



Sales Promotion and Advertising Plan

for

the Web site www.sniegaklubs.lv

prepared by:

Girts Gansons

Janis Briedis

Jurgis Ozolinsh

Mareks Veinbergs

Riga

2001

Executive Summary

Sniegaklubs (Snow Club) is a group of energetic and open-minded people, which has joined in this public organization with the mission to promote active and healthy lifestyle, with emphasis on snowboarding.

Sniegaklubs was founded in December 1999 and launched its Web site in January 2000. In the season of 2000/2001 Sniegaklubs have grown to very dynamic, active, and interactive Web site with comparatively high traffic and lot of useful and funny information about snowboarding, hills in Latvia, and mountains abroad.

In the future Sniegaklubs wants to grow as a full service Web site for the Baltic snowboarding society with three main sections:

- Information/experience/interactivity/fun
- Business/service/shopping
- Snowboarding around the world/Tours and events abroad

Sniegaklubs mission is to be on the Web to help, assist, and entertain anybody who is interested in active lifestyle and especially in snowboarding. We are eager to provide our dear members, visitors, and customers with as much interactive snowboarding-related information as they are willing to acquire. Besides the information Sniegaklubs is willing to offer people full service, assistance, and help in snowboard equipment rental and/or purchasing process, snowboarding events attendance, and snowboarding tours anywhere in the world.

The main and basically only competitor of Sniegaklubs in Latvia is www.VertikaleX.lv, which is functioning similarly providing different information about snow events and possibilities; however their emphasis is more to alpine side, which is alpine skiing, alpine snowboarding, climbing etc.

The target market of www.sniegaklubs.lv is anybody in age from 8 to 50, and who is able to and interested in snowboarding. Our primary target market is people 16-26 both men and women, but with bigger emphasis on men, they or their families income is medium to high and they like active lifestyle. The secondary target market would be "Generation Y", which is 11 - 16 year old teenagers that want to be cool among their peers, and that want to be different from everybody, as well as people 27 -36 that are very attracted to active lifestyle, have disposable income and are not very much integrated into families.

During the winter season 2001/2002 Sniegaklubs is planning to expand to all three Baltic countries by launching new Web sites in Lithuania (www.sniegoklubas.lt) and Estonia (www.lumeklubi.ee) by September 1, 2001, and open business, event, and tours sections of the Latvian Web site. Our communication goal and objectives are

- to make Sniegaklubs trustworthy, stylish, attractive, and valuable to our partners and customers,
- to reach awareness of www.sniegaklubs.lv to 80% of Internet users in Latvia and 50% in Estonia and Lithuania.

Sniegaklubs strategic campaign design should be based on the following principles: membership databases, snow news, hill tops, events around the Baltics and the World, expert opinions about equipment, slopes, stores, riding, ongoing competitions, tips, lotteries with snowboard related prizes to keep people coming back, discussion board (leave your message with back e-mail address to ask questions, give replies, sell your equipment, look for new one).

Sniegaklubs USP should be "getting cool lifestyle with Sniegaklubs". Other positioning aspects are: everything one site visitor would want and need to get on one Web site about snowboard within stylish design. Sniegaklubs is a stylish place for snowboarders or snowboard site that makes user to feel special about his lifestyle.

Some more principles of www.sniegaklubs.lv should be: using constant recognizable design and certain snowboard jargon used, deals never worse than in non-virtual stores, and special music style executed around the site.

The Web site will be promoted via means of PR like publications in newspapers and internet news portals; organizing snowboarding and extreme sport events; other websites, especially, lifestyle oriented ones; news, snowboarding and leisure catalogues; logo used on sport equipment, T-shirts, etc.

Sniegaklubs revenues will come from several different sources: distributing coupons (12%), fees paid by businesses that have bought the rights to use our user's database for limited times and limited interests to different members (8%), commercial articles (6%), selling of T-shirts/hats/glasses (52%), banners (22%). Total income is estimated Ls 5900 (100%). The most part of the income we plan to gain from Latvian website as it is already quite popular, only about 5% will come from Estonia and Lithuania in the first season. Expenditures: technical support of the site (10%), T-shirts/hats/glasses production costs (25%), support of the best Baltics snowboarder's participation in international competitions in Europe (19%), issuing the CD and tape (7%), public relations in Estonia, Lithuania and Latvia (26%, 54:39:7 accordingly), different presents (14%). Total expenditures: Ls 5900 (100%). Work (e.g. development of web sites, searching for sponsors, organizing PR, events, etc.) is not and will not be done for salary; it is all voluntary job with the will of contribution to snowboard's development.

There are also some threats and weaknesses of Sniegaklubs Web site like seasonality of snowboarding and short snow season in the Baltics, weak research of competitors in Lithuania and Estonia, business is non-profit one, so not very big investments can be done in developing and growing, and after all the so called internet society is still very small in the Baltics; however, Sniegaklubs is, of course, looking in bright future by being the first Web site specializing in snowboard in the area, and there is no secret about the fact that Internet is growing rapidly and is going to advance and spread also in Baltic countries.

Contents:

1. Introduction and background information	4
1.1. Market situation	5
1.2. SWOT Analysis and E-business Overview	6
2. Marketing and Promotion Strategies	8
2.1. Mission	8
2.2. Marketing Objectives	8
2.3. Financial Objectives	8
2.4. Target Market	8
2.5. Positioning	9
2.6. Competitive Edge	10
2.7. Communication Strategy	10
2.7.1. Campaign Goal.....	10
2.7.2. Communication Objectives.....	11
2.7.3. Unique Selling Point.....	11
2.7.4. Message Execution Considerations	12
2.7.5. The Structure and Contents of the Web site	13
2.8. Proposed Allocation of Campaign Resources	13
2.8.1. Strategic Campaign Design Principles.....	17
2.9. Marketing Mix.....	19
2.10. Marketing Research	19
3. Implementation.....	20

1. Introduction and background information

Sniegaklubs (Snow Club) is a group of energetic and open-minded people, which has joined in this public organization with the mission to promote active and healthy lifestyle, with emphasis on snowboarding.

Club's president is Ansis Egle who is one of the founders of Latvian Snowboarding Association; author of TV broadcast "EXTREME" in 1997, author and organizer of events "Fanta Roller/Street party" in 1997, "Burton Baltic Cup" in 1998, "Snieg snieg" in 2000; author of many articles about snowboarding in Latvia published locally and abroad; organizer of "Air dragon festivals" in 1996 and 1997, and "Adidas streetball" in 1993 and 1994.

In 2000 Sniegaklubs has been awarded the first prize as the best interactive media in special Internet projects in 10th International Advertising Festival in Moscow and Silver Hammer (2nd place) in international advertising festival Golden Hammer for its Web site www.sniegaklubs.lv

80% of club's members are working in marketing industry: advertising agencies and creative workshops.

Sniegaklubs was founded in December 1999 and launched its Web site in January 2000. In the season of 2000/2001 Sniegaklubs have grown to very dynamic, active, and interactive Web site with comparatively high traffic and lot of useful and funny information about snowboarding, hills in Latvia and mountains abroad.

In the future Sniegaklubs wants to grow as a full service Web site for the Baltic snowboarding society with three main sections:

- Information/experience/interactivity/fun
- Business/service/shopping
- Snowboarding around the world/Tours and events abroad

The first of these sections is what Sniegaklubs is about now, of course, it has to be kept updated, and it has to expand to other two Baltic countries, after all it is planned to be as an ongoing process of keeping the information fresh depending on what our customers/viewers are willing to see on the Web site. Business and World sections are mainly for trying to reach the full service target as far as it is possible with existing resources. The objective of the plan is to create the concepts, formats, and business aspects of these two new sections of www.sniegaklubs.lv Web site as well as promoting it along with the whole snowboard in the Baltic countries through the Web site and other activities.

1.1. Market situation

Currently the main and basically only competitor of Sniegaklubs in Latvia is www.VertikaleX.lv, which is functioning similarly providing different information about snow events and possibilities; however their emphasis is more to alpine side, which is alpine skiing, alpine snowboarding, climbing etc.

The primary focus of the Web site is on the Baltic countries where the demand for different sport and healthy leisure activities, especially snowboard, is only in introduction stage. The economy of these countries is currently developing, which means that part of people can afford spending more money on leisure. However, information available about snowboard and snowboarding events in national language is very poor, but not everybody is familiar with English or German. Besides that, the information in international magazines and Web sites are not oriented towards local consumer and lacks knowledge about local situation.

The secondary and future target of Sniegaklubs interests is nearest countries of former Soviet Union like Russia, Ukraine, and Byelorussia. These countries will be large markets snowboarders not having enough information about their hobby. Some Web sites about snowboarding already exist; however, the market has lot of vacuum, and it is reasonable to consider Sniegaklubs brand transfer or expansion to Russia, Ukraine, and Byelorussia in the future.

In Latvia, at this point there are two serious Web sites: www.sniegaklubs.lv and www.vertikalex.lv providing information about snowboarding. Although www.vertikalex.lv is functioning quite similarly, their emphasis is more to boating and alpine side, which includes alpine skiing, alpine snowboarding, climbing etc. explained by website founders alpinist background. Also Latvian Snowboard Association (LSA) has their Web site at www.extreme.lv. Unfortunately, LSA has damaged their public image with some not so well organized events and changing priorities. Sniegaklubs has managed to attract the biggest part of Latvian snowboarders so far, because of well organized and managed events. Club's core members are well known Latvian snowboarders; club has attractive and stylish Web site. The Web site's most popular part is discussion board, which is popular place for snowboarders to exchange news, thoughts, experience, sell/buy equipment and just chat. It's so popular because people can meet online other people with similar thinking, interests, needs, and wants. The Web site is the main "face" of Sniegaklubs to the public.

Currently in the Baltics there are quite many people who are very enthusiastic about snowboard or similar activities, entertainments, and sports, but there are much more people who might be interested, but do not know how to start and where to find information about the subject of their interest, especially in local language. There are not any strong organizations in Lithuania and Estonia, in which people could join. This is where the

opportunity for Sniegaklubs arises by providing all kind of services and products related to snowboard.

In Estonia, the only public snowboarding organization is very weak; the majority of events and "parties" are going around the largest store of biking, surfing, skiing, and snowboarding equipment. They also have their own Web site www.surfhouse.ee, but it basically consists of product descriptions and several photos from snowboarding events, besides, the site is in Estonian. Collaboration with Estonian partners can be quite difficult because of some individuality in their culture because Estonians consider themselves as Baltic country #1, and do not want accept anything that is not "made in Estonia". That is why Sniegaklubs will try to find local partners to work with and to make the Estonian Web site look and sound real Estonian.

In Lithuania, situation regarding snowboarding and skiing information is even worse. One of the reasons is non-reliable snow conditions while in Latvia and Estonia season lasts approximately three month, which is little longer than in Lithuania. In other words there are not any serious sources for the information regarding snowboard.

During last two seasons the sales and rent of snowboarding equipment and clothes raised quite rapidly. Similarly, many skiing resorts established good infrastructure and increased sales in last two seasons. Some of them are very popular among Latvian and Estonian skiers and snowboarders. We do not have exact picture in figures, but these trends come out when talking to owners of stores and hills. For these businesses Sniegaklubs can offer already built information channel and audience for advertising and information processing.

1.2. SWOT Analysis and E-business Overview

Table 1. SWOT Analysis of www.sniegaklubs.lv.

<u>Strengths</u>	<u>Weaknesses</u>
<ul style="list-style-type: none"> - Creative, different and very well recognizable design - People with lots of commitment - Easily understandable name - Enthusiasm 	<ul style="list-style-type: none"> - Slow due to chosen technology of Web programming - Enthusiasm as the main drive - Limited resources
<u>Opportunities</u>	<u>Threats</u>
<ul style="list-style-type: none"> - Growing stage of snowboarding activities and internet usage, - First player in the market - Lack of appropriate information in local languages of the Baltics - Already developed, introduced, and liked brand of Sniegaklubs 	<ul style="list-style-type: none"> - Future and current competitors with serious investments - New strong, non-web based organization for our target audience - Warm winters

E-business availability in Latvia: There are several Internet stores in Latvia, for example, www.passage.lv, www.ittirgus.com, [www.e-mols](http://www.e-mols.lv), www.perc.lv, and others focusing on wide range of consumer goods like electronics, mobile phones, alcohol, bikes, sport equipment etc. However, purchases made per month are very low, what can be explained by unclear mission, no benefits explained for customer, limited choice of brand range, problems with delivery service and payment system that all results in customers being unsure why to buy from anybody in particular. This opens another big opportunity for Sniegaklubs to excel with superb service and being the first really successful e-business in Latvia. It is also clear that e-business in Estonian is already more advanced than in Latvia, but in Lithuania, on the other hand, it is less advanced. This is just to be aware of and careful when action steps should be taken in these markets, and closer research about e-businesses would be very useful and necessary at that stage.

2. Marketing and Promotion Strategies

2.1. Mission

Sniegaklubs is on the Web to help, assist, and entertain anybody who is interested in active lifestyle and especially in snowboarding. We are eager to provide our valued registered users, visitors, and customers with as much interactive snowboarding related information, as they are willing to acquire. Besides the information Sniegaklubs is willing to offer people full service, assistance, and help in snowboard equipment rental and/or purchasing process, snowboarding events attendance, and snowboarding tours to anywhere in the world.

2.2. Marketing Objectives

- Expand to all three Baltic States by launching new Web sites in Lithuania (www.sniegoklubas.lt) and Estonia (www.lumeklubi.ee) by September 1, 2001
- Open business, event, and tours sections of the Latvian Web site by September 1, 2001

2.3. Financial Objectives

- To reach marketing and communication objectives without losses at the end of the advertising and sales promotion plan implementation process.

2.4. Target Market

Anybody from 8-50 who is able to and interested in snowboarding and who is or is going to use Internet. To be more precise, our primary target market is people 16-26 both men and women, but with bigger emphasis on men, they or their families income is medium to high and they like active lifestyle.

The secondary target market would be "Generation Y", which is 11 -16 year old teenagers that want to be cool among their peers, and that want to be different from everybody, as well as people 27 -36 that are very attracted to active lifestyle, have disposable income and are not very much integrated into families. The fringe target market is the rest of the total target market. These people will very much differ from the average person in that age group.

There is another interesting group, which we consider our potential target market, and it cannot be determined by age. Those are office people who have Internet access, and who might not know what to do this or the next weekend. Again those are people with disposable income and quite active lifestyle. People who want to be trendy and who like to try out new things, which they have probably heard of; for example, skydiving, sailing, and, of course, snowboarding.

Our choice of target group is based on both rational and emotional criteria that people have. For somebody to get interested in snowboard Web site, it is almost necessary to be interested in active lifestyle, to have some disposable income, to be dynamic, and to be likely to try out different new things. Bureaucratic, unsporty, and outdated people with low income will be highly unlikely to ever open the Internet Web site that talks about snowboard if any online source at all. Besides that, we understand that we are targeting primary computer literate people and only secondary those who are potential computer users.

2.5. Positioning

Sniegaklubs wants people to consider the web site as "the most popular snowboard related Web site, which features funky style, friendliness and is created for all snowboarders within the most exciting, unique, and stylish design."

Most snowboarders think that they are special, different from others in their behavior and thinking, they are positioning themselves if not higher as others then at least as a special part of society, therefore for Sniegaklubs the right approach is to position itself as the site for "real" snowboarders, but in the same time to be open and friendly to newcomers and people who have just the first interest about snowboard.

Sniegaklubs Web site should serve as its "face" to public and communication channel as well. We will try to look as trustful, stylish, friendly, and reliable Web site, because we believe that is what people expect.

By positioning ourselves as described above, people will trust to the Web site, and they will tend to use other services like buying accessories of Sniegaklubs (T-shirts, hats, etc.) and anything else that Sniegaklubs provides through partners and that customers will perceive as worthwhile. After all the Web site will provide valuable information for existing and potential snowboarders, people will visit it quite often and this will lead to larger probability that customers will buy something from the Web site or from listed sellers of goods. This subsequently will increase the interest from commercial companies to co-operate and advertise on the site.

2.6. Competitive Edge

- Interactivity: Doing our best in responding to all questions and thanking for all comments our visitors make us and want us to know about. If Sniegaklubs might be helpful to our customers, it does not matter if it is related to snowboarding or something else.
- The site is made by real snowboarders and provides very realistic and necessary information one can desire.
- Cool, unrepeatable design.

2.7. Communication Strategy

2.7.1. Campaign Goal

Make Sniegaklubs trustworthy, stylish, attractive, up-to-date, growing, valuable, and known Web site to our partners and customers.

Trustworthy is one of the most necessary perceived characteristics of any business. It is even more important for customer oriented Internet businesses because mostly they are based on charging customers' credit cards, and there is no way to get this information from customers if they do not trust the business they are giving their credit card numbers to.

Stylish is very necessary characteristic for our Internet business mostly because we want the site to be different from any other one. Moreover perceived stylishness is absolutely essential because there is no snowboarder on the world who would want to be a part of mainstream. Besides that stylish design will be very helpful when the business will start to sell branded clothes and accessories that will be priced exclusively.

This Internet business should be attractive; otherwise, the traffic will not be achieved. And the Web site without traffic is not valuable to anybody neither for banner ads, nor for returned visits to the Web site by first time visitors. That is why www.sniegaklubs.lv has and will have lot of flash, moving objects, music, sounds etc. on the Web site.

Up-to-date is also one of the core characteristics that the Web site has to have. There is no popular Web site that has old, which most likely mean also unattractive information. That's why Sniegaklubs has to acquire newest information about equipment, snow, events etc. from the whole world.

Internet business has to grow and preferably faster than Internet itself because otherwise other Web sites will gradually make not growing site to drown. Sniegaklubs is planning fast growth with launching accessories sales, coupons, business section, and other constantly adding value services to our customers.

All the characteristics above will make Sniegaklubs valuable to both our customers and business partners, and it is almost impossible to run this Web site if it is not. So we can say that there is already quite big value of the Web

site because it has been very successful so far with all the international prizes won and such a rapid development in such a short period.

The Web site has to be known, and if it is not known then there is no sense of this kind of Internet business. High publicity throughout the year has made www.sniegaklubs.lv popular in Latvia, and we are planning to use this practice in Estonia and Lithuania as well. Besides that the very high percentage of new hosts come to the Web page due to very good word -of-mouth distribution about Sniegaklubs. This again reinforces the fact that we have to be stylish, attractive, customer friendly, and special, so our target audience just talks about us quite a lot in their daily chatting.

2.7.2. Communication Objectives

- To create the awareness of Sniegaklubs Web site to 70% of Internet users in Latvia and 40% in Estonia and Lithuania.
- To create the awareness of Sniegaklubs Web site to 95% of current snowboarders in Latvia and 75% in Estonia and Lithuania.
- To create the awareness of Sniegaklubs Web site to 50% of our target market in Latvia and 30% in Estonia and Lithuania.
- Strengthen Sniegaklubs brand in Latvia and establish Lumeklubi and Sniegaklubas brands in Lithuania and Estonia.

There has not been done marketing research at this point, and we understand that it would be more than necessary, unfortunately there are just not enough human and financial resources to do it now; however we assume that current awareness is at the level of about 40% of Latvian Internet users, which basically means that it can be set as a target for the first year operation in Estonia and Lithuania. For the second year of operation in Latvia we set 70% level of awareness.

The split of three different categories in communication objectives is done because there are still quite many people without the access to Internet, but with suitable lifestyle to Sniegaklubs. There is also established society of snowboarders already, which is most easily to target, but unfortunately not that big yet. That is why very high (respectively 95% and 75%) percentage of awareness is planned among those people.

The objective about strengthening brands will be measured by not meeting/meeting/ or exceeding the sales targets of Sniegaklubs branded clothes/accessories sales.

2.7.3. Unique Selling Point

The USP of the Web site is "Everything you need about snowboard on one stylish web site in local language", which basically means that we are selling two main things: firstly, full service and secondly, stylishness.

We cannot maintain it in the first season, but we believe that full service is what most people like and prefer. Our society is constantly moving towards the service expectations as they are in highly developed countries, which means that people are and will be ready to pay for full service and that is what they are going not only to like, but expect as far the services go.

Stylishness is what is necessary when we talk to snowboarders and about snowboard. That is what makes snowboard different from skiing, what makes it grow faster than any other kind of sports in the world, and what attracts more and more people to switch from skiing to snowboarding. It is almost unnecessary to mention that barely anybody switches back to skis once they have learned how to snowboard. So we got cool environment and we have to keep up with making this environment useful and contributing to achieving Sniegaklubs success.

2.7.4. Message Execution Considerations

- Constant, consistent, and recognizable design
- Certain snowboard jargon used on the site not for making it complicated, but interesting and funny.
- Deals never worse than in non-virtual stores, so we do not make customers unsatisfied when visiting stores after their online experience
- Music style executed around the site, CD/tape issued for site visitors

Professional designer is building the style of the Web site in unrepeatable and creative manner, which is always recognizable and consistent. Sniegaklubs virtual name (www.sniegaklubs.lv), colors and logo (asterisk) should be used not only on the Web: clothes, stickers, publications, banners, etc. would have to contain the logo. However, colors and graphical representation of Sniegaklubs should be common for all Baltic (or other) countries, while the name and Web address should be translated into local languages. Any appearance of Sniegaklubs brand should be:

- Around snowboarding and snowboarding/snow events, equipment (to the subject);
- Positive, to make good impression to people about the subject;
- Quality and consistent
- Describe trustful information to show Sniegaklubs competence and professionalism.

Sniegaklubs works with and advertises only trusted and specially chosen partners to make sure that they provide best quality for customers. The number of partners for one niche should be limited. The presence of business at Sniegaklubs Web site must be imperceptible, because the essence of www.sniegaklubs.lv is to provide information.

Any goods sold or ordered on our website should always be of premium quality, but for fair and considerable price that never exceeds non-virtual shop price (this does not apply to clothes/accessories of Sniegaklubs as

they can be obtained only through the web site). Sniegaklubs does not offer anything if it cannot be executed or fulfilled. However, any products (for example, clothes) offered together with Sniegaklubs name should be exclusive and premium in quality and position.

Every event organized by Sniegaklubs will have the press release before and after activities in the most popular local Internet portals (like www.delfi.lv, www.fundamental.lv, www.apollo.lv, and www.tvnet.lv) and newspapers (for example, Diena, Dianas Bizness, Izklaide).

Although every Sniegaklubs site will have some explanations in one of international languages (English), basically, site language will have national image, developed and maintained quite independently.

Stylish music should be executed around website.

Easy to use design, but different from usual information portals, because referring to our position we are not portal (local audience perceives portal place like www.apollo.lv, www.delphi.lv etc.)

2.7.5. The Structure and Contents of the Web site

Upgraded Sniegaklubs Web site would be structured as follows:

- What is Sniegaklubs, what are they doing, why, and how, information on future, ongoing, current, and previous events, photo gallery and funny multimedia stuff like short movies, screen savers and music,
- News/chat board where everybody can say something, express their opinions, ask questions, sell or buy something, post a story; voting and questionnaires also should be placed here,
- Business and services section. This section should be launched as trial one, and deals with offering to order Sniegaklubs branded products (T-shirts, glasses and other clothe) exclusively on the Web, other products like snowboard equipment, starting with about five products selected from each category, however, we place very visible link for requesting additional information with context – “can’t find something – just ask and we will get it for you”, tourism and travel, which would be created in collaboration with several local resorts with good conditions for snowboarding and one tourism agency that provides snowboarding tours around the world.

2.8. Proposed Allocation of Campaign Resources

Human Resources: work (e.g. development of web sites, searching for sponsors, organizing PR, events, etc.) is not and will not be done for salary; it is all voluntary job with the will of contribution to snowboard's development.

At the moment Sniegaklubs has two web programmers, who both have good knowledge in Flash software (the main tool that helps to make Sniegaklubs web site really attractive). And there is highly qualified art designer who keeps consistent and very attractive design. Four additional people are concentrating mostly on communicating with sponsors and partners, organizing events and PR activities, maintaining informational part of the site.

These people and activities are lead by Sniegaklubs president. For all of these people work in Sniegaklubs is just voluntary job, some hours a week after their regular jobs.

It is planned to attract local people in Estonia and Lithuania (one team with 3 to 6 people in each country) who could actively contribute in creating and maintaining www.sniegoklubas.lt and www.lumeklubi.ee. Sniegaklubs president as leading person will manage/supervise all the sites. Technical side of the foreign sites will be developed mainly in Latvia, but content will be adapted, created, and maintained mostly by local (Estonian and Lithuanian) teams.

Description of the allocation of the financial resources: In the following table there are listed planned positions where Sniegaklubs will get income and where it will spent to effectively reach its objectives. Detailed description of the positions and explanation why there are listed exactly these positions is given below the Table 2.

Table 2. Allocation of Financial Resources (Cash Flow)

Income	Amount in LVL
Distributing coupons	700
Registered users database usage fees	500
Commercial articles	350
Sales of clothes/hats/glasses	3'050
Banners	1'300
Total income:	5'900
Expenditures	
Technical support of the sites	600
Clothes/hats/glasses production costs	1'500
Supporting the best Baltics snowboarders	1'100
Issuing the CD and tape	400
Public relations in Estonia	800
Public relations in Lithuania	600
Public relations in Latvia	100
Presents	800
Total expenditures:	5'900

Income: Sniegaklubs sites (Latvian, Estonian, and Lithuanian) are not commercial ones at this point as Sniegaklubs itself is public organization; however, some financial actions take place.

Sniegaklubs will make several deals with the stores that sell snowboards and according equipment:

In Latvia: visitors of Sniegaklubs web sites will be able to print out coupons, which will allow to get 5-7% discount in a number of snowboard partner stores of Sniegaklubs. When buying snowboard equipment with the coupon customer gets a chance to label their equipment with Sniegaklubs logo for free. Stickers are going to be distributed in partner stores for this purpose. Sniegaklubs will get 3-5% of the purchase as a reward for bringing customers to the store. It is planned that in the first year these 3-5% will generate an amount of about Ls 700.

All visitors of Sniegaklubs sites will be encouraged to become registered users of Sniegaklubs Web site. For reaching that a visitor has to fill out a short form in the site. Besides such things as name, last name, e-mail, age, the form will try to find out also such facts as user's snowboarding experience, type of equipment used at the moment, preferred types of equipment, preferred places where to snowboard, type of snowboard related deals that could be attractive to the user. All the information besides the name and e-mail address will be optional, so no pressure will be put on anybody who is not willing to disclose the information. In the next season it is planned to attract about 1000 existing and potential snowboarders (from September 2001 to February 2002: 300, 350, 200, 100, 50 in month accordingly) in Latvia, about 700 in Estonia and about 400 in Lithuania.

It will be very clearly stated in the site that Sniegaklubs will use the users' data only for itself or partners that can offer something that has been indicated as an interest of the user. Besides, any user information could be used only once by our partner, if not negotiated separately. As we said only interested users will get special deals or offers regarding things that they have indicated; for example, used snowboards or new Burton (read any brand) bindings, and Sniegaklubs will assure that he or she receives only these deals. None of registered users will receive so called spam .

It will be communicated that it is really valuable to be a user of Sniegaklubs Web site, as it gives possibility to get special offers, to get coupons with discounts in stores, to receive e-mails with useful news about snowboarding activities, to buy exclusive, stylish T-shirts/clothes/hats/glasses with Sniegaklubs logo and not limited to that.

Sniegaklubs will sell the rights of using the database for one time to stores and other snowboard-related organizations. Careful selection of partners and information will be done each time, so we do not get our users unhappy about the information sent to them and bothering them.

It is planned that in the first year these database usage fees will reach amount of Ls 500.

Sniegaklubs site will have also special section called "Commercial information". It will be communicated that companies have paid to put the information here, but Sniegaklubs has checked that the information is true and can be useful to decide what type of equipment to buy or how to use the equipment. Companies that have paid will be able to put detailed information about characteristics and parameters of their products. It will be paid advertisement, but in form of detailed, really useful information, which Sniegaklubs will keep rights to reject or adjust. Visitors of the site will understand that this is advertisement, but hopefully they will accept it, as the necessary component for financial support of the site. The visitors will realize that in fact the information is useful and true. It is planned that in the first year fees for placing commercial articles will reach the amount of Ls 350.

For anybody who wants to look special, Sniegaklubs will offer stylish and cool possibility to obtain exclusive T-shirts/clothes/hats/glasses with Sniegaklubs logo. These will be high quality and pretty expensive things, so they don't get so widespread that lose exclusivity. The best snowboarders will be able to get these things for free as it will make them stylish and popular. To obtain the T-shirts, jackets, sweaters, pants, hats, or snowboard glasses, one will:

1. Have to be a registered user of Sniegaklubs web site;
2. Visit the site and fill out the order form of the product;

It is planned that in the first year Sniegaklubs will sell approximately 100 T-shirts, 50 hats, 10 sweaters, 8 jackets, 8 snowboard pants, and 5 glasses with the margin of accordingly Ls 7; 7; 10; 30; 20; 10 for each item accordingly.

Sniegaklubs site will offer a possibility to place banners. In this season the site had three permanent (all season long), paid banners. For the next season it is planned to raise the price of the banners and increase their number (because of increasing popularity of the site). To place a banner for the whole season in the site, we will charge Ls 300, which is still lot less than portals charge. Besides that Sniegaklubs attracts very specific target audience for the related businesses. There will be option also to pay Ls 100 per month of the banner displaying on the web. It is planned that in the next season the site will have three all-season banners and two one-month banners.

In Estonia and Lithuania: as Sniegaklubs' sites will not be so popular in Estonia and Lithuania in the beginning, it is not planned to get serious income from there. Total revenues are planned to be about Ls 300 (about Ls200 from banners, Ls 50 from selling some T-shirts, and Ls 50 from commercial articles).

Expenditures: Technical support of the sites in all three countries is planned to be about Ls 600. There are included payments for the Internet addresses as well as payments for place on Internet servers in Estonia and Lithuania (in Latvia we have negotiated free space on the server).

Sniegaklubs will support three best snowboarders (one best snowboarder in each of the Baltic states) helping them to participate in one international snowboarders' competition/event/camp in Europe. Sniegaklubs will provide them with:

1. Financial support (~Ls1'100);
2. Support when looking for sponsors who could pay for uncovered expenses if any;
3. Information about international competitions as well as registering, contacting, and helping with anything else that is necessary for arranging the participation.

It is planned to organize three snowboarding competitions/events in Latvia, two in Estonia and one in Lithuania in the next season. Sponsors should be found to finance all of them. In these competitions/events the main prizes will be from snowboard stores as well as T-shirts/clothes/hats/glasses with Sniegaklubs logo. In each Baltic state one best snowboarder, who will prove his skills in Sniegaklubs' competitions/events, will receive the above described international support for participation in one international snowboarders' competition somewhere in Europe).

When organizing the events, Sniegaklubs will create publicity in different Web sites and, possibly, also in newspapers and other mass media. Sniegaklubs will help the owners of the hills (where the events take place) to manage the technical organization of the event. Sniegaklubs will also participate with its brand, prizes, and some snowboard shows performed by best Sniegaklubs riders. After the events Sniegaklubs will try to collect feedback, photos etc. and, along with description, place in the Web site.

Sniegaklubs will issue also its CD and tape with the music of local DJs, but not significant sales of it is planned for the first issue, as it will be more of a popularizing the style. That is why this is only on expenditures side of this season's cash flow sheet.

2.8.1. Strategic Campaign Design Principles

The essence of strategic Campaign Design principles is to make Sniegaklubs and its Web site trustworthy, stylish, attractive, up-to date, valuable and known. Below we described how it is going to be achieved.

Distributing coupons. The coupons will make the Web site attractive for visitors as it allows some money savings when purchasing equipment. Some portion of visitors would be interested to visit site only for this reason. This factor will favor to attract potential advertisers on the Web site.

Registered user base. This should be communicated as something special and highly valuable for users because the feeling of belonging to society called snowboarders has to be a big benefit. Being registered users of

Sniegaklubs people get several benefits like personalized information; for example, e-mails according to his/her choices; for example, snow news, latest offerings from Sniegaklubs partners, approaching events around Baltics, and the world, etc.). Our registered user base will provide basic data about our visitors, their interests, wishes etc., which Sniegaklubs does not have now and which is very important, valuable, and useful information for developing Sniegaklubs Web site exceptional and grow in the future.

Commercial articles. The articles will bring some money for development of the Web site, but the biggest value they should give is from the information point of view. The articles should not be only marketing of some company products, but rather giving valuable information like technical specifications with clarifications what each item/term/parameter means and what are effects if they are different. There might be also some comparison and analytical articles about specific categories of accessories for snowboard. These commercial articles should be written in simple, understandable language, thus they make the Web site friendlier for newcomers to get into snowboard world without knowing special terms and specific jargon used by hard-core snowboarders.

Selling of T-shirts/clothes/hats/glasses. All promotional and advertising goods are consistent in their message, they are in limited number, exclusive, and provide specific image for the user of the good. There are two important aspects why selling specially branded and designed goods:

1. to get money for Sniegaklubs and its Web site development, but
2. most importantly, to make Sniegaklubs brand and logo recognizable in Latvia and other Baltic countries as well as conveying the feeling of belonging to snowboarders community.

These items will not be mass products as they will be available only for users of Sniegaklubs web site, from lotteries and competitions organized by Sniegaklubs.

Several other principles/details:

- On Sniegaklubs Web site there will be available specific interactive game devoted to learning snowboard related issues, which in funny and attractive way will teach Web site visitors about snowboard basics.
- Discussion board (leave your message with back e-mail address to ask questions, give replies, sell your equipment, look for new one, share experience etc.), which has already proved its importance and value in among snowboarders.
- Expert opinions about equipment, slopes, stores, riding.
- Hot news, hill tops, snow news etc.,
- Links to world snowboard magazines, leading equipment brands, and their Internet sites with interesting articles. Local "gurus" of snowboard might add some comments for those articles.

2.9. Marketing Mix

Our product is Sniegaklubs Web site as information source and channel with considerable and clearly defined audience.

Every visitor can use the Web site and the information on it, ask questions to snowboard experts (professionals) for free. Other Sniegaklubs branded products like clothes, T-shirts etc. are premium priced and available only through the Web site. Other products offered are priced fair and not higher than in non-web based stores. No price promotions should be used to attract consumers. Price for placing banners should be determined by market.

The site should be promoted by public relations, T-shirts, events, links, word-of-mouth, and search strings in largest portals and Web crawlers.

The product is distributed via Internet. Trustful outsourced partner should deliver goods sold or ordered on our site.

2.10. Marketing Research

Due to limited financial resources, we should measure marketing results using methods and tools that are cheap or we already have. The primary source of information is to use Web-statistics tools that are available together with Web-server software and provides information on individual hits, domains, countries, time, most viewed pages and clicked links. Next possibility is to place a little changing questionnaire on the web with some simple questions/checkpoints like:

- How much do you snowboard,
- Want to ride, but... (don't know how, don 't have money, no equipment)
- Don't know what's snowboard
- Don 't like it
- What do you like the best about snowboarding

To encourage voting, we can offer some lottery with small prizes like one day free of charge ski lift, one free snowboard screwdriver, etc.

Secondary source of measuring information should be sales volume, number of used Sniegaklubs coupons, attendance of snowboarding events etc., stickers distributed, number of messages per day in mailing list and discussion board.

3. Implementation

In the table below there are listed main tasks to accomplish the campaign and attract more people to Sniegaklubs Web site as club itself. The planned deadline for launching upgraded Web site and starting marketing and sales promotion activities is September 1, 2001.

Table 3. Implementation Milestones.

Task	Start date	End date
Production of promotional items and presents	01.04.01	27.08.01
Designing promotional items	01.04.01	01.07.01
Designing presents	01.04.01	01.07.01
Searching/choosing manufactures	01.07.01	01.08.01
Manufacturing items	01.08.01	27.08.01
Looking for companies, which are interested to put advertising on the Web site	01.04.01	31.08.01
Getting business partners for the Web site	01.04.01	13.08.01
Revising exiting partnership with stores, travel agencies etc.	01.04.01	01.05.01
Searching for the partners and negotiations	01.04.01	06.08.01
Signing partnership agreements	01.07.01	13.08.01
Web site development	01.04.01	31.08.01
Revising technical design of the Web site structure and used technology		30.07.01
Preparing texts for the Web site	01.04.01	30.07.01
Translation of the texts for Web sites to Lithuanian, Estonian, Russian	30.07.01	19.08.01
Preparing translated Web sites	20.08.01	26.08.01
Upgraded Web site operation testing	27.08.01	31.08.01
Launch upgraded Web site		03.09.01
Launch of Advertising campaign		03.09.01
Press release sent to newspapers and Internet media about the Web site launch		03.09.01

Preparing for snowboard event #1	01.11.01	30.11.01
Press release about event #1 and following campaign with coupons		27.11.01
Snowboard event #1	01.12.01	02.12.01
Campaign with coupons (discounts on snowboards)	03.12.01	16.12.01
Preparing for snowboard event #2	04.12.01	04.01.02
Press release about event #2 and following campaign with coupons		02.01.02
Snowboard event #2	05.01.02	06.01.02
Campaign with coupons (discount on snowboard boots)	07.01.02	20.01.02
Preparing for Snowboard event #3	09.01.02	15.02.02
Press release about event #3 and following campaign with coupons		12.02.02
Snowboard event #3	16.02.02	17.02.02
Campaign with coupons (discount on snowboard accessories)	18.02.02	24.02.02