

## Marketing Communications Brief for The HC Companies (revised 3/20/18)

### Overall Business Goal

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For The HC Companies to regain the market share lost in the industry, while attracting new customers to the business.

### How will that be accomplished

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Through various mediums, The HC Companies will confidently communicate to current, previous and prospective customers improvements in the ease of doing business by taking steps to address shipping, operations and customer service efficiencies.

### Current Methods of External Communications

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- Distributor catalogs and websites
- Social media channels (limited exposure)
- Corporate website
- Sales calls
- Printed catalog
- Word-of-mouth
- New and previous customer (now an influencer)
- Trade shows
- Customer service team

### Effectiveness of Current Methods of External Communications

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Over the last few years, The HC Companies has been quiet – relying heavily on selling relationships and word-of-mouth to maintain market share. However, with no unified published message from The HC Companies, especially surrounding ownership changes, interruption in services and restructuring over the years, customers (and the competition) are making up their own stories.

### Communications Objectives

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1. Create awareness
  - a. After many years of being silent in the industry, it's important to celebrate the wins and promote progressive change to customers. Messaging should focus on the customer's pain-points – void of "fluff" and jargon for a market still unsure of a newly created brand hierarchy.
2. Impart knowledge/be the industry expert
  - a. The HC Companies often proclaims being the "leader in the industry", but how often is that shown through education? From Wall Street to Main Street, customers have become increasingly more sophisticated and demanding – refusing to accept marketing wizardry in place of knowledge. Educate the customer, help them solve their problem, and they'll come back again and again.



### 3. Nurture perceptions

- a. Perhaps even more important than understanding the pain-points of customers, is being aware of what is being said about the business in the market. While it's impossible to completely eradicate negative word-of-mouth, The HC Companies needs to help shape the perception through education and communication. If the business has gone silent, the customer will believe just about anything it hears.

### 4. Stimulate a want/desire in the industry

- a. While the horticultural container market is becoming saturated with more competition, it's important to create a desire for the products offered. Listen to the market and create solutions that are unique and can be proclaimed in the industry as a must have for efficiency and technology in this competitive age.

### 5. Effect inquiries and sales

- a. Marketing communications should never be a "do it when you need it" tactic. It should be supported through the good times and the bad. By reestablishing communications, combined with new technologies and innovations to reach the customer, it will undoubtedly lead to more product inquiries, if not more sales.

## Target Audience

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- Growers (greenhouse and nursery)
- Distributors (predominantly greenhouse)
- Retail (garden centers through distribution)
- Emerging markets – cannabis, organic growers

The demographics are vast – covering those who are 50+ who've been maintaining a family-run business for generations and have a high-level of knowledge, to those 30+ who are just getting started in the industry and require more education and guidance.

The scale of this target audience requires utilizing the Voice of Customer document (separate attachment) in order to make sure the right medium is being utilized for each specific demographic. The cannabis customer is still an anomaly and will require additional market research to help determine how they like to be communicated with as it's still a fairly "taboo" industry.

Another customer worth mentioning, and targeting, would be "previous" customers as they now are "influencers" in the market. While winning back a previous customer is not an easy feat (they obviously left for a reason – price, quality, etc.) armed with new messaging highlighting what is being done to make things right will help get back in front of them.



## Key Messages

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What customers should know:

1. Investment/upgrade in new equipment and technologies
2. Lean manufacturing expertise in leadership
3. Ease of doing business – customer focus, what’s in it for me

(**Additional message points** used when communicating the top three above – change in leadership, core values, staff changes, training and safety, North American production, commitment to the community, reduced waste and reuse materials.)

## Communications Channels

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A re-launch campaign should be created in order to generate “buzz” in the industry. If The HC Companies simply starts advertising and releasing news again after being silent for so long, it will not resonate with the industry that anything positive has changed at all. Therefore, the campaign needs to be the start of a year-long push to re-establish the company in the market and communicate that messaging to that market whenever utilizing any of the media channels below.

**Press** – Interviews and editorials, frequent press releases, presentations at industry events and trade shows, advertorials, word-of-mouth, CEO briefs, etc.

**Online** – New, customer-focused website, SEO and PPC, customer database by sector, virtual video tours of the factories, white papers, blogs, social media posts (see more on social media below), eblast/enewsletters, etc.

**Advertising** – Targeted, industry publications, external newsletter for more traditional audiences, banner ads on distributor sites, trade shows, social ads, etc.

**Print** – Mailing to new, previous and existing customers, new company brochure, updating the company catalog, distributor catalogs, case studies, etc.

**Events** – Trade shows, lunch-and-learns, launch events, factory tours, community events, etc.

## Campaign Effectiveness/Success

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ROI analysis based on the response to CTAs on the website, banner ads, social channels, blogs and newsletter readership – all trackable through a Google Analytics account. New leads in the system, new customer sales pitches, etc. will also help us determine our effectiveness.

We will also research, determine and implement the best means for processing and tabulating leads at trade shows and events throughout the year.



Reporting should be done monthly in order to provide enough time for campaigns to gain traction within the industry.

#### Schedule

- During distributor show season and quoting season
- One – two months to prepare the new campaign for effective roll out. With budget money not available until June, social media will be the first communications channel to receive attention (immediate).
- Create a blog post on our existing website to be used in conjunction with new, monthly e-newsletter campaigns (April 1).
- Send monthly press releases highlighting new staff and their role in commitment for change (April).
- Work with industry publications for interviews and article submissions from the “industry experts” (March/April/May).
- Leverage any trade show/event opportunities to share our message (June).

#### Additional Budget Spend Based on Communications Plan (estimates):

Line Item	Cost	Recurrence	Total Budget Cost
Website redesign	\$75,000	one-time cost	\$75,000
Website hosting	\$1,500	monthly	\$18,000
PPC campaigns/Google Adwords	\$1,000	monthly	\$12,000
SEO management	\$1,000	monthly	\$12,000
Email marketing software	\$100	monthly	\$1,200
Social advertising	\$750	quarterly	\$3,000
Catalog printing and revisions	\$17,000	one-time cost	\$17,000
Trade show graphics and displays	\$7,500	quarterly	\$30,000
Stock photography	\$99	monthly	\$1,188
Print advertising	\$15,000	quarterly	\$60,000
			<b>\$229,388</b>

#### *Additional expenses*

Press releases	\$750	as needed	\$750
Promo items/giveaways	\$3,500	quarterly	\$14,000
Mailings	\$5,000	quarterly	\$20,000
Video/custom photography	\$7,500	quarterly	\$30,000
			<b>\$64,750</b>

<b>Grand Total</b>	<b>\$294,138</b>
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**Total Marketing Budget for 2017-2018:**

- Public Relations - \$6,191
- Advertising (APAs) - \$612,811
- Catalogs - \$632
- Trade Shows - \$320,164
- Samples - \$58,192
- Dealer Support - \$14,828
- Donations - \$ 300

**TOTAL - \$1,013,118 (annualized)****APAs (in development)**

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Currently The HC Companies offers APA funds for top performing distributors. The money is predominantly spent on distributor trade shows, catalogs and networking events. A plan is being developed to better manage the use of those funds with a “marketing tool kit” for distributors to further support the HC brand by providing marketing direction and options.

A “marketing tool kit” to smaller distributors will also be developed in order to differentiate ourselves from the competition by providing marketing support, not just product support.

**Total APA spend in 2017 - \$427,564.83****Social Media Audit**

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For B2B markets, it’s not just about getting a “reaction” on social channels, it’s about getting a reaction and then driving them “back to your website” – your silent salesperson.

Creating great website content is critical to help generate leads from those responding to CTAs on social platforms. People are more willing to provide information or pick up the phone to call if the content provided solves their problem.

**SOCIAL UPDATE:** Facebook Zero Algorithm update has caused some concern as to how companies need to reach an audience and encourage engagement. It’s no longer acceptable to be self-serving with posts and shares. As family and friend content now takes center stage, it’s imperative that businesses create posts that are inspiring, motivating and informative – not just “selling” something. We must think outside the box with posts in order to brand us the “industry experts” as well as humanize the business.



## Target Audience

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Growers (greenhouse and nursery) – LinkedIn/Facebook  
Distributors (predominantly greenhouse) – LinkedIn  
Retail (garden centers through distribution) – Facebook  
Emerging markets – cannabis, organic growers – Facebook

**The HC Companies** on social (Facebook – 165 likes; LinkedIn – 188 followers)

### Customers on social:

- Griffin Greenhouse (Facebook – 1,700 likes; LinkedIn – 891 followers)
- BFG Supply Company (Facebook – 300 likes; LinkedIn – 2,500 followers)
- Metrolina Greenhouses (Facebook – 13,000 likes; LinkedIn – 270 followers; Twitter – 1,223 likes; Pinterest – 247 followers; Instagram – 860 followers)
- BWI Companies (Facebook – 920; LinkedIn – 500 followers; Twitter – 467 followers)
- Costa Farms (Facebook – 3,000 likes)
- Color Point (Facebook – 1,110 likes; LinkedIn – 185 followers)
- Diamond R Fertilizer Co (LinkedIn – 60 followers)
- Winfield Solutions (Facebook – 15,000 likes; LinkedIn – 2,500 followers; Twitter – 2,500 likes)
- Carlin Horticultural (Facebook – 270 likes; LinkedIn – 36 followers)
- Teris Services (Facebook – 313 likes)
- Cleveland Floral Products (Facebook – 941 likes)

### Competitors on social:

- Poppelmann (Facebook – 1,750 likes; LinkedIn – 929 followers)
- East Jordan (Facebook – 43 likes; LinkedIn – 29 followers)
- Summit – Janor (LinkedIn – 15 followers)
- NSI (Facebook – 181 likes; LinkedIn – 604 followers)
- Landmark (LinkedIn – 704 followers)
- Ainong (NA)
- McConkey Co (Facebook – 195 likes)

### Industry publications on social:

- Greenhouse Management Magazine (Facebook – 2,400 likes; Twitter – 4,500 followers; Instagram – 1,500 followers)
- Nursery Management (Facebook – 1,725 likes; Twitter – 3,170 followers)
- Grower Talks (Facebook – 1,183; LinkedIn; 102; Twitter – 168)
- Greenhouse Grower (Facebook – 6,000 likes; Twitter – 3,500 followers)
- Grow Magazine – cannabis horticulture (Facebook – 1,800 likes)





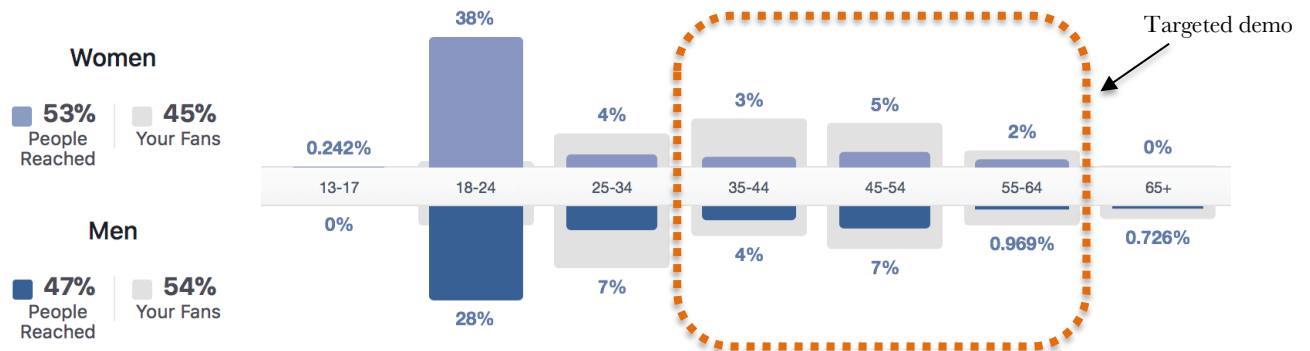
- Big Buds Magazine – cannabis (Facebook – 10,000 likes; Twitter – 4,300 followers)
- Cannabis Times – (Facebook – 12,773; LinkedIn – 2,694; Instagram – 4,068)

## Facebook example – how's it all working?

The stats below confirm The HC Companies was not reaching or targeting the ideal customer base from a B2B/B2C demographic. 66% were under the age of 24.

### Engagement/reach as of the end of February 1, 2018

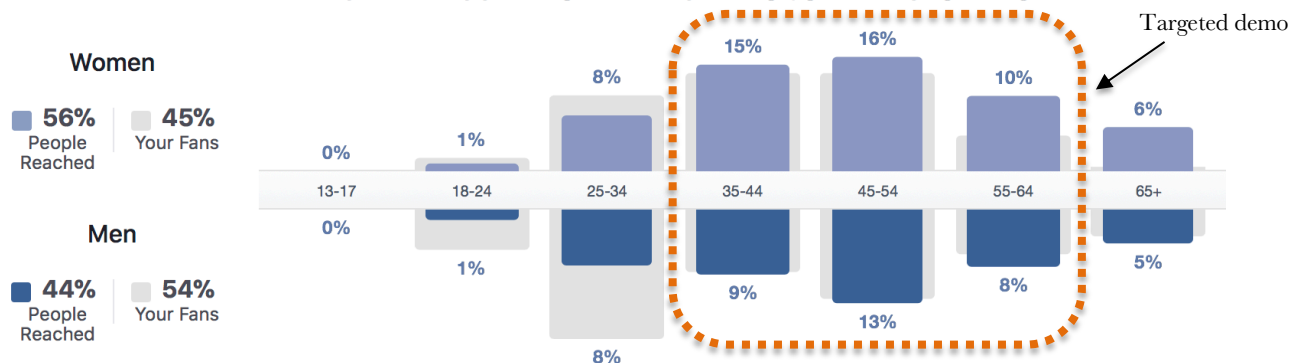
The number of people who saw any content by your Page or about your Page, grouped by age and gender.



By altering the messaging, offering more targeted and meaningful content – more often, and increasing engagement and sharing of industry posts, a shift has occurred.

### Engagement/reach as of the end of March 29, 2018

The number of people who saw any content by your Page or about your Page, grouped by age and gender.



Engagement/reach among 18-24 year olds went from 66% to just 3%. Our key demographic (35-64 year olds) increased from 22% to 71%. Thus far, followers have gone from **161 to 165** - the additional targeted engagement, and eventual “boosted” posts will help.



**NOTE:** LinkedIn is faring much better, however, growing LinkedIn organically without paid advertising is slow and difficult. We've gone from **180 to 188 followers**. Employees need to start engaging and sharing posts with their connections in order to grow followers. Some action items include:

1. Placing social icons on marketing collateral, website, e-newsletters, email signatures
2. Asking for engagement in internal newsletter document

## The User Experience

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In a B2B environment, especially as younger generations move into high level positions within the industry, they will utilize social channels before doing business. Make sure the platforms chosen to focus on are robust and frequently updated to create relevance in the market.

For a B2B social presence, it's important to remember:

1. Always be professional – a little humor is fine as long as it's tasteful
2. Don't just share posts from trusted sources, add your own thoughts to show your knowledge of the industry
3. Pictures and videos should always be high quality
4. Create a CTA (call to action) on applicable posts to help drive people to your website
5. Pay to "boost" posts that you want to gain attention and demographic tracking in the industry (do not boost posts saying "Happy Halloween")
6. Engagement – if you're not engaging with others on social, gaining followers organically will be tedious and long
7. Use unique landing pages or URLs to track ROI of your social efforts

### Current platforms we're on:

- Facebook – 68% of users are US adults
- Twitter – 74% of users get their news from here
- LinkedIn – 50% of B2B buyers use this when making purchasing decisions
- Instagram – 60% of users in the US are under the age of 30

*Statistics from Hootsuite – June 2017*

Note: though not a platform worth supporting frequently, having a Google+ page further helps your Google search rankings.

### Recommended platforms to be on:

- Facebook (fits our overall demographic/viable if supported)
- Twitter (media and news source)
- LinkedIn (connect with decision makers)





### Strategy for posting and social engagement:

1. Posting schedule:
  - a. Facebook: 2-3 times a day (morning and afternoon)
  - b. Twitter: 1-2 times a week
  - c. LinkedIn: 2-3 times a week
2. Post length:
  - a. Facebook/Twitter – short attention spans, shorter posts
  - b. LinkedIn – a few relevant sentences if commenting on something you share
3. NEVER just post copy – add a photo for maximum impact
4. Be creative – not everything needs to tie directly back to the business
  - a. But be responsible – a recipe for chili does NOT belong on a horticulture platform
5. Add industry videos whenever possible – no dancing cats or dogs please
6. Use CTAs to drive people back to our website (trackable URLs/landing pages)
7. Offer white papers and case studies (supports industry experts status)
8. While you can be more playful on Facebook and Twitter, try to focus on more professional posts for LinkedIn
9. Make sure all posts are visually appealing to really “pop” in customer’s feeds
10. All images you post MUST have “The HC Companies” logo on it so that when it is shared, customers will know where it originated
11. Engagement – while time consuming, a part of each day needs to be devoted to engagement in order to build an organic audience
12. Continuously seek out new people to follow and share as the market is constantly changing and more companies are becoming active
13. Monitor comments and direct messages daily:
  - a. Comments – part of engagement is interacting with those commenting on posts
  - b. Direct messages – more and more companies are seeing Facebook used as a customer service portal

### Still an online presence that needs rectifying:

- <https://www.facebook.com/pages/Dillen-Products/106625222738353>
- Dillen Google Business Page

