



# Handbook to create a sustainable business

## Module 2: Market strategies

A handbook to create a sustainable business  
is developed within the Young GREENTrepreneurs project

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# Introduction

In this module we are discussing the customers and customer relations in the process of purchasing. The customers are part of the business planning and the marketing strategies are directed towards the customers. Besides the steps of creating a company, we introduce the steps of making a business plan, pricing and the ways of promotion. The purpose of introducing the business plan in this module is to make the connection with the marketing strategies, because the marketing strategies are the biggest part of the business plan



# Lesson 1: Business Plan – Marketing Strategy and Implementation

The Business plan is the first step to starting a company. In order to attract investors, you need to present a business plan which will promise profitability and sustainability. The Canvas model presented, is a brief Business plan.

## The cover page of the business plan should contain:

- Logo of the business,
- Name of the business,
- Slogan,
- Title of the document,
- Type of eco-business in three words,
- Name and surname and contact details of the drafter of the business plan.
- The name, logo and slogan are the three key elements that give identity to any business, whether it is a new or an existing business, while the type of business in 3 words and the identity of the person preparing the business plan only adds additional value in the eyes of identity of a business the reader of the business plan.

## Business logo

A business logo is a visual and pictorial identity of a business. Together with the name and slogan of the business, the logo will represent one of the three pillars for the identity of a business. You don't have to have a logo at this stage, but the business plan you are starting to write will be more professional with your own logo. On the other hand, the goal is to think and create a visual identity for the business even in this early startup phase of your business.



### The logo should be composed of:

- An image that will illustratively represent the type of business.
- Incorporated name of the business.
- Name of the business

A good name should be informative so that potential consumers would immediately know what the business is about. A good name should be simple, easy to remember and of course easy to pronounce.

### Practical activity: Brainstorming logo/ business name ideas/ slogan of the business

We propose this to be a practical activity, where participants brainstorm on logo possibilities/ what the most suitable name for the business should be, and possible slogans, and vote for the best propositions.



### • Title of the document and type of business

In the middle of the title page of the business plan, the title of the document (Business Plan) should be written and, of course, what type of business it refers to.

### • Name, surname and contact details

As in every heading of the business plan, before you start, give a brief summary of what will be contained in the subheadings, as well as everything that is most important, that is, what should be highlighted by this heading.

### • What the marketing strategy should contain

Our goal is to translate the set business goals in the content of the business plan into a marketing strategy that will help in achieving those goals. If our goals are to increase sales by 10% compared to last year, the marketing strategy should lead us to marketing activities that will enable a 10% increase in sales.

At the end of this title, a plan of activities for achieving the goals of the business should emerge. Here's what a marketing strategy would look like with its subheadings.

## Lesson 2: Marketing objectives

Here you will have to answer why you need marketing in your business, that is, what you will need to achieve with marketing. It's your job to translate those eco-business goals into marketing goals. For example, if your business goal is to increase profits by 25%, your marketing goals will be:

- ✔ Increasing entry into the sales funnel,
- ✔ Keeping the sales funnel always full,
- ✔ Increasing the conversion rate of potential consumers into buyers,
- ✔ Strengthening the brand

### Common Marketing Goals for a Successful Marketing Strategy

Marketing strategies work best when you have measurable goals. Here are five common marketing goals to consider for your next strategy:

**Marketing strategies work best  
when you have measurable goals**

Keep in mind that when setting marketing goals, you'll want to make sure they are SMART: Specific, Measurable, Achievable, Relevant, and Time-bound.

**Five of the most common marketing goals are:**

1. **Generating leads**
2. **Building brand awareness**
3. **Increasing website traffic**
4. **Converting leads into customers**
5. **Developing customer loyalty**

## Here's what these goals tend to look like and what they mean for your strategy:

- **Generating Leads**

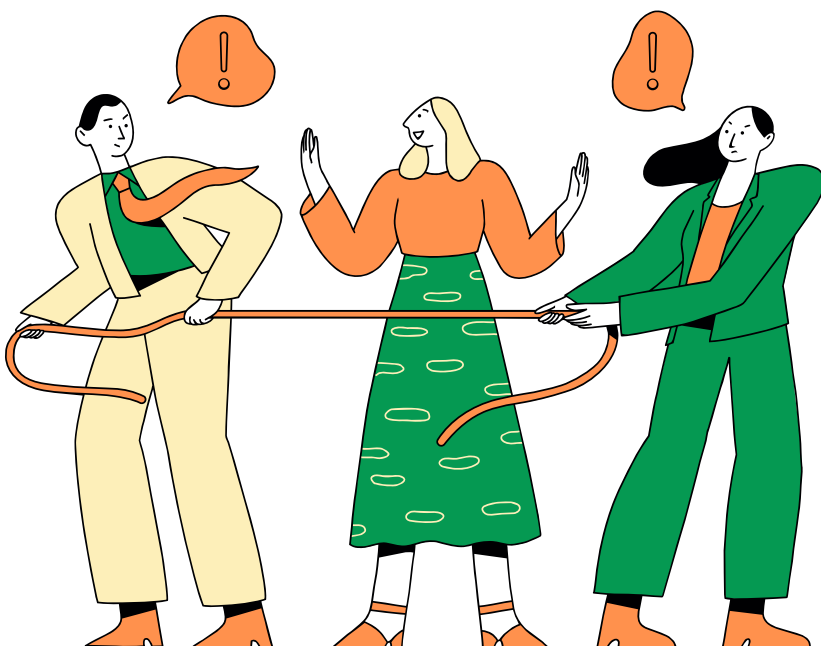
One of the most common marketing goals is increasing the number of leads by a certain percentage within a given timeframe or over a specific channel. For example, you might aim to increase the number of leads you have by 20% over the next three months via your content marketing.

- **Building Brand Awareness**

Generally, brand awareness refers to potential leads' knowledge of your company name, your value proposition, and the things that distinguish you from your competitors. Brand awareness can be tricky to measure, but it's an important metric if you intend to expand your reach or tap into new markets.

- **Increasing Website Traffic**

On its own, website traffic won't directly result in revenue. However, it's an important metric to measure if you draw a significant number of your leads through your website content.



- **Converting Leads into Customers**

Generating more leads is a great start, but what's truly important is your lead-to-customer ratio. Average customer conversion rates vary by industry and channel, but they can range from 2% to 10% or more.

- **Developing Customer Loyalty**

Like brand awareness, customer loyalty can be challenging to measure. Thankfully, there are multiple tools you can use to do so. Metrics like Net Promoter Score, repurchase ratio, and customer lifecycle value are all good ways to measure customer loyalty.

- **Set Goals for Your Next Marketing Campaign**

No matter what marketing goals you set, it's important to have a plan for how you'll achieve them. Depending on your marketing goal, you may have a range of strategy types to choose from.

For example, you can build brand awareness through social media marketing, such as by launching social media ads or partnering with influencers and creators. Developing customer loyalty is all about delivering more value to your existing customers. You can do this through personalized content, loyalty rewards, special promotions, and more.



## Lesson 3: Target market

In the market and industry analysis, you have already determined the market segments in numbers. Here, simply describe which segment will be part of your target market and, if necessary, specify that segment. For example, our business will be aimed at the male population market, which is 30,000 potential users of our products with income above 30,000 denars per month (additional refinement of the men's segment), who will be able to solve some specific eco problems with our products.



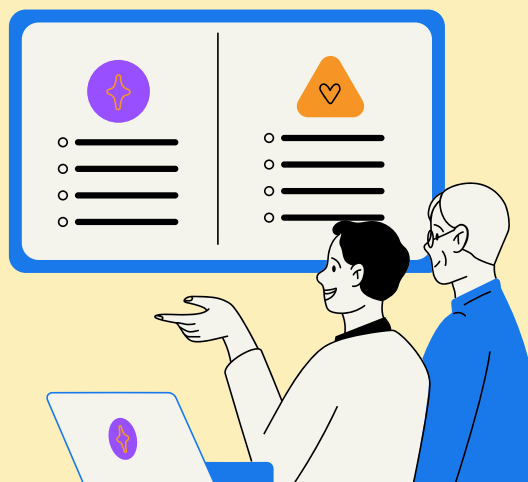
## Lesson 4: Competitive advantage

It is very difficult to find a business that is alone in the market and that has no competitors. Eco-entrepreneurship has competition in the eco-businesses themselves, which are constantly expanding day by day and encourage young entrepreneurs to engage in eco-entrepreneurship. One of the goals of your marketing strategy is, with its implementation, for potential consumers to differentiate between your business and competitors.

**Competitive advantage refers to factors that allow a company to produce goods or services better or more cheaply than its rivals**

### What Is a Competitive Advantage?

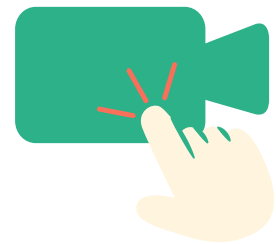
Competitive advantage refers to factors that allow a company to produce goods or services better or more cheaply than its rivals. It also refers to the lack of products or services in the market, or filling a gap in the market. These factors allow the productive entity to generate more sales or superior margins compared to its market rivals. Competitive advantages are attributed to a variety of factors including cost structure, branding, the quality of product offerings, the distribution network, intellectual property, and customer service.



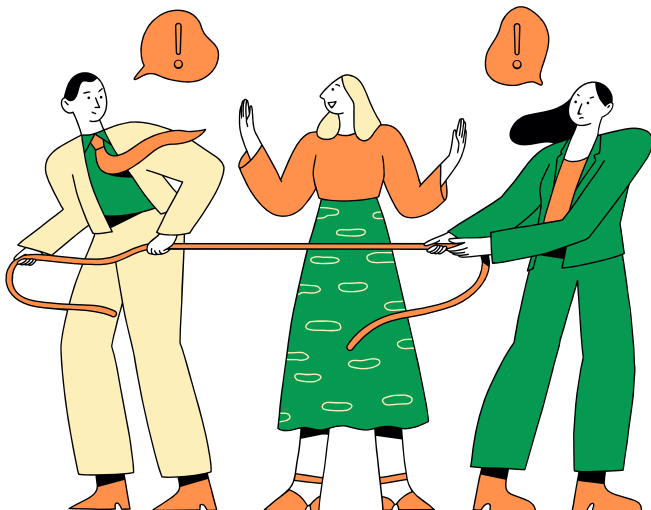
## KEY TAKEAWAYS

- ✔ Competitive advantage is what makes an entity's products or services more desirable to customers than that of any other rival.
- ✔ Competitive advantages can be broken down into comparative advantages and differential advantages.
- ✔ Comparative advantage is a company's ability to produce something more efficiently than a rival, which leads to greater profit margins, as well.
- ✔ A differential advantage is when a company's products are seen as both unique and of higher quality, relative to those of a competitor.

**We invite you to watch the following video to learn more about it: [Understanding Competitive Advantage](#)**



Competitive advantages generate greater value for a firm and its shareholders because of certain strengths or conditions. The more sustainable the competitive advantage, the more difficult it is for competitors to neutralize the advantage. The two main types of competitive advantages are comparative advantage and differential advantage.



For example, Apple is famous for creating innovative products, such as the iPhone, and supporting its market leadership with savvy marketing campaigns to build an elite brand.

Another example is major pharmaceutical companies. They can market branded drugs at high price points because they are protected by patents.

The term "competitive advantage" traditionally refers to the business world, but can also be applied to a country, organization, or even a person who is competing for something.



## How To Build a Competitive Advantage

To build a competitive advantage, a company can use one of three main methods:

- **Cost:** Provide offerings at the lowest price
  - **Differentiation:** Provide offerings that are superior in quality, service, or features.
  - **Specialization:** Provide offerings narrowly tailored to a focused market
- Competing on price can be effective, but if you slash prices too much you risk decreasing profit margins to an untenable level. Many firms opt instead to differentiate themselves in other ways, which helps preserve or expand their profit margin.

## Benefits of a Competitive Advantage

When a company creates a durable competitive advantage, it sets itself apart from the competition and provides value to customers as well as stakeholders. By producing a desirable product or service that is better or more cost-effective than its competitors,' the company can make more sales, generate more revenue, and enjoy greater profits.



## Strategies to Build a Competitive Advantage

To build a competitive advantage, a company must know what sets it apart from its competitors and then focus its message, service, and products with that difference in mind. Here are several strategies companies use to build a competitive advantage:

- **Research the market:** Market research helps a company identify and define its target market, which can guide it in developing the most effective advantage.
- **Identify strengths:** A company can find its unique strengths, especially relative to competitors, by reviewing products, services, features, positioning, and branding.
- **Evaluate finances:** Companies can take a close look at their financial performance to spot profit centers and areas of stability, using financial statements and ratios.
- **Review operations:** How efficient is a company's operations? Where is it effective, and where is there room for improvement? Consider customer service as well as production and supply chain management.
- **Consider human resources:** The talent a company can attract as employees and leadership can make an important difference in the success of the business. Evaluating company culture, hiring, and staffing practices can help.



## Lesson 5: Pricing strategy

In this section, describe what your pricing tactics will be for the marketing strategy. Your target market will also largely define your pricing tactics. If the target market can afford higher prices, you will go with higher prices. If the competition offers lower prices, you will also adjust with those prices. List everything that will be related to your prices, as well as how those prices will affect attracting customers.

**As part of the marketing mix, prices, eco-entrepreneurship can apply Marketing mix - Price. In that section, we can apply the following prices:**

- Prices for market penetration
- Competitive prices
- Price reduction strategy
- Prices of group products
- Product line prices
- Psychological prices
- Optional prices
- Premium prices or prestige prices



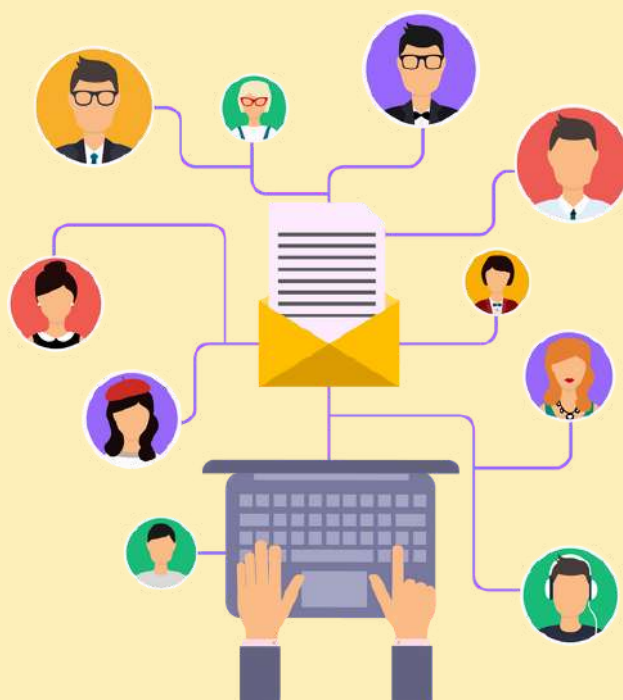
**So we have different types of options in terms of pricing. Which option we choose will depend on several factors such as:**

- Supply and demand for products and/or services
- The costs
- The competition
- The state with different regulations regarding the price

I would add one more element here, and that is eco-entrepreneurship, which as an entrepreneur and eco-business we sell: only eco-product, only eco-service or even both eco-product and eco-service.

Depending on the type of consumers you are targeting, the impact of price as a marketing tool will also depend. If you target potential eco-consumers for whom the high price is not a problem, you will be free to go with higher prices. But if you target potential consumers who are socially threatened (with low incomes), of course you won't be able to go with high prices.

That is why it is important to first study the potential consumers of your target market. Then choose which pricing strategy we will choose.



# Lesson 6: Promotional tactics

There are lots of ways to promote a product. If you're looking for inspiration, we've laid out 12 different types of promotion strategies below.

## 1. Paid advertising

Paid advertising is often the first type of promotion that comes to mind. This straightforward strategy involves paying to show an advertisement in a specific place at a specific time, so you can capture the attention of your target market. It's a great way to build brand awareness and introduce your brand to people who may not have heard of it before.

Here are some examples of paid advertising:

- Television ads
- Radio ads
- Newspaper and magazine ads
- Billboards
- Online display ads (for example, through Google or social media)

## 2. Content marketing

Content marketing is a common type of digital promotion strategy, focused on distributing valuable content in order to attract and retain an audience.

Content marketing comes in many forms, including:

- Blog posts
- Videos
- Social media posts
- Email newsletters
- Podcasts
- Whitepapers or reports
- Content created to improve SEO (search engine optimization)



### 3. Sponsorships

Sponsorships involve aligning your company with another brand—like an event, TV program, charity, or even a celebrity. For example, Pepsi routinely sponsors the Super Bowl, while Red Bull sponsors NASCAR and extreme athletes of all kinds. Nowadays, sponsorships often include social media influencer marketing—creating partnerships with individuals who became famous through social media platforms like Instagram or Youtube.

### 4. Email marketing

Email marketing helps you connect with your target audience via—you guessed it—email. You can send emails to any subscribers on your mailing list—whether they're potential customers, loyal customers, or something in between. For example, you can collect email addresses from potential customers by offering free products or services in exchange for their information.

#### **There are lots of things you can send via email, including:**

- Newsletters and exclusive content
- Information about product releases
- Special deals and coupons

### 5. Retargeting

Retargeting focuses on customers (or potential customers) with high purchase intent. In other words, it involves targeting segments of your customer base who've already made it down to the bottom of the marketing funnel. Prioritizing retargeting can help you get a high return on your investment, since this audience is already primed and ready to buy.

For example, retargeting could include:

- Sending reminder emails to customers who filled up an online shopping cart but didn't check out.



## 6. Referral marketing

Referral marketing is when you get customers to tell their friends about your brand. Also known as word-of-mouth marketing, referral marketing happens organically when you have a great product—but you can also speed it along with special deals and incentives for customers who refer their connections.

## 7. Event marketing

Event marketing involves participating in, sponsoring, or hosting events in order to promote your brand or product. This strategy helps you connect and engage with customers first-hand, so they can get a real sense of your product and what your brand represents.

Event marketing comes in many forms, including: Conferences,, Trade shows, Seminars and classes, Webinars, Virtual events,Live streaming events, Community events.

## 8. Special Causes

Aligning your brand with a special cause makes customers feel like they're part of something bigger. They're not just helping themselves by purchasing your products—they're also helping make the world a better place. This can help boost brand loyalty and give customers a reason to choose your brand over competitors.

The clothing company Patagonia (<https://www.patagonia.com/activism/>) is a great example of this. By promoting their sustainable manufacturing processes, Patagonia attracts and retains customers who believe in environmental preservation.



## 9. Customer reviews

Customer reviews are one of the most powerful marketing tools out there. Brands like Amazon, Yelp, and TripAdvisor built their businesses out of reviews—generating trust by promoting customer feedback. The beauty of this strategy is that it encourages customers to promote your brand for you. And as long as you have a high-quality product (and positive reviews), this type of user-generated content can go a long way in convincing potential customers to purchase.

## 10. Customer loyalty programs

Customer loyalty programs reward people who repeatedly interact with your brand. It's a way to keep customers coming back by offering deals, discounts, and exclusive product launches. The more customers purchase from your company, the more perks they earn. For example, the beauty company Sephora promotes a loyalty program that offers discounts and gifts to customers who spend a certain amount.

Loyalty programs don't just boost customer retention—they also help convince potential buyers to choose your brand over competitors. By promoting loyalty programs, you demonstrate ways customers can save money and get more bang from their buck over time.

## 11. Free samples, giveaways, and trials

Everyone loves free stuff. Giving away samples of your product can help promote customer satisfaction and make customers feel like they're getting a great deal. But most importantly, free samples and trials give potential customers first-hand experience with your product—and therefore the confidence to actually buy it later on.



## 12. Coupons and deals

Special deals can help you capture customers at the bottom of the marketing funnel—people who are deciding whether or not to purchase your product. Deals work in two ways: First, they create a sense of urgency and encourage customers to act quickly before the deal is over. Second, they help customers save money and feel like they're getting a high return on their investment.

**The types of deals you can offer are endless. Here are some examples:**

- Special intro offers for first-time customers
- Bundling products together and offering them at a discount (for example, a 10-pack of socks)
- Buy one, get one free deals
- Rebates
- Seasonal sales and discounts (like Black Friday promotions)
- Discounts on special item categories
- Birthday coupons for customers
- Free shipping for customers who spend over a certain amount

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