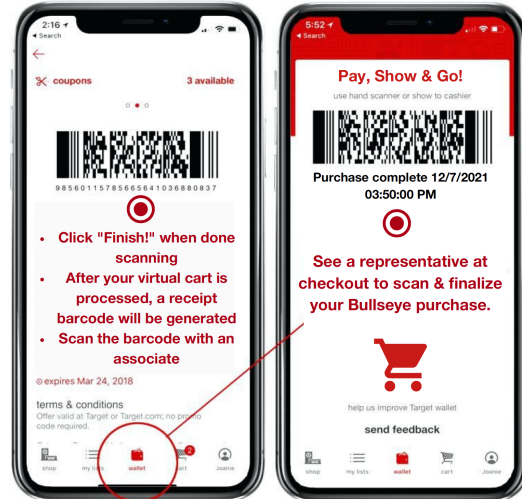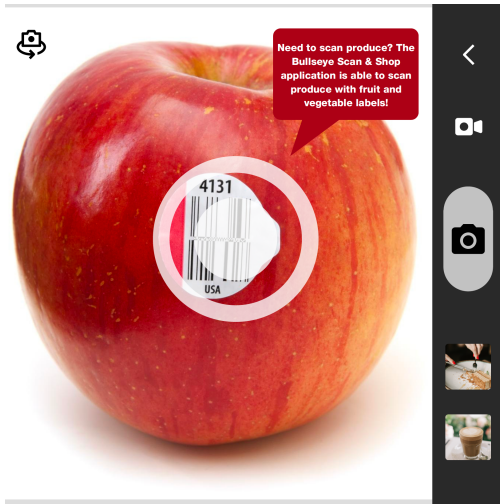
Implementation & Execution

Creative Materials

The design and messaging found within the Target graphics and advertisements designed for this project were created to distinctly follow and maintain Target's well-recognized brand. All design features including text font, pantones and rightful use of the Target bullseye logo and catchphrase were made in accordance with the 2013 Brand Guidelines document provided on brandingstyleguides.com. Features include the text font, Helvetica Neue Light, Normal and **Bold**. The pantone used was Pantone 186 and other variances of this shade. The Target catchphrase "Expect More. Pay Less." was maintained in single use without combination of other text or phrases. Lastly, the Target logo was specifically properly placed when needed and had not been altered in any way.

The implementation plan for the use of graphics within the campaign launch of the new app feature will begin with the creation of the software needed to make the feature on the Target app. This will be happening in the background a few months prior to the announcement of the new app feature which will occur an estimated three months before feature launch. The announcement will occur roughly two months before the launch of the feature. Several graphics will be distributed during the initial launch phase including a brief synopsis of the process and what shoppers can expect. This will occur on respective social media platforms including an announcement on Target's corporate newsletter, A Bullseye View. After a month of announcement and promotion of the new app feature, we hope to be able to update the Target app and include the new feature in the update. Launch of current advertisements encouraging use of the app feature will roll out including the stand up posters that will be posted in store around the store. These advertisements will continue to be posted throughout the "Before" and "During" of the holiday season which will be a significant promotion time frame for this app feature. Additionally, we will rely on "word of mouth" advertisements through our Target leaders who stand at the doors handing carts to customers and who are around the checkout area.

Sources: Branding Style Guides
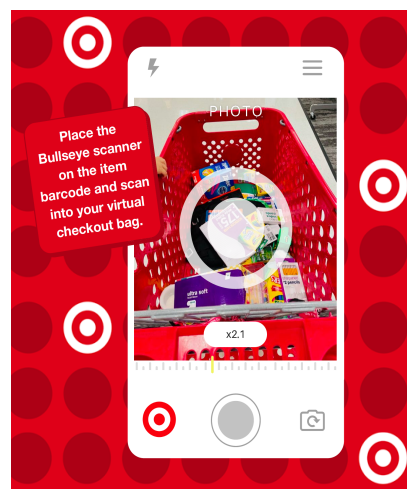
spend-threshold Target coupons in the wallet

Sources: Homemade via Canva

Timeline and Budget

This timeline and budget report was based on financial reports found on Target's corporate

website and our team's research into the costs associated with our campaign. Given Target's

reported $1.5 U.S. dollars spent on advertising in 2020, the costs of this campaign represent just

a small fraction of what Target spends yearly on advertising. Please note the below costs are

expected to be new costs that would fit into the budget but are not already accounted for. We did

not allocate a new expense for paying the graphic designers that would design our graphics that

already work for Target because the salary budget likely would not change when working on this

campaign.

Tactic	Est. Cost	Est. Time	Implementation Date
Two banner displays in every store.	$30,796.74	30 minutes	November 2022
Six posters throughout every store.	$150,228	30 minutes	November 2022
Instagram Advertisements	$60,000	6 months	November 2022
App Feature Design	$10,000-$12,000	3 months	November 2022
Advertisement Design	Incl. in salaries	1-2 weeks	November 2022

Sources: DevTeam.space, Staples, mktg-edge, Sam's Club

Evaluation

Initially, our team proposed a feature within the Target app that, through collaboration with

Target Wallet, would drive Target guest loyalty and ultimately bring shoppers back into the

stores. In order to measure success and rate of interest (ROI) of this campaign we will implement

measurement strategies regarding each of our main objectives.

Pre-Campaign Report + Audit to be conducted: November 1, 2022

Post-Campaign Report + Audit to be conducted: May 1, 2023

Goal:

- The goal of our campaign is to bring more shoppers into the store by creating a faster, more efficient, contactless shopping experience through a new feature in the Target app.

Objectives:

- **To increase use of the Target app by 10% by May 2023**
    - Evaluation plan: We will record the amount of accounts registered in the Target app before and after implementation of the new feature to gauge how much the new feature impacted use of the app.

- **To increase in-store sales revenue by 5% by December 2022**
    - Evaluation plan: We will compare nationwide in-store revenue before and after the launch of the feature to determine how much the app influences consumers to shop.

- **To decrease use of cashier checkout/self checkout kiosks by 5% by May 2023**
    - Evaluation plan: We will compare the number of shoppers using cashier/self-checkout before and after implementation of the new feature nationwide to determine how it influences the number of shoppers choosing those checkout methods.