



## **Marketing Plan Outline**

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## **I. Executive Summary**

Upon completion of the marketing plan for B's Music Shop an executive summary will be written. The summary will include topics such as the current situation and opportunities. In addition, recommendations will be made to help B's attract a larger portion of Mid Michigan's total wallet budget.

## **II. Introduction and Background**

### **a. Company Mission and Objectives:**

The mission of B's Music is to profit from its business functions and provide musicians with quality gear at an affordable price.

- Business functions include:
  - Selling new and used gear (both national and emerging brands)
  - Offering music lessons on a variety of instrument types
  - Bartering for used gear

B's sells a variety of instrument types. However, they specialize in traditional rock n' roll equipment. B's is an authorized dealer for the nationally distributed brand Peavey and an authorized repair shop for Fender Musical Instruments.

### **b. Market Definition and Background:**

B's Music Shop is a locally owned music equipment retailer located on Mission Road in Mount Pleasant.

- The business was officially opened on June 1<sup>st</sup>, 2002 by Brian and Elizabeth Hansen.
- The business was moved to its current location in 2005 where it shared a building with a Christian bookstore.

B's purchased both sides of its building from their former landlord on April 3<sup>rd</sup>, 2010. In doing so, the store has doubled its floor space and subsequently increased their operating expenses.

**c. Evaluation of Results and Conclusion of Problem:**

The problems facing B's Music Shop are as follows:

- Determining the amount of extra revenue needed to cover the increased expenses due to the expansion.
- Developing a strategy to reach their financial goals. This strategy must address issues such as market penetration, consumer awareness, and the overall brand image.

**III. Situational Analysis**

**a. Macro-Environment Analysis:**

- The economic environment over the past few years has brought hard times for most here in Mid-Michigan as unemployment nears 15% statewide.
- When the economy takes a turn for the worse as a whole, like it did over the past few years, many consumers have to cut back on additional spending on hobby-based items such as guitars and drum sets.
- The recent recession put buyers in a position where they had little disposable income.
- Socio-culture influences effects consumers in the market. Buyers are very brand loyal and when possible, always love to show some form of individualism for their belongings.

**b. Industry Analysis:**

- In the instrument industry, demand is sensitive to current economic conditions. Also, expansions of brands in the industry have put more mainstream products on the market, lowering the price of units and increasing new customer potential.
- In the last decade, guitar sales has fluctuated substantially year by year ranging from gains of 40% from year-to year, to loses of nearly 10%.

- The following is a snap-shot of the current guitar industry in the United States as a whole in units and retail dollars:

▪ Year	▪ 2009	▪ 2008
▪ Units	▪ 2,991,260	▪ 3,302,670
▪ %Change	▪ -9.6	▪ 0.2
▪ \$ Retail	▪ 1,151,240,000	▪ 1,158,592,050
▪ %Change	▪ -4.1	▪ 13.3
▪ Avg.Price	▪ 372	▪ 350

(<http://www.musictrades.com/census.html>)

- The product lifestyle in the industry forces retailers to incur high inventory prices. When guitar's, pianos, and other instruments come into the store, they have a low turnover rate, in that some items can take anywhere from five to ten years to sell. With this in mind, it proves to be an expensive industry to get into, which creates a barrier to entry keeping abundant competition a scarcity.

### c. **Competitor Analysis:**

Competition within the instrument retail industry has risen due to an increase in online retailers and the dominance of national chains. The following firms offer the most competition to B's Music Shop:

- Guitar Center- With locations in Lansing and Saginaw, the music retail giant creates a hostile environment for B's. Guitar Center is able to offer customers an unrivaled amount of gear at fair prices. In addition, Guitar Center now accepts trade-in gear.
- Musicians Friend- The company began as a catalog and has now moved in to web dominance. Musicians Friend is owned by Guitar

Center and offers an extensive line of gear. The main threat posed to B's Music is the website's ease of access to pricing information.

- Mid Michigan Music- Located in Midland, Mid Michigan Music is the closest brick-n-mortar music store to B's. However, the retailer focuses more on music lessons than merchandise. They also carry a wider selection of high end gear, as opposed to B's who offers a wide variety of pricing.

**d. Internal Company Analysis:**

- Personnel:
  - Less than 10 total employees (excluding owners).
  - Employees start at minimum wage.
  - Lesson instructors are paid more, yet work less hours.
  - Sales staff does not receive commission on any sales.
  
- Competencies & Performance:
  - Experienced & knowledgeable staff.
  - Company splits lesson fees 50/50 with teachers.
  - Weak product variety.
  - Recent store expansion with the recent acquisition of Cook's Music.
  - B's has differentiated itself through exploiting their staff's talents, by offering comprehensive repair service. They currently are an authorized Fender repair shop (but not dealer).

#### **e. Distribution and Suppliers**

Since they take in used equipment, a big portion of the inventory is essentially brought in by customers, making them a supplier in essence to B's. New equipment comes from the manufacturer, however, B's has a much lower number of name brands, meaning they could potentially expand brands in the store which could open up potential distribution networks and build supplier relationships.

B's Music currently works with the following to provide inventory:

- Associate directly with over 80 suppliers.
- Deal mostly with manufacturers.
- Do very little business with wholesalers.

### **IV. SWOT Analysis**

#### **Strengths:**

- Knowledgeable sales staff
- Large selection of unique or rare equipment
- Strong and dominant local presence
- Good relationship with boutique brands
- High bargaining power with used gear

#### **Weaknesses:**

- Lacking large selection of new/brand name merchandise (exception of Peavey)
- Lacking penetration with CMU students
- Some employee dissatisfaction. (hostile working conditions, no commission, minimum wage)
- Low bargaining power with suppliers

**Opportunities:**

- Growth of the local economy and population
- Venues such as the tap room have opened up doors for consistent community involvement
- Growth in low cost forms of advertising. (online social media. Ability to target small and precise target audiences)

**Threats:**

- Competition from online retailer. These are mostly used as an easy price point for consumers
- Weak economic conditions limit the amount of spending on premium/high priced gear
- Geographically close to 3 brick-n-mortar competitors

**V. Marketing Objectives****a. Physical Improvements:**

The key to expanding business at B's Music is effective marketing. The first step to building a more successful business around this company is to rejuvenate their current "image", as perceived by their customers. To help add better value to the customer, all of the following visual improvements shall be implemented:

**Exterior:**

- Repaint the outside of the building, using stencils, to create musically inspired paintings, by December 1st, 2010. This will help attract more eyes to the building, bringing about more traffic to the store.
- Add more parking to the store by December 1st, 2010, to help increase traffic to the business.

**Interior:**

- Redesign interior layout to help increase the flow and reduce theft.
- Separate the high-end products from the main-stream products to help increase customer awareness of the products that they currently carry.
- The addition of interior track lighting, organized shelving units, and point of purchase displays, all of which shall be installed and completed by April 1st, 2011, will help achieve these advertising goals.

Store remodeling will help increase foot traffic in the store substantially, as well as help bring B's store image to the next level. In addition to image reconstruction, in order to better reach out to local customers, we suggest running new advertising campaigns to better attract new potential customers, which is imperative to such a business that operates in a local community such as Mount Pleasant, which gets flooded by thousands of new college students each and every year.

To better reach out to college students, local inserts into CMLife and local flyers around town, among multiple locations across the Central Michigan University (CMU) campus, would prove to be a great starting point to push more sales. With a newly revived store image, B's would be able to advertise their new store look, layout, and atmosphere to help bring in customers.

- Before September of 2011, a collection of flyers will be placed on display on tack boards in dorms, cafeterias, and academic halls. Reaching out to college students in this inexpensive way will help lure in new, potential customers, as well as advertise B's new store.
- Run storewide sales promotions on new and used gear once proposed advertisements reach the community; by September 2011.



## **B. Financial Objectives:**

Currently, B's has no financial statements or sales forecasts. Their company has maintained profits while recently funding a major expansion to their retail outlet. Their current business philosophy has always been "Just make as much money as they can", "keep the lights on", and "don't go broke". In order to better help their current operating techniques, we suggest that B's Music should begin to use simple software programs and financial statements to help them better see where they currently stand financially as far as sales and expenses, which will help them see trends in sales and help forecast demand as well as sales in the future.

Other financial objectives include:

- Conducting break-even analysis and price comparisons of products to help form pricing strategies.
- Create budgets for all marketing activities and promotions.
- Increase sales 5-10% over the next two years to help off-set advertising and renovating costs.
- Recognizing margins and pricing strategies to help compete better against closest competitors.
- To stop "selling products for more than you paid", and to move towards a more stronger financial structure, by using margins and mark-up pricing to help clearly justify current costs and liabilities.

## **C. Segmentation Analysis:**

Characteristics of buyers within the market are as follows:

Demographics:

- B's appeals to all consumers 18 and older.

- The customer base is skewed, roughly 60/40, in favor of males.
- Middle to lower class consumers make up most of the customer base.
- Customers are mainly blue collared workers, or college students.

#### Geographic:

- Most sales come from local consumers in the Mount Pleasant area, a population between 20,000 and 30,000.

#### Psychographic:

- Customers who shop at B's are outgoing, individualistic, creative, and very musically inclined.
- While easily motivated, customers are often very anxious.

#### Behavioral:

- Customers are extremely sensitive when it comes to price. They are concerned with quality of the products, and even more so the value that comes with all products.
- When given a choice, customers prefer to buy products made locally.
- Customers become emotionally attached to products.

### **D. Target Market Strategy**

Currently, B's has a Facebook page setup for its store to help with local advertising and communication. With the Facebook page up and running, B's can quickly and easily search for potential customers in the area, and become friends with them. Facebook makes it very easy to search out individuals by age, sex, education, interests, location, and even different networks, which would have been extremely difficult in years past to easily target customers that fit the customer base for B's Music. The Facebook page allows users to see what different activities are

happening, what specials and/or promotions may currently be running, and even allows customers to communicate directly with the employees, all of which help for them to maintain communication with their target customers.

Though Facebook has many advantages to reaching those who "fit the mold" for B's customers, advertising more on CMU's campus is crucial in order to get B's company name out and exposed to the students, ages 18-30. This age group reflects a great portion of the customer base, and make prime candidates for becoming loyal customers.

The primary means used to reach out to targeted markets are as follows:

- Paid advertisements in phone directories and CMU planners.
- Traded for ad space with non-profits such as Modern Rock 91.5 and other local music affiliates. Ex: providing PA system for the Jeff Daniels concert in downtown Mt. Pleasant or sponsoring CMU events.
- Sponsor and host the blues jam at the Tap Room. This event occurs once a month and is open to anyone who can play.

### **E. Positioning Strategy:**

For men and women over 18, B's offers a wide variety of new and used music equipment at a lower price than its competitors. Employee expertise of the industry and products will allow for the business to grow and maintain stability. Though the business of selling used gear can sometimes be associated with poor quality, an updated look for the company will make sure to associate the store with higher quality.

Currently, closest competitors to the firm have higher quality associations than B's. Guitar Center and Mid-Michigan Music both sell more of the big name brands as

compared to B's which sells more local hand-made and lower end items in terms of products.

## **VI. Marketing Strategy and Action Plans**

### **a. Product:**

Objective 1: Expand the product line to offer more instrument categories and more instruments in each category.

Strategy: Utilize expanded floor space to offer more new and used instruments to consumers.

Action Programs:

- Use additional floor space to expand the new and used guitar, drum set, bass, horn, amplifier and specialty instrument product lines.
- Organize existing floor space to optimize the merchandise available in the store.

Strategy: Expand the amount of inventory on hand.

Action Programs:

- Meet or communicate with suppliers and purchase guitars, basses, drum sets, amplifiers, horns and specialty instruments.
- Purchase more used guitars, basses, drum sets, amplifiers, horns and specialty instruments.

### **b. Pricing:**

Objective 1. *Offer a wide variety of high quality, new and used, musical equipment and instruments at different price points.*

Strategy: Offer more high quality, premium price, prestigious musical instruments and equipment.

Action Programs:

- Use expanded floor space to offer more musical equipment and instruments at higher price points.
- Purchase more high priced, high quality musical equipment and instruments to expand existing product inventory.

Strategy: Offer discount prices on instruments.

Action Program:

- Use expanded floor space to offer more musical equipment and instruments at discount prices.
- Build existing inventory of discount musical equipment and instruments.
- Purchase and resell more used musical instruments and musical equipment.

### **c. Distribution:**

Objective 1. *Create a more prestigious image for the store through interior and exterior renovations.*

Strategy: Renovate the exterior of the store in order to create a more appealing image and increase foot traffic, by December 1<sup>st</sup> of 2010.

Action Programs:

- Paint the store with bright colors that will draw a person's eye to the store. Buy paint and pay employees to help paint the store.

- Use stencils to draw and paint a musically inspired mural on the side building.
- Repaint parking lot to increase flow and also increase the number of parking spaces.

Strategy: Renovate the interior of the store to create the image of a prestigious store where customers will be willing to spend more money for high-end musical equipment and instruments. This should be completed by April of 2011.

Action Programs:

- Separate the more expensive, higher quality instruments from the discount instruments and equipment.
- Use point of purchase displays and manufacturer issued guitar stands to display merchandise.
- Build shelving units to better display and allow easier access to musical equipment.
- Install track lighting around instruments to properly illuminate them.

Objective 2:

Strategy: Increase the use of the internet and social media to allow B's Music Shop to promote sales of musical instruments and equipment online.

Action Program:

- List premium, high priced guitars on E-Bay. This limits the risk of damage that may occur from allowing customers to touch and use expensive equipment that is displayed at the store.

- Use the B's Music website and social media profiles to communicate product offers that are available on E-Bay.

**d. Promotion:**

Objective 1. *Increase the consumer demand amongst Central Michigan Students.*

Strategy: Place B's Music Shop posters on corkboards around CMU dormitories and around classrooms

Action Programs:

- Design colorful posters with the B's Music Shop name, logo, street address, and web address.
- Print three hundred posters in color.
- Employees will take the poster onto campus and staple them to corkboards around school buildings and dorms. This should be done during the first week of class in the 2011 Winter Semester.

Strategy: Write messages on the sidewalks around campus that promote B's Music Shop on the sidewalks on campus.

Action Programs:

- Write a script that will describe what is to be written on the sidewalks. This should include the B's Music name, the Web address and street address for B's Music Shop.
- Buy colorful chalk that will be used to write on the sidewalks.
- Employees will use the chalk and the script to write B's Music Shop advertisements in chalk around the Central Michigan University. This should be done during the first week of the 2011 Winter Semester.

Objective 2: Use the internet and social media websites to promote B's Music Shop.

Strategy: Manage social media profiles to build brand awareness.

Action Programs:

- Use the B's Music Facebook, Twitter and MySpace pages to update current and potential customers about product and lesson offerings.
- Update statuses daily in order to have the most current and relevant product offerings visible to consumers.

Strategy: Use Facebook's pay per click advertising program.

Action Programs:

- Choose the demographics and psychographics of consumers that should be targeted for the advertisements on Facebook.
- Design the advertisement that will be displayed to chosen Facebook users.

Strategy: Perform website maintenance frequently in order to have the most current promotional information available to visitors of the site.

Action Programs:

- Update the B's Music Shop website any time there is new product or lesson offerings.
- Update the website whenever B's is involved in an upcoming local event. The update should include what the event is, and where and when the event will take place. Take events off of the website as soon as they have finished.

#### **e. People:**

Objective 1. Retain our current employees and continue to hire people with experience in the music industry.

Strategy: Offer commission in addition to weekly wages in order to retain current employees and attract new employees.

Action Plans:



- Pay commission to employees based on a percentage of the profit margin for musical equipment and instruments that they sell.
- Continue to offer minimum wage, and give employees a raise every six months depending on performance.

Strategy: Hire people with a high level of knowledge and expertise in the music industry.

Action Plans:

- Use social media, internet and the store to promote job openings in order to create the most job applicants possible.
- Evaluate applicants and hire people with the most experience in the music merchandising, musical lesson and musical repair industries.

#### **f. Process:**

Objective 1. Offer outstanding one-on-one and group music lesson.

Strategy: Use bigger store space to offer more music lessons and bigger group lessons.

Action Programs:

- Utilize expanded store size to redesign the lesson room and offer bigger group lessons. Having more customers in each lesson will make each lesson more profitable and will increase profit margins for lessons.
- Coordinate music teacher's schedules to find the best fit for each teacher to use the lesson room.

Strategy: Increase the number of instruments that B's can teach aspiring musicians to play. Also, increase the number of lessons that B's provides for each instrument.

Action Programs:

- Add new teachers. Entice musicians with teaching experience to work for B's by providing the teacher with teaching space, promotional efforts and

a customer base. Profits from the lessons are divided equally between B's Music Shop and the teacher.

- Continue to grow the demand for lessons offered by current and new teachers. Use social media, such as; Facebook and Twitter to promote lessons at B's Music Shop.

Strategy: Use web-site to allow easy lesson sign-ups for consumers.

Action Programs:

- Utilize integrated website applications to allow current and potential customers to sign-up for music lessons at [www.bsmusicshop.com](http://www.bsmusicshop.com)
- Use Facebook and Twitter accounts to promote music lessons and direct customers to the lesson sign-up page at [www.bsmusicshop.com](http://www.bsmusicshop.com)
- Lesson takers must pay for their lessons online before taking the lesson. This will hold people accountable to pay for their lessons and will allow B's to more easily manage the payments for lessons.

#### **g. Physical Evidence:**

Objective1. Demonstrate to the customer the value that B's Music Shop employees have in offering outstanding service.

Strategy: Help students to discover how beneficial the music lessons are for their musical abilities.

Action Programs:

- After each lesson, the teacher should ask the student what they have learned during the lesson.
- Teachers should remind students of how far along they are in their progression as musicians.

Strategy: When making a sale, B's Music Shop employees need to fine tune instruments and allow customers to test the instrument.

Action Programs:

- During a sale employees should fine tune the instrument. They should ensure that the instrument is right for the customer and that it is ready to be played.
- The employees should let customers test the fine tuned instrument to demonstrate its quality.

## **VII. Implementation and Control**

### **a. Objective- update store exterior:**

B's Music has recently doubled their floor space, and vastly expanded their inventory. With these substantial changes we feel B's needs to update their exterior appearance to keep up with their expansion. The current exterior styling of the building has not been updated since B's has opened, and their new floor space comes from the old business next store which they bought out. Both businesses were sharing the same building but had different exterior styling. B's now owns the entire building but the outsides do not match. They have the floor space and inventory to compete with big box stores, but not the professional appearance or consistency. All of the following objectives would add value in the form of a better shopping experience for the customer that B's is currently lacking.

#### **Parking lot:**

During an interview at B's, the owner told us the increased in foot traffic has out grown their tiny parking lot. B's customers now have to park next door during busy hours where they have been getting parking tickets that B's voluntarily pays to keep customer satisfaction levels high. In the long run it would be cheaper to expand or reorganize their parking lot. A cheap solution to this problem would be to purchase the line paint and rollers and re arrange the lines and spacing. By including the lot from the newly acquired half of the building and arranging the parking spaces at opposite angles on each side they improve the flow of traffic around the building and fit more

spaces in than the original straight on spots.

**Staffing:**

This objective would not require any additional staff to be hired, or extra hours on the payroll. This job could be done by current employees during downtimes on their shifts.

**Estimated Cost:** This objective should cost less than \$100.00 which would cover the necessary supplies from the local Menards, which include the paint, roller, and roller stick.

**Building:**

Upon our own examination and discussions with fellow B's customers, we have concluded that the exterior appearance of B's is very drab and dull. Many people have no idea where B's is located, and have a hard time finding it as the store does not stick out. When discussing this topic with B's they said they would like to overhaul the building exterior. This would include painting the entire building exterior walls with a uniform, continuous, musical mural consisting of recreations of their current products (amps, guitars, drums, etc.) one long, uniform awning to stretch across the building front with an enlarged logo. These somewhat simple upgrades will give the building a very unique, eye catching, consistent, updated look.

**Staffing:** This work would not necessarily require any additional staffing. The painting can easily be done by current employees on their downtime and the detail painting can also be done a select few of talented current employees. The awning may be installed during non business hours by the owner or contracted out to an independent agent.

**Estimated Cost:**

- Paint and supplies: less than \$300 from local Menards

- Awning with enlarged logo: between \$1000 and \$5000 from Otter Creek Awnings ([www.ottercreekawnings.com](http://www.ottercreekawnings.com))
- OPTIONAL LABOR COST for independent contractor: \$70

**b. Objective - update store interior:**

Although B's has doubled their interior floor space, they did not do any updating to the store appearance which is an important part of the customer's shopping experience. The lighting is dim, colors are dull, carpet is worn, product displays are inadequate, etc. The improvements listed below improve the customers shopping experience and help position B's as a higher quality retailer.

**Improve flow:**

B's recent expansion into the attached, next door business has caused some flow problems. The store is literally two giant rooms separated by a wall with a single door to connect them in between. By reorganizing the placement of instruments and product displays, floor space can be maximized and clutter can be reduced.

Relocating or adding another register can ensure supervision over customers as well as improve flow. The guitar repair table located at the upfront register can be relocated into one of the new private back rooms to reduce clutter and confusion up front and give the repair service a more "exclusive feel."

**Improve brand or product image:** B's has a wide variety of products and brands on hand or in stock but many of them poorly displayed or not on the floor at all causing low inventory turn-over, and losing possible sales.

**String Instruments:**

B's instruments need to be split up in to two categories, high end and low end. All of the standardized main stream, lower cost guitars and basses (under \$1000) should be located closer to the front of the store and can be hung on walls close together in high, overwhelming volumes to give them the "big box" inventory appearance. The high end instruments should be displayed on their own wall, section, or even in a high end,

humidity controlled room. This ensures that these expensive custom instruments get the exposure and treatment they need to sell. B's also needs to work with their suppliers to get point of purchase displays sent with their shipments.

#### Amplifiers:

Amplifiers are currently displayed on the floor or stacked on top of one another. To make the amps easier to find and inspect simple shelving displays can be made with plywood and 2x4's covered in felt. Amps could still be stacked, possibly higher than before, but still maintain a professional appearance and also make it more user friendly for customers to find and test amps. Building the shelving in house allows for complete customization of the shelving units giving the owners lots of freedom. Special shelving can be built for special or on sale merchandise.

#### Accessories / Other:

Most accessories have higher inventory turnover than the instruments. Due to this fact, B's should have a separated and dedicated accessories department where a customer can find all the accessories the store carries along with a dedicated accessories sale expert to assist them. Instead of the current system of accessories randomly displayed in open areas around the floor.

#### Drums:

One of the common complaints among B's current customers is not enough drum kits on the floor to test, which is currently between 2 and 4 at a time. After making all of the above listed improvements, the reduction in clutter should free up lots of space allowing B's to pull more kits from back stock and setup on the floor to play.

#### General atmosphere:

The following improvements will boost the customer shopping experience, positioning B's higher on the quality scale:

#### Lighting:

Update the dim interior lighting with brighter, more efficient lighting solutions. Install

track lighting above instrument displays to give them proper display they deserve and draw attention as well as to help show off quality.

**Styling:**

Simple paint and updated product displays in collaboration with the flow improvements and rearrangements can give B's a sharp, professional interior style. To best showcase that style neutral colors with clean lines, open floor plans with bright lights and clean, updated product memorabilia will be used.

**Employee Appearance:**

B's has a very knowledgeable, talented staff, and that should be properly displayed to customers as well. B's employees should receive and wear a simple B's Music polo to make them look more professional and easy to pick out on the floor.

**C. Objective - Advertising:**

After B's Music has undergone their image transformation to reposition themselves as a higher quality retailer in the mind of the customer, we need to let the customers know. This will be done producing informative, specific, professional advertisements.

**On campus:**

Current students: B's can advertise to current CMU students through print ads in on campus dorms, dining halls, and academic halls and in the CM Life paper. As well as commercials on the student radio station and local TV stations.

Incoming students: B's can make opportunities for them to gain new customers by doing events on campus during welcome week such as main stage, or small live shows during other various events. This would give them exposure to a large group of possible new customers all at once. Especially since most of these new students are from out of town and don't know of any music shops in town yet.

**Off campus:**

While a majority of B's customers are college students, there are still a large chunk of loyal customers that grew up in Mount Pleasant and off campus businesses. These segments must also be informed of B's recent expansion and revisions. This can be accomplished by the following:

- local radio and TV commercials
- print ads and local inserts
- large banners at business or local sponsored events
- Social Media Networking Sites

**D. Objective - Financial organization:**

B's does not currently utilize any kind of accounting or inventory management software to keep their financial information organized or handy. After the expansion and increased inventory, as well as the increase in sales from their repositioning strategy, it would be beneficial for B's to invest in some all inclusive business software that can control everything from payroll to inventory management and forecasting. This would allow B's to:

- Reduce inventory carrying costs by being able to better forecast demand.
- Benchmark their progress against previous years or periods.
- Make higher profits by setting and controlling mark ups.
- Run more efficiently and consistently as a whole.

**Financial Indicators and Budgets:**

Unfortunately, B's Music does not keep financial records on file and do not have any budgets set. B's currently relies on a very outdated, manual, hand written everything method. After B's implements their new company software they would be able to look at past financial information for indicators and to help them set budgets for years to come. We are still working closely with B's



owners to try and come up with some type of budget to make the above listed improvements. But as of right now, B's does not have a marketing or advertising budget set, and seem slightly hesitant to give us any information containing numbers.

#### Timeline:

Exterior updates: completed by December 1, 2010

Interior updates: completed by April 1, 2011

Financial software: installed by December 1, 2010 (for holiday season)

Off campus ads: continuous after April 1, 2011

On campus ads: continuous after April 1, 2011

- New incoming student ads: August 1, 2011 - October 31, 2011

#### Monitoring

To monitor B's progress after the improvements, we will administer online surveys to B's previous or current customers so we can get some data to benchmark ourselves against.

- We will administer another survey after the changes to the store to see if customers views of the business improves.
- We will also administer one a few weeks after major ads are run to check the effectiveness of particular ads.
- We will continue to administer online surveys to customers with incentives so we can continually track B's progress and so we always have an up to date picture of how we are doing in the customers mind and make changes as necessary.



