

BUSM099 Group Assignment.pdf

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Submission date: 19-Dec-2024 06:15PM (UTC+0000)

Submission ID: 246670363

File name: 39722728_Brianna_Damania_BUSM099_Group_Assignment_2736591_1291939691.pdf (3.08M)

Word count: 6428

Character count: 37908



Module Title: Digital Marketing

Module Code: BUSM099

Module Organizer: Dr Jie Sheng

Date: 20 December 2024

Word Count: 4,951

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EXECUTIVE SUMMARY

Objective

The objective ¹ is to get 50,000 customers to use Costa's self-ordering kiosks, increase the use of loyalty cards, and maintain or increase Costa's minimum order value of £5.50.

Strategy and Execution

Incentivize kiosk usage action and promote with campaigns such as “order through the kiosk and receive ‘10 percent off’” or purchase over £5 and get a free add-on. This will increase the drive usage of kiosks by providing real-time value. Loyalty card usage can be promoted by an “Add an on-screen reminder” & initiating a 'Double Points' transaction campaign screen on the kiosk title, increasing the loyalty card usage with reward enhancement. Interactive components can be incorporated with a “Spin-to-Win” to generate rewards such as free drinks or bonus points. This will result in a fun, engaging kiosk experience and repeat usage. Data-driven and geo-based social media ads, influencer deals and loyalty program emails will boost the digital marketing campaign and increase the awareness of kiosk benefits, leading to footfall. Combos and offers like add-on recommendations such as “Add a muffin with your coffee for £1.50” will increase the average order value. This shall be done using kiosk AI. Specials can be considered such as ‘limited edition’ or ‘season special,’ where orders are accessible exclusively to kiosk users. Lastly, allowing social media promotion to get customers to promote their beverage with a hashtag or follow their social accounts to get bonus points.

Outcome and Course of Action

Kiosk adoption with goals like a 50k user target that can be achieved through promotions and gamification. Cross-selling can be done to introduce more services through digital channels with rewards like ‘double points’ and promotions that incentivise card usage and return visits. Upselling can be done to help to increase order value. This integrated approach and simultaneous rollout combined with ongoing tracking will engender optimum results and meet business goals.

SITUATION ANALYSIS

Competitor Analysis

Costa's main competitors are Starbucks and Caffè Nero. Starbucks positions itself as a luxury coffee brand by locating itself in major city centres, making itself more desirable (Lee and Kim, 2017). Caffè Nero is another competitor that positions itself as a high-quality coffee brand valuing ethical production. Examples of their ethical practices include the reduction of waste and plastic, recycling used coffee grounds, and ethical coffee bean sourcing (Caffè Nero, 2024).

SWOT

<p style="text-align: center;"><u>Strengths</u></p> <ul style="list-style-type: none">• Largest in UK Market• Sustainability	<p style="text-align: center;"><u>Weaknesses</u></p> <ul style="list-style-type: none">• Product Diversification
<p style="text-align: center;"><u>Opportunities</u></p> <ul style="list-style-type: none">• Global expansion• Follow market trends	<p style="text-align: center;"><u>Threats</u></p> <ul style="list-style-type: none">• Intense competition

Among Costa Coffee's strengths, its focus on sustainability and the United Kingdom market are two of the strongest drivers. Costa is focused on sustainability through their coffee bean sourcing, packaging, climate and community (Costa Coffee, 2024a). Being a sustainable company is increasingly important in this environment as individuals become more environmentally and socially conscious. Also, Costa is the largest coffee chain in the United Kingdom, with 2,677 storefronts as of January 2024 (Statista, 2024b). On the other hand, a weakness that Costa faces is their product diversification. Costa has not historically followed the trends of consumer preferences that are being favoured in the food and beverage market (Gan, 2024). This creates a weakness for Costa as there are many competitors their consumers can turn to for up-to-date options.

Costa also faces the threats of their competition which are both global and local. Although Costa is the biggest chain in the United Kingdom, Starbucks is the largest chain globally with over 38,000 stores worldwide as of 2023 (Statista, 2024a). Consumers have also begun to favour local coffee shops due to feeling a sense of community and relatability (Ferreira,

Ferreira and Bos, 2021). In turn, Costa would benefit by focusing on their global expansion strategy and following market trends. Costa can expand globally to keep up with their competitors by leveraging their partnership with Coca-Cola, as it is a well-known global brand (Costa Coffee, 2024b). Becoming a big brand globally will create a reliable brand image for Costa, as consumers will know what to expect when choosing Costa Coffee. Research has shown that consumers now lean towards healthier options (Mai and Hoffmann, 2015). As the food and beverage industry follows this health-conscious trend, Costa would benefit by offering these options and branding themselves as healthy for their consumers to favour their products over other options.

PESTEL analysis

Political

- Government Regulations and Trade Policies: Due to its global operations, Costa Coffee is subject to numerous rules and regulations, such as labour laws, trade policies, and local health requirements. Costa's supply chain and product prices may be affected by changes in trade regulations, such as tariffs or import limits (Costa Coffee, 2024).
- Tax Policies and Minimum Wage Increases: Due to recent minimum wage increases, corporation tax laws may change in some of Costa's major markets, including the UK and EU nations. Costa's labour costs are impacted by adherence to wage laws, which affects overall profitability (Costa Coffee - Tax Policy, 2024).

Economic

- Economic Recessions and Consumer Spending: Consumer purchasing power is impacted by economic downturns, which may result in lower sales for coffee businesses like Costa. Customers are more inclined to make coffee at home or choose less expensive options during weak economic times (Coca-Cola Company, 2024).
- Fluctuations in currency: As a global brand, Costa is subject to changes in exchange rates, especially in markets where currencies are unstable. Costa's pricing, profit margins, and overall financial performance may be impacted by these changes (Costa Coffee, 2024).

Social

- **Changing Consumer Preferences:** Specialty, artisanal, and ethically sourced coffee is becoming increasingly popular. In response to these developments, Costa has expanded its menu to include non-dairy milk and plant-based snacks in addition to providing premium coffee and sustainable sourcing methods (Costa Coffee, 2024).
- **Health and Wellness Trends:** Growing health consciousness has increased demand for products with fewer calories and no added sugar. To satisfy consumer demands for wellness-focused products, Costa has adjusted by providing healthier options, such as plant-based milk and sugar-free syrups (Costa Coffee, 2024).

Technological

- **Advancement in Coffee Machines:** By installing Costa Express machines—automated coffee makers—in busy places like supermarkets and petrol stations, Costa has advanced self-service. Costa can easily contact more consumers due to this technology, expanding the reach of its brand (Costa Coffee, 2024).
- **Mobile Ordering and Loyalty Apps:** Customers can enjoy the convenience and customised benefits of Costa's mobile app and loyalty program. In the coffee industry, digital ordering and payment methods are becoming exponentially important for retaining and engaging customers (Costa Coffee, 2024).

Environmental

- **Environmental Impact and Sustainable Sourcing:** Costa uses beans from Rainforest Alliance Certified farms as part of their commitment to sustainable sourcing. This program responds to increased demand from consumers for companies that value morality and sustainability (Costa Coffee, 2024).
- **Waste Reduction Efforts:** To cut down on waste, Costa uses recyclable coffee cups, promotes initiatives to recycle cups, and encourages the use of reusable cups. By taking these steps, Costa can better match with environmentally concerned consumers and lessen its impact on the environment (Costa Coffee, 2024).

Legal

- **Health and Safety Regulations:** To comply with the law and meet local rules, Costa must maintain health and safety standards at all locations. In a post-pandemic setting, this comprises rules concerning food safety, cleanliness, and client health procedures (Costa Coffee, 2024).

- Data Privacy Laws: Costa gathers consumer information through the Costa Club app and online buying platforms, which is subject to data protection regulations, including the General Data Protection Regulation (GDPR) in Europe. Negative publicity and substantial fines could result from noncompliance (Coca-Cola Company, 2024).

Costa's Resources in Digital Space

- Costa Club Mobile App: Costa Club gives users discounts, prizes, and the opportunity to earn points. Customers may monitor their point balance, redeem incentives, and enjoy a complimentary birthday treat as part of its personalised experience. Additionally, the app offers location-based services to assist users in locating Costa Express machines and stores in their area (Costa Coffee, 2024).
- Website and E-Commerce: Important brand details, like menu items, locations, sustainability policies, and brand history are available on the Costa website. Additionally, it serves as a venue for introducing new products, deals, and promotions (Costa Coffee, 2024).
- Social media: Costa is active on a large number of social media platforms that are used to provide brand updates, interact with fans, and advertise new items (Costa Coffee, 2024).
- Third-Party Delivery Platforms: Customers can purchase products with ease for home delivery in several markets with Costa's collaborations with food delivery services like Uber Eats and Deliveroo. By being present on delivery platforms, Costa can reach a larger audience and provide convenience (Costa Coffee, 2024).
- Digital Advertising and Marketing: To reach specific audiences and advertise new goods, seasonal beverages, and exclusive deals, Costa makes investments in digital advertising sites like Facebook, Instagram, and Google Ads. Costa improves direct communication with their clientele by using email newsletters to inform them about events, specials, and loyalty program benefits (Costa Coffee, 2024).

CAMPAIGN OBJECTIVES

SMART objectives allow both managers and employees to set, monitor and accomplish a short-term or long-term goal between themselves. The SMART model was first introduced by George

T. Doran in 1981 as the five obligatory conditions with which any previous objective derived from a motivation or purpose should preferably meet (Doran, 1981). SMART objectives stand for specific, measurable, attainable, relevant and time bound. These objectives are helpful to understand what the goals are and how one can accomplish them.

1. Increase the Digital Interaction with Costa Target:

- Specific: Increase the social media activities of Costa through the promotions of mobile applications and targeted advertising.
- Measurable: Post detailed measurable targets such as a 20% increase in the social media impression figures and a 15% increase in website traffic by the end of the campaign.
- Achievable: Use targeted advertising and DNS (Domain Name System) connections of some influential media to enhance website recognition.
- Relevant: Enhance the Costa website, helping to market kiosks and loyalty programs.
- Time bound: Accomplish these targets within a span of 3 months from the campaign's commencement.

2. Increase App Downloads Target:

- Specific: Enhance kiosk related promotions and app specific offers in order to reach more app downloads.
- Measurable: Achieve goal of 50,000 new app downloads over the operational time frame.
- Achievable: Employ in-store QR codes and digital commercials that connect to the app store.
- Relevant: Stimulate the adoption of the app, directly related to the usage of the kiosk and loyalty.
- Time bound: The targeted app downloads will be reached within a period of 3 months.

3. Increase the Number of Users:

- Specific: The target is to be able to attract more clients to Costa kiosks.
- Measurable: Enhance customer engagement.

- Achievable: Bring more customers to Costa’s kiosk and loyalty program. KPIs (Key Performance Indicator) include 50,000 kiosk users and 25% increase in loyalty card scans per transaction.
 - Relevant: Harness personalized offers, 2x points campaigns, and gamified rewards. This will also combine convenience, personalization, and rewards to engage customers.
 - Time bound: Accomplish goals of increasing kiosk users within 3 months.
4. Drive Revenue Growth
- Specific: Increase the average order value with relevant recommendations and combos.
 - Measurable: Achieve 10% increase in the average order value per kiosk.
 - Achievable: Use AI-powered product recommendations based on the customer’s previous order history or preferences and kiosk exclusive offers.
 - Relevant: Ties directly to revenue growth and customer satisfaction goals.
 - Time Bound: To be achieved in the 3 month duration of the campaign.
5. Forward into Loyalty Program:
- Specific: Increase Costa’s sign ups to the loyalty program.
 - Measurable: Sign up 25,000 new loyalty users as the campaign goal.
 - Attainable: Advertise the benefits of loyalty through kiosks, applications and social network advertising.
 - Relevant: It is the beginning of creating a customer base that Costa will plan to maintain a long-term relationship with, while also improving relations with the existing customer base.
 - Time-Bound: Achieve within the end of the 3 month campaign.

TARGET MARKET SEGMENTATION

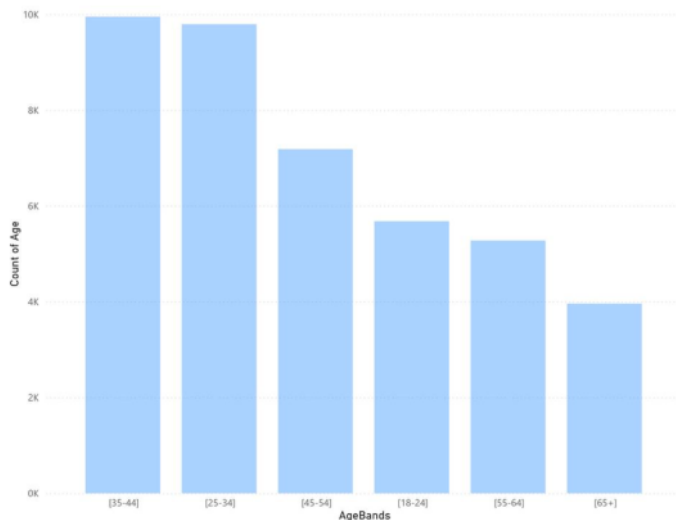
Costa Coffee has a wide range of consumers in different segments. Professionals and students make up the majority of Costa’s consumer base due to their busy schedules and need for coffee. Mintel reports that ¹¹ ‘89% of consumers buy their coffee in store’ (Mintel, 2022), which makes Costa coffee the perfect environment for coffee lovers. Costa’s consumer base is made up of

young people, particularly Gen Z and millennials (Singi, 2024), who are known to enjoy coffee and are mostly made up of the middle-class (Dimock, 2019). Costa takes pride in the diversity of their consumers as their brand allows people from all countries and backgrounds to sit down or take away a coffee (Costagroup.com).

Commuters are heavily targeted due to needing a beverage on the go to match their busy lifestyles which makes Costa the best option to purchase coffee from. The company also targets young coffee lovers due to their affordable prices which are reasonable and accessible to younger consumers compared to high-end coffee stores (Zeng, 2022). Costa stores are known to be spacious and include attractive seating areas within their branches (Bostock, 2018) which allow people to choose to ‘eat in.’

Demographics, behaviours, and preferences

Costa Coffee targets a range of consumers in demographics with unique behaviours and preferences, however, the main target segments are made up of different consumer bases:



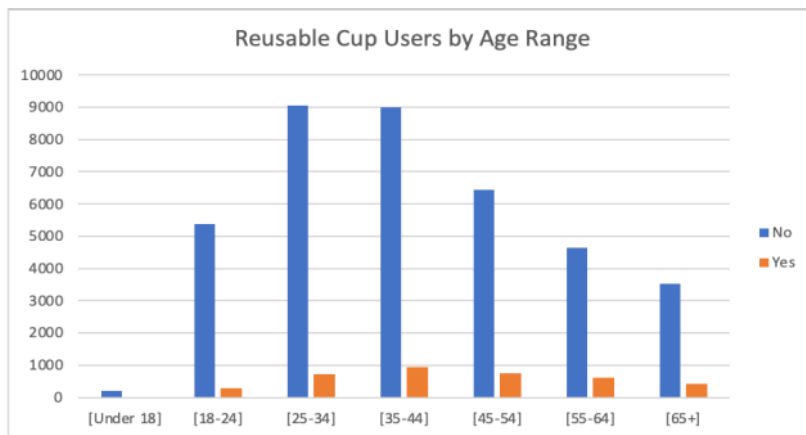
Professionals

Ages 25-44 make up the majority of the coffee drinking population, as shown in the figure above. This age range typically entails consumers in the professional working industries. Consumers with fast-paced lives are not able to sit down and enjoy a coffee, therefore Costa Coffee (Costa Coffee, 2024) is committed to assisting with producing high-quality coffee that professionals can enjoy on the go. Coffee is proven to improve ‘psychological well-being’ by

decreasing the risks of developing ‘depression’ (Qureshi et al.,2022) which professionals are at risk of. Studies show that caffeine can have a ‘positive impact on cognitive function’ (Fresh Ground, 2023) which may help professionals with daily life and tasks. Costa Coffee is a space where professionals may take online meetings, have work catch-ups or be able to enjoy alone time (Fresh Ground, 2023). There is also a ‘rise in remote working’ (Mimoun et al., 2021) which encourages consumers to turn to new locations to complete work.

Students

Also shown in the figure above, the younger demographic from ages 18-24 are also a target for Costa. Costa coffee is a popular choice for this group as it includes the student population. Due to their love for caffeine and the intense work they are expected to do weekly, the ‘boost of energy’ (Dave, 2023) that caffeine gives students is essential for them to complete assignments. Social media content is a huge factor in students' purchasing decisions as it encourages young people to be ‘productive’ which has become a trend alongside this generation aspiring for their lives to be ‘aesthetic’ (Dave, 2023). This makes Costa Coffee (Costa Coffee, 2024) a popular choice for students attempting to ‘improve their lifestyles.’ Coffee brands target consumers who seek out ‘a third space’ (Mimoun et al., 2021) to be able to relax and socialise and Costa Coffee.



Sustainable consumers

Costa promotes sustainability within their company through many initiatives to improve the environment. Costa cups are ‘plant-based’ which allows for the renewable material usage, thereby promoting ‘recycling’ (Costa, 2024). Costa also aims to ‘achieve net zero emissions’ (Costa, 2024) which allows for sustainable consumers to feel comfortable purchasing from the brand without guilt. The figure above suggests that the majority of Costa consumers use the

sustainable cups that Costa provides. However, with the recent increase in sustainable consumers, Costa has the opportunity to target consumers not currently using reusable cups.

Awareness, Consideration And Decision

Awareness

The awareness stage is the point at which potential consumers identify a product they need (Quan Ong, 2022). Consumer awareness is a 'mental process that occurs outside of conscious awareness' (Chartland, 2005).

1. When buyers crave caffeine, the awareness stage is when consumers identify their urge for coffee.

Consideration

In the consideration stage, potential buyers may research different brands to understand which brand suits them best, as well as compare companies. Companies fear that in 'crowded markets their brands may not even gain entry into the consideration set' (Robert et al., 1995)

2. When coffee lovers are aware of their need for coffee, they may then begin to weigh options of where to purchase coffee.

Decision

The decision stage is when consumers will decide on purchasing a product which will then lead to a 'solution' (Quan Ong, 2022). Decisions are now based on 'consumers' choices more and more based on identity play, gaining social currency and self-branding (Willman-Livarinen., et al, 2017).

3. After the awareness and consideration stage, a decision on which brand and coffee to purchase will be made.

CREATIVE IDEAS

Enhance Digital Presence

Encourage influencers to create challenges, such as a "15-Second Costa Order" challenge, in which they order their favorite drink from the kiosk in under 15 seconds and share their attempts using the hashtag #OrderSmartCosta. Campaigns such as "Gamified Loyalty" campaigns can be used to highlight rewards by developing an in-app or website game.

Gamification is a technique that uses game-like elements in what is otherwise a non-gaming context (Rosier, 2024). It helps the brand have enhanced customer retention and engagement (Emilev, 2024), in addition to providing valuable data and higher sales. Also, influencers can demonstrate how loyalty points unlock exclusive benefits, such as free drink upgrades and limited-edition products. Influencer collaborations can be executed to create limited time combos that are only available through kiosk ordering, which increases exclusivity and promotes kiosk usage. Elements of Costa's kiosks, such as AR visuals or personalized drink selections, can be used to generate excitement and increase the value of kiosk ordering. Lastly, providing real customer experiences can make the campaign more accessible and authentic. Influencers can be paired with real customers to create a deeper customer interaction. For example, this could include filming their responses or surprising them with gifts while placing an order.

Drive Revenue Growth

The use of artificial intelligence (AI) will not only enhance customer engagement but can help drive revenue growth. With AI, Costa Coffee can generate personalized kiosk screen add-ons. One use case could be high-quality images of bundle offers and animations showing coffee paired with snacks. This can include an offer such as “Add a muffin for just £1.50” with just the click of an “add” button below it. Providing customers with an offer to add a snack for a discounted price with visuals will create a stronger desire for the snack. AI can also highlight the best-seller combo deals to appeal to the customer by displaying what is most sold, which can build trust as well. Creating a sense of urgency for a deal can also entice a customer to make a purchase quickly. AI can create flash deals personalized to each customer with a countdown timer to initiate quick purchase decisions. Using artificial intelligence in the marketing at a kiosk will nudge consumers to purchase additional items to satisfy wants or needs they did not think they originally had, thereby driving revenue growth for Costa Coffee (Gao and Liu, 2022).

Expand Customer Engagement

To expand customer engagement, Costa Coffee can utilize augmented reality (AR), interactive videos and brochures to encourage the use of kiosks. AR can be used on social media for users to scan a QR code in-store to see virtual coffee cups and other products “floating,” which can guide the user to kiosk-exclusive offers. This will help the customer keep up with

real-time promotions going on in-store (Sachani, 2018). In addition, the in-store experience can include interactive videos of customers completing their purchase in less than two minutes. This will show customers how to use the kiosk, its ease of use, and provide customers with valuable information (Sachani, 2018). Last, brochures can be provided around the store with step-by-step illustrations on functionalities of the kiosk, such as how to link a loyalty card and place an order. These leaflets can include eye-catching visuals and conversational headlines to draw consumers' attention. All of these tactics will help keep the customer engaged and informed in their purchase journey at the kiosks of Costa Coffee.

Increase App Downloads

Costa has the ability to drive app downloads through influencer campaigns, social media promotion, and loyalty programs. Costa generated an additional £1.2 million per month due to their updated digital loyalty programme (Parr, 2022). Influencers can promote features available in the app such as reward tracking, special offers and integration with the kiosk by indicating the convenience of using the app to place orders. They can also demonstrate the earning of double loyalty points through the use of the app, creating a straightforward reason to download the app. Incorporating the reach of influencers through exclusive app-only content or via Costa's social media channels will help Costa build a stronger digital presence, increasing engagement and loyalty.

Costa can encourage app users to utilize features within it by placing orders and posting their experience with the hashtag #OrderSmartCosta, which aids in promoting the app by increasing social media visibility, leading to more downloads. Costa can also showcase user-generated posts on social media to promote the app to enhance credibility and interest in the application. Also, displaying the app's effectiveness to a larger crowd using social media targeted ads will help increase app attractiveness. In efforts to direct users to the app, QR codes to download the app can be placed on kiosks and in-store materials to promote rewarding campaigns, such as point bonuses and discounts, for all app users placing their first order.

MEDIA PLAN

This media plan supports Costa Coffee's campaign ⁷ to drive 50,000 users to its self-order kiosks within the next three visits, targeting both active and lapsed loyalty members. It integrates strategic touch points across the customer journey to achieve SMART objectives.

Media Channel Choices Aligned with the Customer Journey

Awareness Stage

¹ Objective: Increase awareness of Costa's self-order kiosks and loyalty benefits.

Social Media Advertising:

- Platforms: Instagram, TikTok, and Facebook.
- Creative: Short-form videos (15–30 seconds) showcasing kiosk benefits like personalization, speed, and gamified rewards.
- Call-to-Action (CTA): "Order Faster, Earn Rewards!"
- Target Audience: Millennials and Gen Z (major Costa consumers).

Social platforms capture Costa's target audience (millennials and Gen Z) effectively. TikTok trends boost visibility through user-generated content. Social media trends highlight their effectiveness in engaging younger demographics (Chaffey and Ellis-Chadwick, 2019).

¹⁰ Search Engine Marketing (SEM): Pay-per-click (PPC) campaigns targeting keywords like "quick coffee service", "convenient coffee ordering" and "self-order kiosks." SEM ensures Costa captures high-intent users actively searching for coffee solutions (DMA Marketer Report, 2021).

Example of a Pay-Per-Click (PPC) Campaign for Costa Coffee:

Objective: Increase awareness and drive traffic to Costa Coffee kiosks through PPC ads by targeting users searching for convenience-oriented coffee solutions.

Targeted Keywords

1. Broad Match:
 - a. Quick coffee service
 - b. Self-order kiosks

- c. Convenient coffee options
2. Phrase Match:
 - a. "Order coffee quickly"
 - b. "Self-service coffee kiosks"
3. Exact Match:
 - a. [Costa self-order kiosk]
 - b. [Quick coffee service near me]
4. Negative Keywords:
 - a. Recipes
 - b. Home coffee machines

Display Ads: Blogs like *Perfect Daily Grind* and *Sprudge* and apps like Foursquare, Waze and AllTrails. Native ads on trusted platforms engage niche audiences interested in coffee culture. Engaging niche coffee enthusiasts enhances campaign reach (Bayer et al., 2020).

Consideration Stage

Objective: Encourage customers to explore the kiosks through personalized incentives.

In-App Notifications: Geofenced alerts to highlight nearby kiosks and exclusive promotions.

Real-time notifications drive foot traffic to kiosks.

Example: "Exclusive Offer: Free Muffin with Your First Kiosk Order!" (Figure 3 in appendix)

Email Campaigns: Personalised emails to loyalty members showcasing kiosk promotions.

Re-engages loyalty members with actionable incentives, utilising Costa's robust database.

Email campaigns drive customer retention and transactional behaviour (Sabbagh, 2021).

Example:

- "Skip the Line—Get Your Coffee in Seconds with Our Kiosks!"
- "Get a Free Muffin with Your First Kiosk Order!"
- Push Notifications: "You Have 100 Points! Redeem a Free Coffee or Get Bonus Rewards on Your Next Kiosk Order!"

Keeps users engaged and incentivises loyalty through rewards.

Video Demos: Step-by-step guides hosted on the Costa app and YouTube channel. Tutorials can ease concerns about kiosk usability and enhance adoption. Tutorials reduce hesitation and build user confidence (Sachani, 2018).

Example: Walkthroughs on how to use the kiosk, link loyalty cards, and redeem points.

Decision Stage

Objective: Driving immediate kiosk adoption.

Interactive In-Store Displays: Highlight promotions and gamified rewards on digital screens near kiosks. Exclusive promotions such as “Double Points for Kiosk Orders Today” or “Add a Muffin for £1.50.” Visual cues encourage upselling and cross-selling (Gao and Liu, 2022)

Staff Assistance: Train baristas to assist customers with kiosk use during peak hours. Builds confidence and reduces hesitation among new users.

Promotional Offers: Discounts or loyalty bonuses for kiosk users, such as “Add a Croissant for £1.50!”. Incentives increase transactions while showcasing kiosk advantages.

Retention and Loyalty Stage

Push Notifications: Reminders about accumulated rewards, such as “Redeem Your 100 Points for a Free Coffee!” Timely notifications reinforce repeat behavior (Yang and Zhai, 2022).

User-Generated Content (UGC): Encourage users to share kiosk experiences with hashtags like #OrderSmartCosta. Boosts organic reach and strengthens community engagement. Amplifies campaign reach and strengthens community engagement (Chaffey and Ellis-Chadwick, 2019).

Social Media Engagement: Encourage user-generated content with the hashtag #OrderSmartCosta.

Gamification: Reward repeat kiosk use with exclusive in-app games and bonuses. Adds an element of fun, driving habitual kiosk use. Gamified loyalty programs boost retention (Growave, n.d.).

Example: Badges for repeat usage (e.g., “Kiosk Pro” after ten orders) and bonus points for challenges.

Channel Choices

- Social media and display ads create initial awareness among tech-savvy demographics.
- SEM captures high-intent users actively searching for coffee solutions.
- In-store digital touchpoints provide immediate guidance and encourage kiosk trials.
- Retention strategies like push notifications and gamification maintain engagement.

Customer Journey Map:

- Awareness: Ads > SEM > Blog articles.
- Consideration: Emails > Tutorials > In-app alerts.
- Decision: In-store interaction > Digital screens > Staff support.
- Loyalty: Gamification > Push notifications > Social media engagement.

Campaign Schedule

Week	Phase	Key Activities
Week 1-2	Awareness	Social media ads, SEM, display ads on blogs and apps.
Week 3-4	Consideration	Email campaigns, in-app notifications, and video tutorials.
Week 5-6	Decision	In-store displays, staff support, promotions
Week 7-8	Retention & Loyalty	Gamification, app push notifications, social sharing

BUDGET SPEND

Costa Coffee's three-month campaign budget of £300,000 will be distributed to match the media plan, SMART goals, and specified KPIs. To optimise consumer interaction, app downloads,

kiosk usage, and revenue development, the budget will be concentrated on digital and in-store channels.

Digital Channels (£190,000)

1. Advertising on social media (£60,000)

Facebook, Instagram, and TikTok targeted advertisements will display kiosk features, loyalty advantages, and app downloads. A 20% increase in impressions and 15% increase in website traffic are the goals for visual storytelling and client testimonials.

2. Email marketing (£20,000)

Engagement will be increased by sending out personalised re-engagement emails to 30% of loyalty customers who have lapsed by offering unique incentives to 40% of active users.

3. In-app notifications (£15,000)

Targeting 50,000 downloads, geofenced alerts will inform users about kiosk specials, customised prizes, and app-specific deals.

4. Search Engine Marketing (SEM) and PPC (£50,000)

Campaigns aimed at keywords such as "self-order kiosks" and "quick coffee service" will promote a 10% increase in kiosk transactions and produce high-intent visitors.

5. Display advertising (£45,000)

During the busiest campaign weeks, native advertisements on coffee-related blogs and apps will increase kiosk awareness and strengthen the message.

In-Store Channels (£80,000)

1. Interactive posters (£15,000)

Posters with QR codes will encourage 50,000 new kiosk transactions by providing links to tutorials, app downloads, and kiosk incentives.

2. Employee Support (£20,000)

Targeting 25,000 new users, barista training will instruct patrons on how to use kiosks and encourage signing loyalty programs.

3. Digital screens (£25,000)

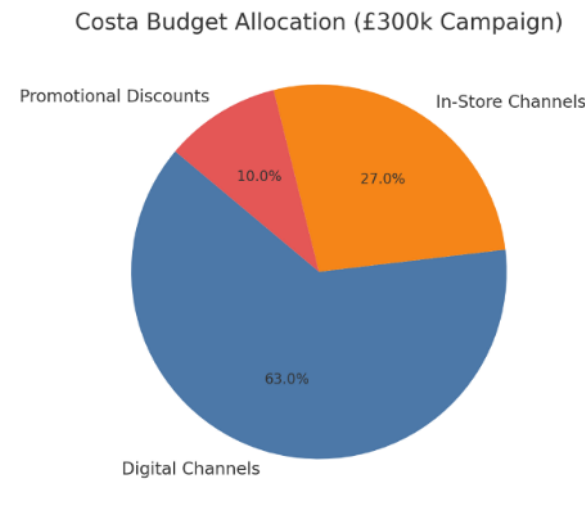
Achieve a 10% increase in average order value (AOV) by showcasing kiosk perks, gamified prizes, and combo deals on in-store screens.

4. Loyalty promotions and gamification (£20,000)

Gamified incentives and "2x points" promotions will boost kiosk interaction and loyalty scans by 25%.

Promotional Discounts (£30,000)

1. First-time customers are encouraged via promotional discounts and kiosk-only offerings, with the goal of 50% repeat usage within 30 days.



The graph above illustrates how Costa's £300k campaign expenditure was divided across three categories. 63% of the budget goes to digital channels, which reflects the focus on email marketing, SEM, and targeted social media advertising to boost user engagement, app downloads, and digital interaction. 27% of the funding is allotted to in-store channels, which use interactive posters, employee training, and in-store displays to increase kiosk usage. Finally, 10% promotional discounts are used in conjunction with loyalty programs and incentives to increase revenue, repeat business, and customer acquisition. This equitable distribution guarantees conformity with marketing goals and optimises return on investment.

MEASUREMENT PLAN

Costa Coffee must monitor the performance of its media plan, this can be done through tracking marketing activities and metrics. This may include social media campaigns and search ads to assist in growing revenue and building Costa's brand. Social media (Laradi., et al, 2023) is important to track impressions and click rates (Yang et al., 2022) to understand if the marketing plan is working for the brand. As well as, incorporating email marketing which targets consumers' emails (Sabbagh, 2022) to be given updates on new brand campaigns which will lead to increased revenue and keeping a steady consumer base.

Activity	Media Channel	Target	Tracking
Social Media Campaigns (Laradi., et al, 2023)	Facebook Instagram Tiktok	-Minimum 1 million impressions online -50,000 new followers -Monitoring link clicks 5% growth	-Impressions engagement -Growth in followers
Influencer Partnership (Belanche., 2021)	Instagram Snapchat TikTok Twitter	-Goal of 200 posts -10% increase in engagement -75,000 clicks	-Promo code for influencers to share -Posts -Sharing links -CTR (Click through rate)(Yang et al., 2022)
Search Advertising (Bayer., et al, 2020)	Bing Yahoo Google Safari	-Cost per click (CPC), goal of 100,000 clicks (Yang et al., 2022)	-CTR (Yang et al., 2022)
Email Marketing (Sabbagh, 2022)	Gmail Hotmail Outlook	-Click rate (CR)(Yang et al., 2022)	-Click rate (Yang et al., 2022) should be a minimum of 10% to have good growth

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Appendix

Figure 1. SMART Objectives for Costa

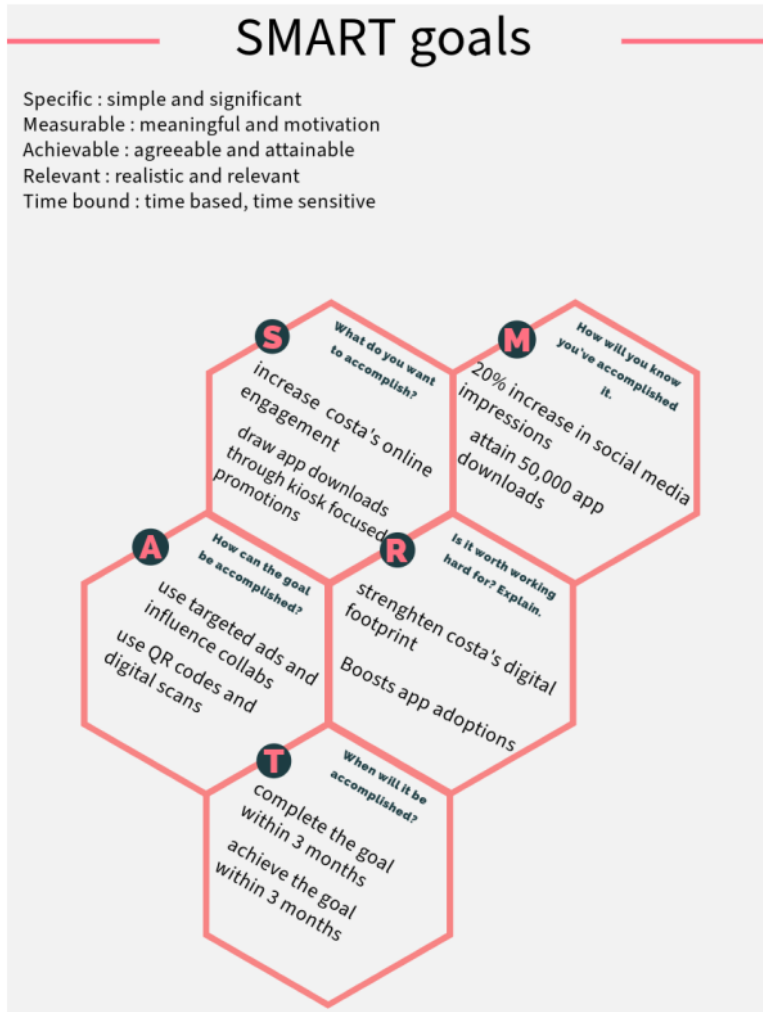


Figure 2. Costa Customer Journey Map

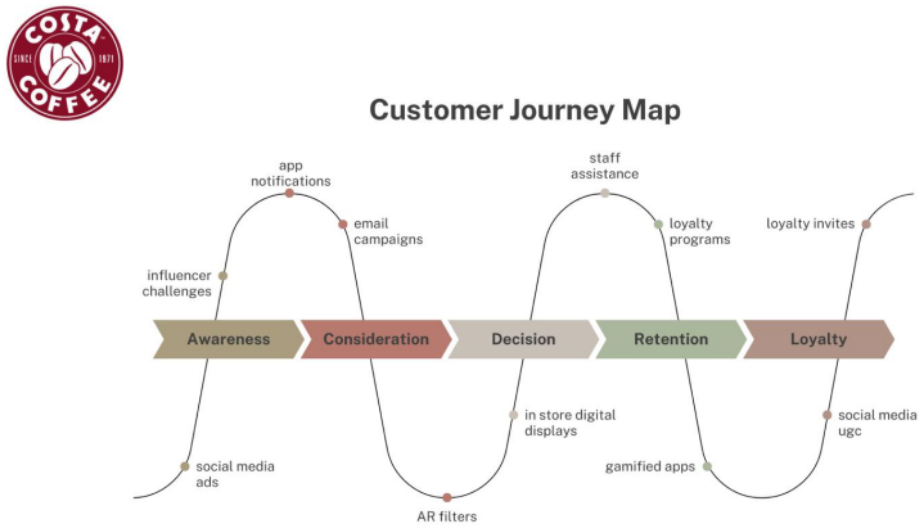


Figure 3. Exclusive Offer Visual Aid



Table 1. Costa Customer Journey

Stage	Customer Actions	Touchpoints	Customer Experience	Pain Points	Solutions
Awareness	Discover kiosks and learn about the benefits	Social media ads, influencer challenges, signage	Interested but curious	Limited awareness of kiosk benefits	Engaging TikTok challenges, geo-targeted ads, and visible promotions.
Consideration	Explore kiosk features and incentives	App notifications, email campaigns, AR filters	Interested but hesitant	Unfamiliarity with kiosk usage	Tutorials in-app and on YouTube, personalized geofenced offers.
Decision	Place their first kiosk order	In-store digital displays, barista guidance	Slight confusion initially	Adjustment to new ordering system	On-site assistance, intuitive design, and exclusive first-order deals.
Retention	Return and order via kiosks regularly	Loyalty program integration, gamified app features	Confident and satisfied	Forgetting rewards or kiosk usage	Push notifications reminding of points and gamified challenges for rewards.
Loyalty	Recommend kiosks and encourage others to use	Social media UGC campaigns, loyalty invites	Loyal and engaged advocate	Low motivation for consistent advocacy	Social media sharing rewards and referral bonuses.

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