

Fuel Supplements

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Group 2 - Phase 2

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Phase 1 Recap

Fuel Supplements aims to support their customers in their health and fitness journeys by providing education, quality supplements, and customer driven services. They value catering to their customers who are at any stage of their fitness journey. Their company primarily struggles with their highly limited online presence and the absence of a cohesive marketing strategy. Their current website lacks e-commerce functionality which restricts their reach beyond the local market and hinders competition with larger franchises and online retailers.

They are a strong business in Kamloops because they value their local customer base with knowledgeable staff and carry exclusive products. They find themselves struggling with developing a proper e-commerce platform that allows sales and a loyalty program while minimizing the transaction issues corresponding to their physical store. Fuel has an opportunity to grow further to eastern Canada while leveraging new AI tools, partnerships, and affiliate marketing. Locally, they compete with bigger franchise brands like Popeyes and other large, based e-commerce companies like Walmart and Amazon. We have set a SMART goal to help them achieve these e-commerce related barriers to ensure they can continue growing their local business and gain more online traffic and sales. This goal is to use fitness enthusiasts and social media influencers to promote their brand by building a loyalty program to target new online customers. They can achieve this by tracking student discount rates to ensure the website reflects the brand's value proposition and by launching this loyalty program will allow them to retrieve repressed customers to build a strong reputation in Kamloops.

Value Proposition

Since Fuel Supplements already value the importance of catering to their local customers and fitness enthusiasts of all levels. It is best this main core value stays the same but by adding some new ways they can achieve this online. Fuel Supplements should focus on a new business model of a hybrid retail and e-commerce business model. They need to adjust their current value and business model from being focusing on carrying quality supplements and customer focused service to also include accessibility, convenience, and a seamless omnichannel experience for their customers to reach both in person and online at their leisure. This gives customers to opportunity to interact with their expert staff in store to view the physical products they're interested in and receive real life feedback on wavering better products, flavours, or brands. But also, it gives customers the opportunity to access any of their products online and delivered to their home at any time they want without having to make the extra stop in town to go make a purchase. This strategy will align with the previous proposed SMART goal assigned in phase 1 that allows them to add a more functional loyalty program and see how customers have clicked on affiliate links from their chosen influencers.

Revenue Model

Fuel Supplements current revenue model mainly focuses on their in store purchasing customers. With the new business model to improve their sales by using a better structured e-commerce platform, this will only change the revenue slightly. This new model introduces e-commerce sales as a significant additional revenue system for their business. With the implementation of the loyalty program used for online purchases, this will contribute to more repeat sales from customers with the bonus of gaining points through dollars spent in order to save up for an item they may be wanting for free. This gives consumers an incentive to purchase online rather than in store. Another functional tab they should look to adding to their website is a "buy again"

section on their website. When customers log into their account on the new Fuel Supplements website, they can track items they have previously purchased to make for an easier checkout experience. By having customer accounts, it benefits the customers and will be a more convenient way to track their loyalty points for later purchases.

Target Market

The current target market is focused on individuals in Kamloops looking to fulfill their fitness goals or make their lifestyle healthier. It is made up of regular gym-goers and people new to fitness. Internally, the goal is to help "everybody" in their fitness journey, regardless of their discipline, from bodybuilding to general health. They primarily serve customers in their mid to late 20s, facing challenges in reaching the younger demographic locally.

A key focus of the target market in this e-commerce strategy will be reaching the younger demographic (high school teens & university students) which is currently underserved, while still maintaining their broader market of health and fitness enthusiasts. In addition to this added focus, they will also expand their target areas outside of the city and province prioritising areas like Eastern Canada which they have seen previous success with sales on Amazon. The younger demographic will be reached through social media through the use of young influencers. To target areas outside of Kamloops, we will have them resume limited Amazon sales listing only their top selling products in the target area (Eastern Canada) and linking customers back to their newly e-commerce enabled website.

These changes to the target market center on expanding reach, tapping into underserved demographics, and enhancing competitiveness in the evolving market landscape. As younger

consumers represent a significant and potentially trend-setting market segment, it is crucial to cater to them for future growth and market penetration. With the development of a robust e-commerce platform, Fuel Supplements is able to overcome the limitation of having their business primarily tied to the physical location in Kamloops and is thus able to expand their reach beyond the local market. By tapping into broader geographic markets, they will be able to increase their overall customer base and sales volume. With a wider audience being reached, Fuel aims to build greater brand awareness and foster long term customer loyalty supported by the implementation of a digital loyalty program encouraging repeat purchases and strengthening customer retention.

Differentiation

The market Fuel Supplements operates in is highly competitive, dominated by larger Franchises (Popeye's) and online giants (Amazon, Walmart, Costco) who have significant advantages in marketing budgets and online infrastructure. The implementation of a loyalty program and engaging in influencer marketing are common tactics within the supplement industry, and as such, Fuel's approach will need to leverage its local reputation and personalized customer experience to stand out in the online space. Our strategy seeks to differentiate Fuel Supplements by building upon their strengths in customer-oriented service, knowledgeable staff, and unique product offerings (Limitless Protein).

E-Commerce Plan Overview for Fuel Supplements

The primary objectives of this e-commerce strategy are to create an impeccable online experience for consumers and to align with Fuel's brand identity. Utilizing their local presence

and commitment to quality, the e-commerce platform will facilitate sales growth, enhance customer retention, and provide Fuel's loyal and potential consumers with a comprehensive digital solution.

The Marketing Mix (Product, Price, Promotion, and Place) is crucial for developing a unified e-commerce strategy. It guarantees that all facets of the enterprise collaborate to generate value for customers, uphold brand objectives, and stimulate sales. The significance of each element of the marketing mix is essential for bolstering Fuel Supplement's e-commerce approach.

Proposed Changes to the Marketing Mix

1. Product Changes

Exclusive Online Offerings: Limited-edition supplement ranges will be accessible only via the website. This distinctive assortment sets the brand apart from rivals and draws in customers looking for exclusive, premium choices.

Subscription Services: Fuel Supplement is improving its online services by introducing a personalization tool that allows customers to fill out a survey, providing customized supplement suggestions based on dietary requirements, fitness objectives, and lifestyle choices and sign in for new subscription choices this will enable customers to obtain their preferred products on a regular basis. This ease not only fosters customer loyalty but also creates a consistent revenue flow.

2. Price Changes

Loyalty Subscription: Fuel Supplements offers customers a point-based loyalty program, enhancing the value of each purchase. Members earn 1 point for every \$10 spent, receiving discounts at 20, 40, & 60 points. After they gather 20 points, they receive a 10% discount on a subsequent order that can be added on top of ongoing promotions. Points can be monitored and exchanged through their Fuel Supplements account, guaranteeing a smooth experience.

This system promotes recurring purchases while providing genuine benefits to devoted customers. Extra benefits may involve special offers, priority access to new items, and customized discounts, further highlighting Fuel Supplements' dedication to excellence, cost-effectiveness, and enduring customer connections

3. Promotion Changes

Influencer and Affiliate Promotion: Engage with Kamloops' community of sports fans, fitness coaches, and influencers. They will discuss their personal fitness journeys and experiences with Fuel Supplements, providing discount coupons and exclusive content to their audience.

Content Created by Users: Initiate engaging campaigns on Facebook and Instagram prompting users to share their fitness experiences with the hashtag #FuelYourFitness. Provide rewards like discounts or complimentary items to enhance participation and customer allegiance

Email Marketing: Fuel Supplements will execute targeted email campaigns designed for various customer segments. New clients get introductory emails that include tailored product suggestions. Repeat customers enjoy unique, personalized deals, whereas individuals with

abandoned carts receive enticements to finish their transactions. This focused strategy guarantees pertinent messaging that boosts interaction and revenue.

4. Place (Distribution)

Web Shop: Create a mobile-friendly e-commerce site showcasing a clean design, user-friendly navigation, secure payment methods, and comprehensive product details such as how-to guides, benefits of supplements, and customer reviews.

Delivery and Pickup in the Area: Offer Kamloops customers convenient choices such as in-store pickup or local delivery options, featuring same-day or next-day services, to improve local accessibility and boost customer satisfaction. These choices aim to foster community involvement and guarantee a rapid, individualized shopping experience.

Shipping Across the Country: Collaborate with trustworthy shipping firms to provide dependable, clear nationwide delivery. Accurately present shipping fees and delivery schedules at checkout, allowing customers from outside Kamloops to experience a smooth buying process

Local delivery choices and user-friendliness of the e-commerce platform show Fuel's will to provide quick, customer-centric service. Nationwide shipping helps Fuel Supplement to keep a strong local presence while reaching beyond Kamloops. This approach ensures that, independent of customer locations, Fuel's brand is always connected with accessibility and quality.

Consistency with the brand

By broadening the brand's web presence, Fuel Supplements' planned e-commerce strategy is intended to reinforce its built-in identity. The heart of the strategy is Fuel's own mission:

empowering fitness enthusiasts with information, great supplements, and personal service. To make the brand's customer-centric strategy available to its web sites, customized online buying tools (such as survey-based product recommendations) have been introduced. These offerings are reminiscent of the in-store advisory experience. Similar to Fuel's focus on building long-term relationships, the loyalty program is focused on encouraging repeat business and building trust. Through the employment of Kamloops-based influencers and user-generated content campaigns (e.g., #FuelYourFitness), the strategy ensures marketing comes across as authentic, not transactional, yet still maintains its connection to the local community. To avoid alienating current customers, geographic expansion is supplemented with local benefits like same-day delivery and pickup in a store.

The brand resists overdependence on promotions that would depreciate by maintaining its premium positioning with carefully chosen online-only items (e.g., limited-product supplements) and subscription products. Messages are aligned across channels: email marketing segment fitness advice by user segment (beginners vs. experts), social media offers true customer testimonials, and the website highlights staff expertise and tutorial material. Smooth customer experience (e.g., adequate testing of loyalty features incorporated in Wix) and fallback alternatives (e.g., telephone orders) receive top priority to minimize the possibility of brand disconnection and confidence loss. As it foresees possible risks such as over-commercialization or local alienation, the strategy provides consistency across all channels through strong anchoring of digital development on Fuel's guiding principles of community, education, and excellence.

Implementation

As Fuel Supplements aims to launch an affiliate marketing program to attract customers and a loyalty program to further retain them, the company needs to enhance its existing IT infrastructure. The current website of fuel supplements is now fully transitioned to Wix and supports a generic e-commerce structure. As of now it can handle Point of Sale integration and offers a coupon code feature on the checkout page.

The current IT infrastructure has a strong base but lacks dedicated systems for affiliate marketing and a formalized loyalty program. To integrate the affiliate marketing program successfully, Fuel Supplement needs to incorporate tools like UpPromote or Refersion into its website, which will allow influencers to generate trackable sales links that can be used with the current existing coupon system for affiliate-driven discounts. Moreover, as the company is already using WIX to run its website, it can further leverage this by using a Wix-compatible app like Smile.io for the seamless implementation of the loyalty program as Smile.io allows to manage points and rewards, which will ultimately help the customers to apply loyalty discounts at checkout. Also, to further drive traffic to the e-commerce platform and expand its reach the website will also feature referral links from limited Amazon listings in Eastern Canada.

However, the implementation of these changes involves certain levels of risk. There are chances of potential technical integration issues between Wix and the new tools. In addition to that increased traffic from affiliate campaigns might strain the checkout system, which can cause payment failures. Hindrance to the payment process during the checkout will increase the cart abandonment rate and would fail the whole initiative. To tackle the issue, a mix of Wix-supported apps should be selected, and thorough pre-launch testing must be done to find out

the app that proves its functionality under load and ensures reliable payment gateways. By proactively managing these risks, Fuel Supplements can successfully enhance its infrastructure.

The current system is transaction-focused and provides a strong foundation to implement the proposed setup by introducing marketing and retention functionalities, which will ultimately make the website more competitive. The new approach successfully understands the objectives of the fuel supplements and addresses a way to incorporate customer acquisition and repeat purchases, all while maintaining the existing checkout process as the transactional core. This approach is also cost effective as it enhances the site's capabilities without forcing expensive major replacements.

Therefore, through regular system checks, Fuel Supplements can effectively execute its strategy, strengthening its online presence and competitive position in the supplement market.