

Josh Francis  
Marketing, Media, and Communication  
12 March, 2015

## Prince Pückler's Marketing Plan

### **Introduction**

Prince Pückler's is the longest running ice cream shop in Eugene. It was founded in 1975 and has been serving its homemade, creamy treats to the local community since then. Located on 19<sup>th</sup> and Agate right near campus, it is a special draw to University of Oregon students and families living in the neighborhoods in that area. Because it is a for-profit small business, its mission is to simply make and sell high quality ice cream to a wide group of customers, which they do quite well,

So well, in fact, that they could change nothing about their business model and still be a successful small business. At this point, they are an established company that serves a wide range of populations and it seems that there is always a large amount of customers patronizing their shop. Still, from this foundation they have a great opportunity for further growth. What this marketing plan will cover, then, is not a plan for the general organization, but rather a plan for a specific growth initiative: breaking into the mobile food cart business. Prince Pückler's is the perfect candidate for this kind of expansion because they have the name recognition and a product that is not only easy to prepare from a food cart but also perfect for the kind of venues where food carts are popular (special events, sports games, outside of bars, and around town during nice weather). The specific objective of this plan is to lay out the necessary steps for getting, marketing, and implementing a food cart to optimize its success for the business.

The marketing strategies that will best aid this food cart creation will be a strong crowdsourcing campaign to fund the cart and get people involved and in the know right from the beginning, guerrilla marketing activities including unexpectedly taking the cart to events where they are not expected, and a social media campaign surrounding its rollout. All of these strategies have the objective of building the buzz around the food cart, which will help its sales once it is well established; people will know it exists and continue to seek it out during the time of the year that it is active. Plus, once it is established it can be contracted for event catering services, which will be a great source of revenue and easy continued marketing.

### **Situational Analysis**

**Economic Scan:** Being a small business, Prince Pückler's income comes primarily from its product sales. However, even though its income stream is simple, it has to take other considerations with its product as well: namely that ice cream is very much a leisure purchase and one that is preferred more during certain times of the year than others. As it gets colder, fewer people opt to go out to an ice cream shop to buy just a scoop, and would rather get a pint from a grocery store. Prince Pückler's does sell ice cream by the pint, quart, and half-gallon (and the customer selects the flavor), but going to an entire separate place to buy that as opposed to the convenience of the grocery store might make those sales unable to make up for warmer weather sales. They also combat this with popular seasonal flavors like pumpkin pie, white licorice, and egg nog. Another economic factor to consider (that

will come up again in the demographic scan) is the fact that Prince Pückler's is located so close to the university and gets a lot of their business from students. This can be good during finals or game days when students want to unwind, but it can also be harmful when school isn't in session. However, a mobile food cart would ameliorate many of those concerns. Finally, the business has to consider competition from the growing industry of self-serve frozen yogurt shops as well as Red Wagon Creamery downtown, which is very similar to Prince Pückler's and Vanilla Jill's, which has both a storefront and their own food cart. Luckily, with ice cream, people will always have their favorites and the fact that Prince Pückler's has been in town for almost forty years gives them a good reputation. Because of this longevity, the business seems financially healthy and well managed, as well as just generally reputable. Plus when their food cart becomes well known and successful, they will be able to better compete with the other ice cream shops in town because they can be more flexible and move all over. The one thing that they will have to keep in mind is not compete too directly with Vanilla Jill's cart, but that should not be a problem because that cart is on 24<sup>th</sup> and Hilyard, away from downtown.

**Demographic Scan:** A demographic scan for any ice cream shop must be prefaced with "I scream, you scream, we all scream for ice cream." In all seriousness, Prince Pückler's customer base is a hodgepodge: college students, families, the elderly, young professionals, children, and couples and groups of friends of all ages. Because Prince Pückler's is situated at the intersection of the University of Oregon, student housing neighborhoods, and the affluent neighborhoods in Southeast Eugene, they see a variety of different customers. They have capitalized on this by

making their hours fit the various schedules of their customers: they are open daily from noon- 11pm. This means that families and older folks can go earlier in the day, anyone can go in the dinner hours in the evening, and the college students can go later at night.

As far as national trends go, the Small Business Development Center Network (SBDCN) has some interesting (and old) research on ice cream parlors. They say that even though 90% of US households in 2004 consumed ice cream,

The ice cream industry has reached a mature stage. Growth in the market comes from dollar sales rather than volume sales. Consumers are not eating more ice cream, but they are spending more to get it due to price increases for key ingredients.

They found that people are starting to care much more about the quality of the ice cream that they get from parlors as well as how healthy it is. Fortunately for Prince Pückler's, they are situated in an area where people are willing to pay more for the quality ice cream that they offer; the demand is there. Additionally, their mobile food cart will have the same advantage if they situate themselves in smart locations where people will want to buy ice cream. As far as health concerns go, they also offer dairy-free sorbets and low-fat frozen yogurts, so they are adapting to the demands of their market. The main demographic concern that the organization currently has that their mobile food cart would help to solve is their accessibility to lower income populations. In making their already cheap product more widely accessible, more people will be able to enjoy it.

**Cultural Scan:** The culture of the business seems, from an outsider's perspective, as one that is friendly and inviting. The shop usually has at least a few people in it (and often is rather full) and everyone is chatting and enjoying their ice

cream. The employees are friendly and helpful, and they highlight each of their employee's favorite flavors for any customer to see, which sends the message that they not only appreciate their employees, but their employees appreciate the business and the product.

Because of their location in the neighborhood around the University as well as its history in the community Prince Pückler's has a "mom and pop" feel to it, which is a local social value that people from Eugene appreciate. Many people would rather go to place like Prince Pückler's as opposed to Baskin Robbin's because the ice cream is fresher, homemade, and the place feels more local. Something else that affects people coming are Ducks games for various sports. Prince Pückler's is just a block up from Hayward field, which means that many people go there during track meets, and it's between southeast Eugene and Autzen Stadium (and Knight Arena), which makes it a good pit stop to and/or from these games. Additionally, both local and national newspapers and magazines have identified it as the best ice cream shop in Eugene and among the best in Oregon (Obama visited when he came to Eugene), which drives tourists and prospective UO students and their families there during the summer months. They've also done a good job tapping into the seasonal flavor market à la Starbucks during the winter months to continue to drive sales. At places like Prince Pückler's, people these days expect seasonal "winter" flavors, and are somewhat put off if they can't get them. Prince Pückler's even extends their seasonal flavors into the summer with the fresh fruits and berries that are in season around then, capitalizing on Oregon's well-known crops.

As far as technology goes, Prince Pückler's actually does a pretty good job. Their website is clear and has all of the information that one would want from it without being hard to navigate or having too many frills. They have a facebook page that is regularly updated with incoming and outgoing seasonal flavors, special deals, surprise closures, and highlights on lesser-known products like handmade ice cream pies. Their twitter account is a highlight of their technology, featuring pop culture-relevant hashtags like #treatyoself, as well as mentions from athletic departments, academic departments, local celebrities, and even state politicians. All in all, their digital presence is consistent and appropriate for their product, which is good considering the large number of college students that make up their customer base.

**Other Factors:** Diet is a big factor for the business to consider. As Prince Pückler's is an ice cream shop, and ice cream is widely known to be not all that healthy, they should take the diets of their customers into account, which they have to an extent with the dairy-free and low-fat options mentioned earlier. However, given that it is in Eugene and the Pacific Northwest, which are health conscious regions, fad diets and food restrictions are both things that could come into play. Because they are an ice cream shop, there is only so much they can do, but it is something that they should keep an eye on as diets like paleo become more popular.

Something else for them to consider, especially in light of the recent ballot measure that barely didn't pass in Eugene is their use of GMOs if they do use them. It seems to be on the mind of many people living here, and being able to answer those questions will be important to maintaining the trust of their customers.

	<b>Strengths</b>	<b>Weaknesses</b>	<b>Opportunities</b>	<b>Challenges</b>
<b>Product (A mobile food cart selling ice cream)</b>	Especially in the Pacific Northwest, food carts are very in. It's a cool and trendy way to get food outside of the home, and it's something that fits into Eugene culture very well.	There would be added cost and effort to run the cart. They haven't changed much in 40 years; they might not want to.	There are so many opportunities with this: special events, sports games, outdoor concerts, the "barmuda triangle," Saturday Market, and the list goes on and on.	Upkeep and marketing will have to be consistent. Also, some businesses might see this as direct competition, which could lower their "friendly neighborhood" vibe.
<b>Price</b>	A single scoop is a little less than \$3, which is something that most people can agree to.	This low price could have an impact on their profit margins.	This could go both ways. They could offer more deals (they already offer some including a punch card), and/or they could probably raise their prices a bit without putting off too many people; the demand is there.	They need to focus on always staying profitable. Again, their longevity suggests they know how to do that, but it is always something to keep in mind with a small business like this.
<b>Place</b>	Close to three important geographic locations: the University, student neighborhoods, and family neighborhoods. Also, they sell their ice cream at some cafes in Eugene, Portland, and Hood River. And a mobile food cart can go all over town.	They are isolated from the rest of Eugene that doesn't live in that area and doesn't attend the University. Their location isn't central to Eugene as a whole. This weakness is probably Prince Pückler's biggest and the food cart will fix it.	The food cart is their biggest opportunity right now, including the special events outlined in the "Product" part of the table.	Their main challenge is how to get people who aren't close to them to come to their store or cart. If the customer doesn't already have a connection to that area, there's not much of a reason for them to be there.
<b>Promotion</b>	They have a strong and consistent online presence. Plus their reputation and word of mouth really helps their business.	Their logo is not the most attractive. I have never seen any printed collateral from them in any newspaper or posted anywhere around town. Relying on word of mouth can be risky.	These opportunities will be explored in the next section.	Because they have so much history, changing their business model could be met with inertia from within the business.

## **Scheme**

As far as marketing goes, Prince Pückler's main job will be creating buzz around its new food cart, as many people already know its product, and selling ice cream to people who are at events or out and about isn't an especially hard sell – especially when the product is so high quality. The most important job they have is getting the word out so that people know that the food cart exists and so they be on the lookout for it when they are around town. To that end, the business will utilize the following marketing strategies:

**Crowdsourcing:** If done well, this marketing plan could lay the foundation for a successful go at the mobile food cart market. Once they get enough announcements up that they are looking to start a mobile food cart on social media and maybe in news PSAs, they could then start a crowdsourcing campaign on Kickstarter or some similar site to get at least some of the physical equipment that they would need to take this idea off the ground. The advantages of crowdsourcing campaigns are they that are very good ways to get the word out about future products, and they give ownership over the process to a wide swath of people. If the food cart is successfully funded through one of these campaigns, so many people will already be invested in patronizing it once it is up and running because they helped it come into existence.

Another advantage of a crowdsourcing campaign is that it gets people more involved with the business as a whole. Many people who have patronized Prince Pückler's once or twice would be reminded of how good it is, and even if they don't donate, they might still come in to buy again. Plus, they have an easy product to offer



as rewards for certain levels of funding. People could get rewards like a free scoop at a certain level, a free pint at a much high level, a free t-shirt at some point. They could also create and print bumper stickers or computer decals to give out as prizes. A venture like this is the kind of venture that people want to fund. If they get it going viral on the University of Oregon campus, they could well exceed their funding goals. Many families and local businesses would probably be supportive of an initiative like this one as well. All in all, it fits with their business.

Here is an example of possible incentive gifts to offer at various levels of crowdsourcing support:

\$5: Thank you note signed by entire staff with name on website

\$10: Half off next purchase of one or two scoops

\$25: Prince Pückler's sticker or window/computer decal and a free pint of ice cream (any flavor)

\$50: Free t-shirt and a free pint of ice cream (any flavor)

\$100: We will name a seasonal flavor after you

\$200: You create and name your own seasonal flavor

\$500: Once the cart is established, free catering for one event

\$1,000: Getting to name a flavor permanently featured in the cart

**Social Media Plan:** Luckily, Prince Pückler's already has a relatively strong social media presence on Facebook and Twitter, where they collectively have about 900 followers. As mentioned earlier, the initial announcements of the crowdsourcing campaign would occur on social media, which would instantly boost

the number of people following them and how regularly they follow. From there, they should keep up daily updates about their timeline of funding and how close they are to their goal. Once the project is funded, they can then populate their pages with countdowns to the first day that it will be out for the public as well as pictures of the cart. During this time they should also make an Instagram account not only to beef up their current social media presence, but also to highlight the new cart.

Once the cart is out in the town, they should post regularly about where it can be found (if it does not always go to the same spot) as well as posting about events that they have been contracted to do (symphony in the park, Saturday Market, etc.). Occasionally, for their college audience, they could run contests on Friday or Saturday nights that say that the cart is somewhere downtown and the first x number of people to find it and present their phones showing that they shared the status will get a discount on their order. This will not only incentivize people to look for the cart (and people who don't win will probably end up buying anyway), but it will also increase their digital visibility as well. From their Instagram account, they could post pictures of what the cart is "looking" at in the moment so that people know where to find it (e.g. The Eugene Public Library or the Riverfront).

What all of this will do is get more people talking about the cart both online and in person and motivate people to continue to look for it in a variety of situations.

**Guerrilla Marketing:** Prince Pückler's guerrilla marketing would also serve the purpose of strengthening their word of mouth campaign. Within this model, there are a variety of different ways that this strategy could manifest. One of the

most basic ways is setting up the cart outside (or inside, if appropriate) of an event without having been invited and selling scoops to everyone as they're arriving/leaving. More intricate examples could be "follow me" footsteps or ice cream cones drawn onto the sidewalk outside of bars in chalk that lead to the cart a few blocks away, which capitalizes on inebriated college students and their desire for adventure. Something else they could do, depending on the size and mobility of their cart would be to contact PeaceHealth and organize a time for them to bring their cart (or some smaller iteration of it) into the pediatrics ward to hand out free ice cream to children, who would have no prior knowledge of the cart's visit. If there were a staff member that filmed it and shared it on social media channels and to local news, they could get a lot of people talking about it.

With guerrilla marketing, there is always an endless amount of options of things to do, but what is most important is engaging in activities that fit the organization and are clever. This strategy would just be a small portion of a larger word of mouth strategy, so the guerrilla marketing has to be interesting and/or unexpected enough that people talk about it.

## **Implementation**

The timeline for implementation of the mobile food cart will come in three sections:

**Crowdsourcing (March):** According to Laura Entis (2014), the majority of successful Kickstarter campaigns last 30 days or under. In this month-long period, there will be a large social media push as well as postings in store and PSAs sent out

to local news organizations. A large part of the social media campaign should be directed at the UO community because they are more likely to share the info far and wide. They could also post a version of a fundraising “thermometer” in their store to track their progress as well as to spread the word to customers who might not be plugged into social media.

**Getting ready (April – May):** Once the project is funded, Prince Pückler’s will actually have to buy the cart and begin to get it ready for the warm weather. During this time, their social media will consist of more countdowns to the cart going out as well as photos of it refurbishment and branding. At this point, they could also release a poll on social media channels for people to rate the top 3-5 flavors they would want to see featured on the cart, thus deepening the customers’ involvement in and ownership of the whole process. This is also a useful way to see what flavors customers really like so that decisions on which flavors to take on the cart will be easier. In this time, they should also reach out to local festivals or organizations that hold outdoor summer programming so that they can start booking events. The City of Eugene’s “Summer in the City” program would be a great place to start.

**Opening (Sometime between May 1 and Memorial Day):** Depending on the weather, opening day should come sometime in May. Memorial Day makes the most sense because many people start to feel like it is summer then and ice cream makes much more sense than in April or earlier. This is the point at which the social media and guerrilla marketing strategies outlined above would come into effect.

Ideally the cart would operate roughly between May and September every year, though the first year would be a good time to get a sense of timeline.

Where the real planning will come in is the money and staff time it will take to implement this project. Some rough budgetary concerns include:

- How much a mobile ice cream cart costs.



Entrepreneur.com states that a mobile ice cream cart can cost between \$2,000-\$10,000 ([www.entrepreneur.com](http://www.entrepreneur.com)). The above cart is \$8,208 with canopy and cold plates ([www.turnkeyparlor.com](http://www.turnkeyparlor.com)). Luckily, Prince Pückler's is already a well-established business so they could probably afford a more expensive cart like this and they wouldn't have to spend extra money on product development because they already have a fully realized and portable menu. Another cost that would go into this

is the cost to brand the cart. The brilliance of crowdsourcing, though, is that these extra costs could be completely offset by the funders.

- Designing and printing fliers to hand out to customers and at restaurants where Prince Pückler's is served will take some staff time and money. This could fall anywhere from \$200-\$1000 depending on how many fliers they make and how intricate they are. They could outsource the design to a UO or LCC student to save money.

- Undertaking all of this extra social media activity will also cost extra staff time as well.

- Staff will have to be trained on manning the food cart, and/or Prince Pückler's might have to hire new staff specifically to run the food cart now that their capacity has increased.

- Extra merchandise for prizes will cost money, especially if they are giving away items like shirts and stickers for free. Plus, stickers and decals will have to be produced as well. This might be a good opportunity to look for a partnership or sponsorship with a place like QSL, because printing stickers can get expensive.

- Additionally, if they give away free or discounted ice cream as part of the crowdsourcing campaign, they will lose money in their total income; this will have to be compensated.

- There will be general upkeep costs for the food cart, which will hopefully be offset by the sales that it makes. In general, the idea is that once the cart is established it will pay for itself above and beyond what it needs.

The beauty of a crowdsourcing campaign is that Prince Pückler's could ask for more money than just the cost of the cart to offset some of the extra costs of getting the cart ready for the summer. They will have to accept losing money on crowdsourcing gifts (because it would look bad to ask people for money for gifts they get for giving money), but that money could be made up from the extra income made by the cart.

In total, they should ask for \$9,000-\$10,000 for the crowdsourcing campaign, with actual costs ranging from \$12,000-\$15,000.

### **Evaluation Plan**

As a for-profit business, Prince Pückler's has some easy ways to evaluate the success of this venture. The most obvious one is comparing sales between the same months of different years. From that they can track if the crowdsourcing push and related marketing affected their in-store sales as well as having the cart out affected both their in-store and overall sales. They will also be able to track how successful the cart is in certain months based on its sales, and they will begin to be able to collect data about particularly fruitful events that are worth repeating. This will also allow them to scale back the cart, if need be, so to not take sales away from the store if that becomes a problem.

As far as more qualitative evaluation goes, they could make surveys on SurveyMonkey to distribute online asking people if they ran into the cart somewhere, if so where, and what they thought of its convenience and breadth of offerings. They could also solicit suggestions for future utilizations of the cart as well as dates people would like to see if available (maybe even some fall and winter

indoor venues like Holiday Market). They could incentivize these surveys as well with possible discounts on future purchases.

In the end, though, its success will come from how much more money it makes for the business, and it has a lot of potential. "It's not uncommon for an established ice cream stand to generate profits in excess of \$50,000 in a three or four month season" ([www.entrepreneur.com](http://www.entrepreneur.com)). Depending on the success of the food cart over the span of a few years, the next arena that Prince Pückler's could look is opening a new brick and mortar location somewhere downtown to have a more established presence there. That venture would take much more planning and a larger marketing push, but the food cart venture is a good way for them to start to see just how much potential they have for growth – because it is probably a lot.

## References

- Entis, L. (2014). *6 tips from Kickstarter on how to run a successful fundraising campaign*. Retrieved from the Entrepreneur Web site: <http://www.entrepreneur.com/article/234707>
- Entrepreneur (2014). *Business idea center: ice cream stand*. Retrieved from the Entrepreneur Web site: <http://www.entrepreneur.com/businessideas/ice-cream-stand>
- Small Business Development Center Network (2005). Ice cream parlors. Retrieved from the Small Business Development Center Network Web site: <http://www.sbdcnetwork.org/small-business-research-reports/ice-creamparlors>
- Turnkey Parlor (2014). *Ice cream dipping carts*. Retrieved from Turnkey Parlor Web site: <http://turnkeyparlor.com/ice-cream-dipping-carts/>