



Pre-Campaign Report

Client profile Founded in 2007, after the trip to the US, Rowery Embassy¹ is the first Polish company producing beach cruiser bicycles. The firm, run by three friends, with the mission “to be the specific embassy of an **American bicycle culture in Poland**” is located in Warsaw, Poland. The approx. 65% of the bike components are manufactured in Poland and assembled by the owners in Warsaw. Embassy has the portfolio of 14 cruisers (3 male, 6 female and 5 unisex types, **price range from \$403 to \$433**) and numerous bike accessories which can be used to personalize bicycles. Currently the firm is implementing bike rentals as well. Embassy evolved from friend-oriented production to the **sales of 102 cruisers in 2011**. The vast majority of sales is done on Allegro (Polish equivalent of E-bay). Facebook account (4 279 fans) plays a vital role providing contact information and links to the official website (<http://roweryembassy.pl>, established in 2010 and managed by familiar IT specialist).

Market Analysis All city bike users are treated by the company as potential customers, but three main current **customers groups** might be distinguished:

	G1 (~30% of sales)	G2 (~10% of sales)	G3 (~60% of sales)
Gender	Female	Male	Female, Male
Age	21 -34		16-34
Place	big and medium cities		small cities and countryside
Expectations	fancy, stylish and comfortable bike	alternative to regular bike for tender-hearted person	original bikes in dappled colors
Inquires and Purchase	phone, e-mail, Facebook and point of sale		Allegro

Current **competitors** are enlisted and briefly described in the table:

	Price [USD]	Distribution
Kokkedal (Polish brand from Poznan)	495 – 603	POS in Poznan, external online stores (nofuel.pl; stylowyrower.com.pl), Allegro Many online and offline bike stores; Allegro. Presence on comparison shopping websites)
Electra (Leading international cruiser bike brand)	309 - 1235 (most are over 557)	
Nirve, Schwinn and Phat (International brands)	403 – 1000	

Other non-cruiser city bike producers might also be taken as potential competitors. Currently **none** of the **main competitors** uses **Google AdWords**. For the phrase - cruiser bicycles - we may observe ads of comparison shopping websites, online auction portal and two online stores without cruiser bicycles in their offer.

Embassy as the first Polish cruiser bicycles brand fulfills customer needs decently offering comfortable, original bikes in wide range of colors at competitive prices. Its **unique selling proposition** is the possibility to **personalize** bikes by choosing separately frame, wheels, colors and accessories.

According to *pbonline.pl*, in 2011 **bicycle market in Poland** was worth approx. **193 million USD**. Since 2008 the market has stable growth rate (~10% a year). Embassy

¹ The original name of the company is Rowery Embassy what can be translated to English as Bikes Embassy.



operates in the part of the market called city bicycles, which is in growing stage of product lifecycle and the **fastest rising bike category**. Couple of years ago, the category made up about 6-7% of the whole market while in 2011 this share amounted to 21%. The market is seasonal with its peak in the summer. More than 50% of customers purchases bikes in specialized bicycle stores and about 35% through the Internet (~20% on online auctions and more than 15% in online shops). The percentage of customers purchasing bikes online in Poland is increasing. Online customers are young (~26-35 years old) freelances, students or regular employees.

Current Marketing The company's website has been used to present product portfolio, boost sales and familiarize customers with cruisers' style and history.

Strengths	Weaknesses
<ul style="list-style-type: none">❖ easy navigation❖ appealing product shots and description❖ good performance (PageSpeed Score 89/100)	<ul style="list-style-type: none">❖ page title not optimize for searches ("CA embassy")❖ broken external links❖ lack of integrated online shopping system and newsletter❖ English version links to under construction page

Because of serious weaknesses, the company agreed to **upgrade its website** in the ways we have suggested. According to Google Webmaster Tool, 113 links lead to company's website. Due to hosting problems, the Site's PageRank was only 1 out of 10. Google Analytics reported over 14,000 visits and almost 9,000 unique visitors last year (94% website visits from Poland; approx. 50% from Warsaw; the rest scattered among other Polish biggest cities). In 72% of visits the traffic comes from direct referral (18%) and Google searches based on company's name (54%) while 28% of traffic sources is generated by referral sites, mainly company's Facebook profile and bikers' blogs.

The total cost of the **promotional actions** hasn't exceeded **2000 USD** so far. Embassy's marketing actions were: guerilla marketing (leaflets, brochures, labels), product placement (TV commercial), contests on Facebook, participation in cycle exchanges, trade fairs, TV programs and cooperation with travel agency, fancy cafeteria and bloggers. However, the most significant role for Embassy plays **word-of-mouth**.

Conclusion The business itself seems to be very prosperous. However, besides Facebook account, company's current online activities were rather inefficient. The new website together with AdWords campaign will boost sales and increase brand awareness. These factors along with market opportunities shall contribute to **long-term growth**.

AdWords strategy The overarching goal of the campaign is to **boost companies' sales**, while secondary objectives are to familiarize customers with cruiser bikes as a category of city bikes and **increase brand awareness** of Embassy. In order to reach predefined goals we have distinguished five **campaigns**, each with several **AdGroups**:



		Google Search Network				Google Display Network	
Campaigns		Bikes sales	Rent-a-Bike	Bicycle accessories	Brand awareness	Women's bicycles	Men's bicycles
AdGroups		Cruiser bicycles	Bicycles rentals	Bicycles accessories	"Made in Warsaw"*	Women's bicycles	Men's bicycles
		Women's bicycles	Cruiser rentals	Baskets	Cruiser info	Personalized women's bikes	Personalized men's bikes
		Men's bicycles	City bicycles rentals	Bags/sachets	Embassy info		
		Personalized bicycles	Bicycle rentals**	Seat covers			
		Embassy bicycles		Padlocks			
		American bicycles					
		City bicycles					
Features	Geotargeting	Poland	Warsaw area	Poland	Poland	Poland	Poland
	Sex and age	general	general	general	general	women (18-35)	men (21-35)
* Phrase "Made in Warsaw", in order to have special impact, will be used in English while other presented phrases translated to Polish ** Bicycle rentals will be special AdGroup targeted at foreign residents of Warsaw and tourists and thus English will be its language							

We will run specially dedicated Women's and Men's bicycles campaigns in **Google Display Network** using the possibility of limiting displayed ads by users' sex and age. Other campaigns will be set for **Google Search Network**.

AdGroup	Keywords and matching options	Negative keywords
American bicycles	American bicycles, +American +cruiser, California bike, [bikes from California], bike California, US bikes, +Miller +ad +bike, etc.	-electric, -used, -forum, -free, -opinions, -photo

The table above presents example **keywords**, **matching options** and **negative keywords** for "American bicycles" AdGroup. At the beginning we aim to use broad match and broad +match modifier, concentrating on adding new and negative keywords thanks to the data from daily analysis of **Keyword** and **Searched Query Reports**. Thereafter for essential keywords exact and phrase matching will be used in order to increase its CTR. To enlist keywords Analytics data, AdWords Keyword tool, Google's Related Searches, Search Cloudlet and Google Contextual Targeting tool will be used. Our own **YouTube video** shall **create buzz** promoting unique phrase "**Bikes Made in Warsaw**" in order to increase brand awareness and differentiate it against competitors. The phrase will reinforce the local image of the company and at the same time create inexpensive and efficient keyword². After a week we will start to use CPC cost simulator. We will pay special attention to the data from three additional columns concerning impression share metrics (**budget, rank, and exact match**). Our aim is to enhance quality score while not lifting the bids.

City Bicycles		
Looking for city bikes? roweryembassy.pl/bikes Fancy, stylish cruiser city bikes Best quality bikes 10% off. Check!	Stylish City Bikes roweryembassy.pl/bikes City Cruiser Bikes For You Comfortable Bikes Now 10% Off!	[Keyword Insert Tool] roweryembassy.pl/bikes Cruisers perfect for city travel City bikes 10% off. Don't wait!

² Original phrase: „Rowery Made in Warsaw”, at the time is not used in AdWords. Our aim is to create unique but highly recognizable in Warsaw agglomeration phrase by using YouTube video, stickers, posters etc.

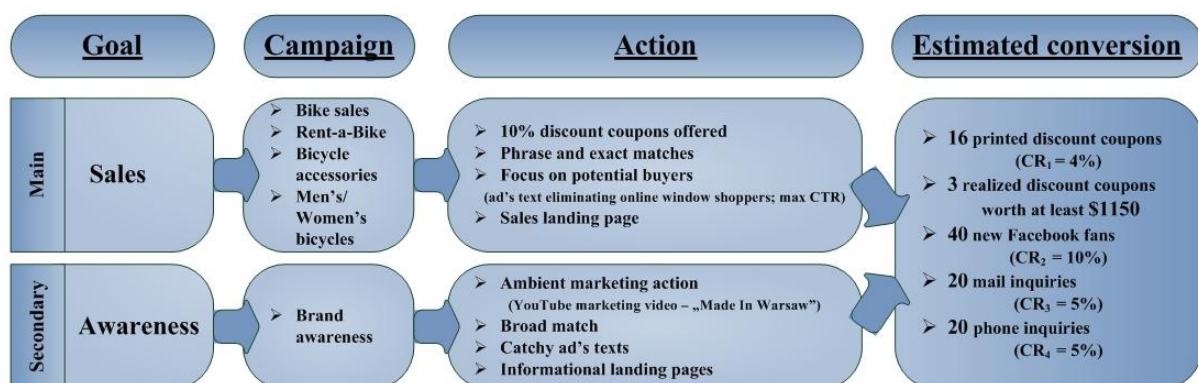


We will use certain **techniques to improve effectiveness** of our AdWords (for instance: questions in ads, use of Keyword Insert Tool, short ads, capital letters at the start of each word in ads etc.). Each AdGroup will have 3 to 4 rotating ads. At the beginning ads will have equal preference to all ads in AdGroup (**Rotate Option**). After receiving some insight, CTR optimization will take place (ads will be modified in line with the one with higher CTR and the Optimize For Clicks Option will be used). We will use **manual bidding** in order to gain greater control over the campaign.

	Budget-week		1 st week	2 nd week	3 rd week
	Budget-campaign		30%	30%	40%
Bike sales	56%	\$140	\$42 (\$6/day)	\$42 (\$6/day)	\$56 (\$8/day)
Rent-a-Bike	10%	\$25	-	\$12,5 (\$1,79/day)	\$12,5 (\$1,79/day)
Bicycle accessories	17%	\$42,5	\$12,75 (\$1,82/day)	\$12,75 (\$1,82/day)	\$17 (\$2,43/day)
Brand awareness	7%	\$17,5	\$5,25 (\$0,75/day)	\$5,25 (\$0,75/day)	\$7 (\$1/day)
Women's bicycles	5%	\$12,5	\$3,75 (\$0,54/day)	\$3,75 (\$0,54/day)	\$5 (\$0,71/day)
Men's bicycles	5%	\$12,5	\$3,75 (\$0,54/day)	\$3,75 (\$0,54/day)	\$5 (\$0,71/day)
	Σ	\$250			

The table above presents our **budget assumptions**. The majority (56%) of \$250 budget will be spent on Bike sales campaign aiming to boost bicycles sales. We assume to spend 30% of campaigns budget in 1st and 2nd week and 40% in the last 3rd week. The exceptions are Rent-a-Bike campaign and “Made in Warsaw” AdGroup which will be implemented in 2nd week of campaign together with the opening of Embassy store.

We expect to generate **ROI=15%** (sales worth \$1150) with 10% discount coupons and \$250 expenditure for the campaign. However, the **break-even point** will be achieved when products/services worth \$1000 are sold. Therefore we assume to reach the following goals: **10,000 impressions, 4% CTR** (400 clicks in total) and **\$0,63 (\$0,625) CPC**.



To track phone calls generated from AdWords campaigns, we have created **experimental script**, which displays a different phone number based on visitor source. The tracking number forwards a call to the main line. The call data will be collected with our online dashboard provided by wireless carrier.