

Digital Strategy – Case Study 1 – Food Industry

Background

The Covid-19 pandemic had a major impact on the freeze-dried fruit and vegetable industry. The demand for these products increased significantly with individuals purchasing online.

Our client, who had been targeting bulk sales to large purchasers, decided to pivot towards smaller sales to individuals. The decision was mainly affected by the fact that the purchasing of critical equipment had to be delayed for more than a year because of a pandemic-related plant shutdown overseas. Without the equipment, the product would have to be sourced rather than manufactured, which lowered the margins for the bulk sales and made sales to individuals more attractive.

We had been working closely with the client for several months on business planning initiatives and were very familiar with the client's vision and goals. The client needed to determine the feasibility of pivoting towards online sales to individuals and what actions were required to move forward

Scope

The client agreed that the scope of the work would be limited to elaborating and documenting a social media and e-commerce strategy for sales to individuals in Canada and the US. We agreed that the final report should contain:

- a snapshot of the existing situation
- an analysis of how the competition was using social media and online sales
- goals and objectives,
- a social media marketing strategy including costs and a suggested timeline.
- an e-commerce strategy including costs and a suggested timeline.
- a detailed explanation of what would be required to sell on Amazon.
- selecting an online store such as Shopify or Woo-Commerce
- determining the best options for order fulfillment
- cost estimates
- a risk analysis
- a high-level time-based roadmap,
- a list of activities on the critical path

Actions

The existing situation was documented, and goals/objectives related to social media marketing and e-commerce were formulated.

A comprehensive analysis of how competitors were using social media and e-commerce provided insight as to what was working and what hadn't worked for the competition.

We did a full study of what was required to sell the freeze-dried products on Amazon to Canadian and US customers. The study included determining policies, regulations, registration requirements, setup costs, Amazon fees, drop-shipping to warehouses, fulfillment by Amazon, bank accounts required, the best approach for dollar conversions, and taxation requirements. The study also investigated ways to boost sales using Amazon Advertising and Promotions services or the Amazon Associates Program.

A review of online stores and e-commerce platforms was undertaken. Two of the options underwent a comprehensive comparative analysis to determine once and for all which platform would be used. Shopify came out as the best option given the client's goals and preferences. The costs associated with setting up and operating the online store were established. We determined how the Shopify online store could be integrated with the Amazon catalog and some of the Amazon services such as Amazon FBA.

Each social media platform was analyzed to determine its suitability and to find marketing opportunities. It turned out that there were some amazingly effective marketing opportunities available on some of the platforms. We know exactly how to reach the targeted audience at a very low cost

In addition to the above-mentioned items, cost estimates, a road map, a list of risks, a risk mitigation plan, and a list of activities on the critical path were added to the *Social Media and E-Commerce Strategy/Roadmap* document.

End Result

The end result was a clear path forward with the client having a good understanding of costs, benefits, risks, required resources, and a list of concrete steps required to make things happen. What started as a maze of decisions to be made has been transformed into a straight line that can be easily followed.

Our structured approach and previous experience with Amazon, online stores, and social media marketing resulted in less than 50 hours of consulting required to produce the strategy and associated documentation.