

# Jamba Juice E-Marketing Plan

---



## TABLE OF CONTENTS

<b>Step 1 - Situation Analysis .....</b>	<b>Page 2</b>
<b>Step 2 - E-Marketing Strategic Planning .....</b>	<b>Page 3</b>
<b>Step 3 - Objectives .....</b>	<b>Page 4</b>
<b>Step 4 - E-Marketing Strategies .....</b>	<b>Page 5</b>
<b>Step 5 - Implementation Plan .....</b>	<b>Page 6</b>
<b>Step 6 - Budget .....</b>	<b>Page 7</b>
<b>Step 7 - Evaluation Plan .....</b>	<b>Page 8</b>

## Step 1 - Situation Analysis

"Jamba, Inc. is a holding company and through its wholly-owned subsidiary, Jamba Juice Company, owns and franchises JAMBA JUICE ® stores. Founded in 1990, JAMBA JUICE is the category-defining leader in healthy blended beverages, juices, and good-for-you snacks. Today, JAMBA JUICE has more than 640 stores, of which more than 425 are company-owned and operated." (<http://ir.jambajuice.com/>)

One of Jamba Juice's strengths is how they promote their company. In a recent case study someone analyzed one of Jamba Juice's promotions and its success. This case study analyzes how in one of their promotions the company wished to carry out a classic promotion: to drive visitors to its stores over the course of a two week campaign with a "BOGO" (Buy one get one free) beverage offer.

Strengths of their company can also be seen through their website because it is very fun, interactive, and appealing. Before recently their site was quite plain with little interaction with just a lot of plaintext information. Yet now they have playful images, a lot of image transitions, animations, and a lot of interactive additions that are new to the site.

One of their weaknesses that I can find is that they have not expanded to a lot of other states where their business could do really well. Even though their locations spread throughout over 20 states, there are still a number of good locations that they have yet to venture to. So because of this weakness it can be turned into opportunity, because once they do or if they do decide to expand their locations they can continue their success and then also turn their weakness into strength. One way that I will be able to turn their weakness into strength is by offering warm products during the cold seasons, products will include: soup, warm drinks, baked goods, and meal deal specials to increase revenue.

As for threats to Jamba Juice, there is a lot of competition through other health juice/food stores. Some of those stores include: Keva Juice, Orange Julius, Juice It UP!, Robeks Juice, Yogurberry, and PinkBerry. Other competitors also include Starbucks, Dairy Queen, Maui Wowi, and Smoothie King.

## Step 2 - E-Marketing Strategic Planning

The target audience for Jamba Juice is largely women who want to stay fit and healthy, who are of ages ranging from early 20s to mid 40s, and who live in higher income areas. Jamba Juice is the largest smoothie enterprise in the US and operates in over 25 states, but is located primarily on the west coast. Their locations are also placed in the high income, high education areas and placed in places such as shopping malls, sports arena, strip centers, airports, and upscale whole foods markets. They seem to be focusing on the business to customer method due to the fact that most of their marketing is focusing on customer needs. Since they are a business where people, mainly women go to purchase items to stay healthy they must stay true to the customer needs. They factor in what their customers want, what is healthy, what tastes good, what is already successful, and how to embrace mainstream smoothie drinkers and hard-core functional food users.

Though there might be other healthy beverage chain stores like Jamba Juice, what makes Jamba Juice different is that it serves delicious, nutritious, energizing smoothies and juices. Each one is made with real fruit flavors which provide 3-6 servings of fruit, which is the perfect amount. They also offer boosts with vitamins and minerals, you will find that Jamba Juice provides everything a person needs to live an active and healthy life. Though they might have competition, Jamba Juice is the leading outlet for blended fruit drinks with about 600 smoothie stands in over 20 states. Many of their competition are only stationed in stores fronts and inside malls, yet Jamba Juice is located in freestanding unites as well as on-site kiosks in high traffic areas and they also offer services such as catering.

Jamba Juice's current marketing strategy is to provide customers with a way of life, by not only serving nutritious smoothies but by also offering an assortment of boosts to provide more supplement to get through the day.

"We want to grow Jamba into that lifestyle brand that really stands for great-tasting, better-for-you nourishment, and we have a lot of opportunity to grow the products and things that can help people lead healthier lifestyles through our offerings. I feel we're just getting started..."

- Kirk Perron, Founder, Jamba Juice, July 2000

### Step 3 - Objectives

Through my marketing plan I am going to strive to increase their revenue & unit sales, increase branding awareness, gain clientele, and expand their locations.

Ultimately I am hoping to increase their sales revenue and unit sales by 25% by using both their web site and store locations. Since the winter season is beginning I am suggesting that seasonal items be added to the menu to warm customers up during the cold season. Items such as warm pastries, soup, and even meal deals offering a combination of a smoothie with a warm pastry will increase sales.

“Jamba Juice continues to execute its growth strategy by focusing on building brand presence and raising frequency of customer visit. This is reflected by new store growth and by the continued innovation of our product offering to make Jamba Juice a more relevant part of our customers’ daily lives,”

- Paul Clayton, Chief Executive Officer of the Company.

## Step 4 - E-Marketing Strategies

Through the 4 P's (offer (product), value (pricing), distribution (place), and communication (promotion)), Jamba Juice hopes to reach its objectives in a year's time. For Jamba Juice their strategies for product are to have the best in healthy beverages and baked goods, and they have achieved it. As stated above they are the leading outlet for blended fruit drinks with about 600 smoothie stands in over 20 states. Jamba Juice could gain though by targeting and appealing more to other audiences and also by expanding to other demographics. Areas that I believe Jamba Juice would do well in are smaller metro areas that don't already have a lot of yogurt styled shops, most of the smaller metros have more common ice cream stops such as Dairy Queen, Ben & Jerry's, and Cold Stone Creamery; places like this would be the perfect places to expand to because it would be new and different to that demographic.

When it comes to price, Jamba Juice is about average when compared to its competition. A medium size smoothie ranges from about \$3.85 to \$5 and prices vary by region. Yet all Jamba Juice customers are willing to pay any price for their delicious and nutritious health beverage. Jamba Juice also offers periodic coupons and other promotions that help promote their business, bring in more sales, and to further please their customers.

Jamba Juice is located in about 600 different locations including freestanding units as well as on-site kiosks in high traffic areas, such as college campuses, gyms, and airports. They are also anywhere you need them to be at any time with their catering service. Anyone can reserve a catering by calling in to their nearest location. Jamba Juice is also active in the community by being part of local events such as fundraisers, and other fun events including KaBOOM! and Nike.

Jamba Juice can be spotted by their bright yellow, purple, and orange colors. On the Jamba Juice website as soon as you reach the main page you can see their bright colors, fun branding images, new flavors, and nutritional information.

## Step 5 - Implementation Plan

In order to implement the objectives above I propose several different marketing plans. All of the following marketing plans will play a significant role in increasing sales revenue, increase branding awareness, and gaining clientele.

- E-mail blasts - New items, seasonal specials, and incentives such as prizes or discounts to maximize response.
- Website - I am going to redesign the site to appeal to both male and female audiences, as well as keep consistent with current promotions.
- Banner Ads on major websites & search engines - Banners will be placed on sites such as health & fitness, women's magazines, malls, and different search engines (Google, Yahoo, etc.)
- Direct-response Advertising - Communicate with potential buyers through television, radio, magazines, and newspapers. The prospective consumer watches, hears, or reads about the product or service and initiates a call to a toll-free number to place their order.
- Mobile - I am suggesting that Jamba Juice send out mobile promotions to people that sign up, where they will be able to receive new and current specials and keep up-to-date with new items.

Although Jamba Juice does not engage in mass media communications, I propose that one or more of the above plans be implemented but still stay true to Jamba Juice, their current marketing strategies, and customer relations.

"Our strategy for brand communication focuses on delivering a clear message of the benefits of our products and the principles behind the Jamba brand. The delivery of the message must be fresh, interesting, and relevant to establish an emotional connection with the customer... The communications encompass the colors, smells, displays, and merchandise found in the store in addition to the energy of the team members. We anticipate driving same store revenue growth by educating consumers on the benefits of Jamba products, our usage occasions, and the story of Jamba Juice. The clarity and harmony of the message will create emotional connections with customers and build brand loyalty."

<http://apps.shareholder.com/sec/viewerContent.aspx?companyid=JMBA&docid=5077711>

To increase same store revenue Jamba Juice uses many different tactics. One of them is the ***Jamba Journey from Initial Trial to Regular Healthy Habit*** in which they encourage a "healthy habit" and communicating to their customer base that it will be a source of energy and enjoyment throughout their experience at Jamba. Jamba's product innovations and expanding marketing communications have the potential to increase purchase occasion opportunities and strengthen customer's emotional connection with the brand.

## Step 6 - Budget

To implement the objectives fully each expense must be added into the budget. Below are the total expenses for fiscal year end operating results for year 2008 with the resulting total revenue and ROI. Operating expenses include any and all expenses for marketing.

Operating expenses:		
Cost of sales		6,039
Labor costs		8,524
Occupancy costs		3,590
Store operating expense		4,222
Depreciation and amortization		1,878
General and administrative expense		6,195
Store pre-opening expense		285
Other operating expense		675
Formation and operating costs		—
Total operating expenses		31,408
Other income (expense):		
Gain (loss) on derivative liabilities		(57,383)
Interest income		4,177
Interest expense		(71)
Total other income (expense)		(53,277)
Income (loss) before income taxes		(61,570)
Income tax benefit (expense)		2,544
Net income (loss)		(59,026)
Basic weighted average number of common shares outstanding		24,478,384
Net income per share—basic		(2.41)
Diluted weighted average number of common shares outstanding		24,478,384
Net income per share—diluted		(2.41)

With all objectives implemented I am hoping that the total revenue for the fiscal year 2008 will be \$85 million, up 25% from \$66 million for the last fiscal year. Jamba Juice can see ROI within their sales due to the fact that the cost of sales is comprised of fruit, dairy, and other products used to make the smoothies, juices, and paper products. A shift in product mix towards the Enlightened Smoothies, now known as jamba light, the new product, the Sixteen, and increased distribution expenses related to entering new markets all served to increase costs. These products were introduced as a response to consumer desire for lower-calorie products which have a slightly lower margin.

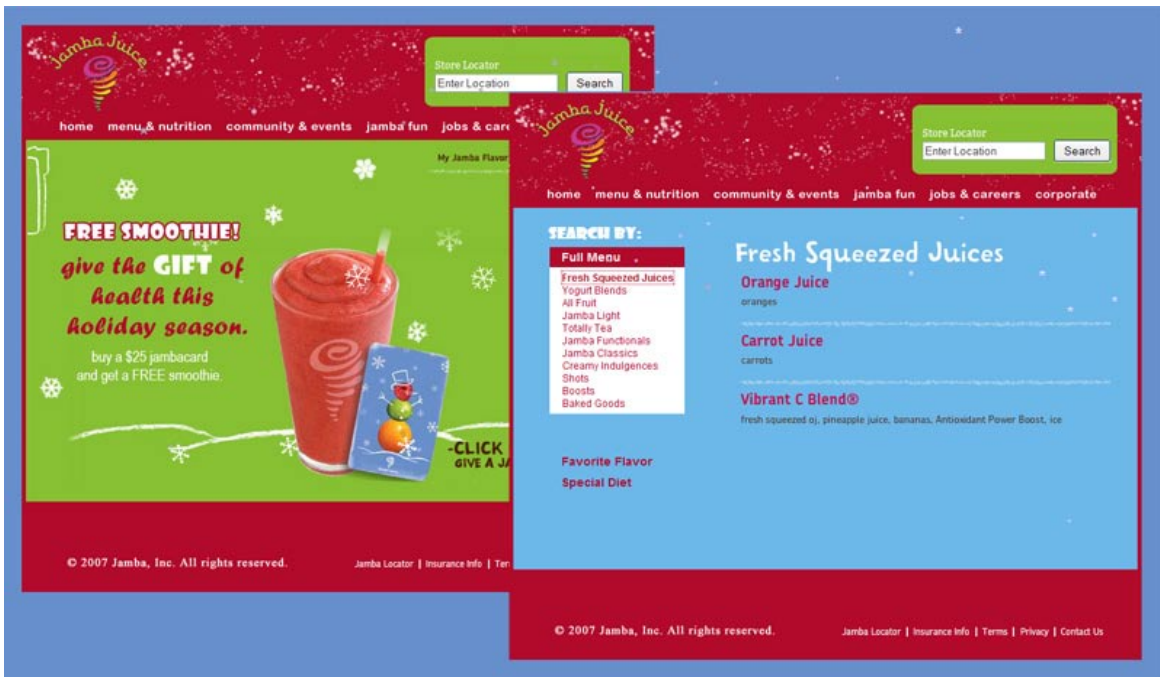
## Step 7 - Evaluation Plan

There are four zones in a balanced scorecard namely financial, customers, business processes (or simply processes), and learning and growth. Each measure is part of a longer chain of cause and effect, and all of the measures eventually lead to outcomes. Each of the following will explain in full the marketing strategies to control, and keep track of, key performance indicators. One of the ways the e-blasts can be evaluated is by sending them out through a an email marketing product, such as Stream Send which tracks who views the email, how many times they view the email, what links they click, etc. Items, such as the postcard promotion will be tracked by the personal code on it which will be different on each postcard, when the customer uses it, the register will log it and we will know how many people used the postcard. As with email tracking, whenever anyone clicks the links in the mobile advertisement each click through will be tracked and we will be able to pull reports on who clicked what. Click through tracking will also be used on the banner advertisements on the various sites.

Balanced Scorecard			
Customer Perspective	Internal Business Perspective	Innovation and Learning	Financial Perspective
<b>Goals:</b> Customer Satisfaction Increase referrals Brand Awareness	<b>Goals:</b> Employee skills and knowledge Employee productivity	<b>Goals:</b> Penetration of new markets	<b>Goals:</b> Sales revenue
<b>Measures:</b> Customer survey results Number of new patients Amount traffic to website	<b>Measures:</b> Employee sign up for newsletter (useful content) Number of patients who download pre-evaluation form	<b>Measures:</b> Increased online market share (i.e. newsletter sign ups, search engine rankings, banner ad click thru rate)	<b>Measures:</b> Number of new patients

# Marketing Tools & Assets

## Web site Redesign



## Banner Ad



Postcard Ad & Mobile Ad

**FREE SMOOTHIE!**  
come try our newest  
**Jamba smoothie for FREE**



Bring in this Postcard and  
receive your **FREE** Jamba Smoothie

**3G Energizer**  
A raspberry lemonade  
smoothie offering amazing  
natural energy from Guarana,  
Ginseng and Green Tea  
Not yet found on our menu!



PROMO CODE:



P2436 897001 789

Dear Celeste Scott,

You've been invited to try our  
newest smoothie for **FREE**, the  
**3G Energizer!** This item is not  
yet found on our menu! Give this  
to any Jamba worker and be the  
first to try it!

Sincerely, Jamba, Inc.

---

---

---

\* One free 16oz smoothie per customer.  
Offer only available in participating stores.  
Not valid online.  
Offer valid 11/27/07 - 12/31/07

**FREE SMOOTHIE!**



Jamba Juice.

buy a \$25 jambacard  
and get a **FREE** smoothie.

**BUY JAMBACARD ONLINE**

give the **GIFT** of  
Health this  
Holiday season.

