



National Marketing Plan 2020-2021

**100 Shelter Rock Rd
New Hyde Park, NY 11040
516-305-8700**

@BotanicalBeginnings.ve



Botanicalbeginnings.ny@veinternational.org



<https://botanicalbeginnings.wixsite.com/webside>



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Customer Empathy:

Botanical Beginnings is aware of the struggles new planters come across when it comes to plant growth, maintenance, and success. Driving to multiple Nurseries and department stores, searching thoroughly for desired plants, and maintaining the plant at a location without assistance can be hectic and overwhelming for upcoming planters. Active and hustling millennials can get discouraged from the lengthy- tedious process, especially without any knowledge on how to take care of plants. Botanical Beginnings understands this struggle and would like to make this hobby as easy and convenient as possible. Though very busy and inexperienced, the company's target market (ages 20-30) is very environmentally conscious and focuses heavily on their wellness. When done properly, planting can be a hobby that aligns with their values and lifestyle. Unfortunately, this market does not have a disposable income, meaning planting may be pricey and tedious. Therefore, Botanical Beginnings incorporates the wants and needs of our target market by providing a combination of affordable, convenient, simple packages that allows them to plant without any hassle.

Problem Statement:

With a hectic schedule, our target market does not have a lot of time to spend on a new hobby. They understand that hobbies can make a serious difference in their quality of life. However, our target market is not willing to take on just any hobby; they look for a hobby that aligns with their lifestyle and falls within certain criteria. According to multiple research studies from price economics and Pew Research, consumers look for five key factors in order to fully commit to a hobby: lower stress levels, increase sense of belonging and purpose, price, time, and whether it makes them a better overall person (Pew Research). A hobby like planting and gardening would fulfill all these criteria when done properly. Therefore, Botanical Beginnings makes it their mission to transform planting a hobby that is affordable, easy, and helps our customers achieve a greater sense of purpose.

Ideal state and Aim:

The gardening industry is a partially saturated market filled with bigger companies who combine hardware and gardening, such as Home Depot and Lowes. In addition, this industry is also filled with smaller, more local, businesses like nurseries and plant shops. To differentiate Botanical Beginnings from other gardening/planting businesses, we revolutionized the gardening industry by taking a virtual format and enforcing sustainable practices. Our virtual format allows consumers to plant without the hassle of traveling. In addition to this, Botanical Beginnings tries to reduce its carbon footprint by packaging all of its products in eco-friendly material and ensuring that all plants and seeds are produced in a way that prevents soil depletion.



To broaden our social impact, Botanical Beginnings focuses heavily on giving back to the earth and community. Donating to fundraisers like the *Global Footprint Network* and actively bringing awareness to Environmental problems are all things that Botanical Beginnings likes to stress as protecting the environment is the core of our company's principles.

Target Market:

Botanical Beginnings presents itself as an ideal hobby for our target market, late millennials, who just entered the workforce and live in small apartments. This market will have just started an "adulting" mindset, where they are adjusting to having their independence, financially and mentally. This means, in addition to their education or work, they will be looking for ways to "mature" or find their own hobbies and activities. Because, approximately 80% of young adults think gardening is a mature hobby as it is financially and mentally beneficial, more young adults are turning their heads to planting (Davies).

The 18 to 34-year-old age group accounts for a quarter of estimated garden spending, which is surprising as this group has a lower household income than the older age group, highlighting that young adults hold plants to a higher value (Good). In addition, 94% of this age group use coupons and have a preference for digital formats (Lexington). Hence, why Botanical Beginnings takes on a virtual format that allows our consumers to easily go through with their transactions and stay up to date with their package.

"81% of Millennials expect companies to make a public commitment to charitable causes and citizenship"

Finally, unlike the past, the practice of "wellness" and Environmental awareness is more important than ever to this generation. Our target market has been dubbed the "wellness generation" by Stanford Health because of their increased spending on all things health and wellness. This means that this target market is looking for a project that incorporates both the wellness and environmental awareness aspect in it, making planting an excellent choice. Because 81% of Millennials expect companies to make a public commitment to charitable causes and citizenship, Botanical Beginnings appeals to

them as we use sustainable practices such as vermicomposting to prevent soil depletion and actively support environmental charities that fight against climate change, as stated previously (Corporate).



Using the various market research analysis, Botanical Beginnings makes it their mission to create affordable yet comprehensive products teaching consumers how to plant to appeal to the target market while also aligning with their morals by incorporating sustainable practices and supporting charities against climate change.

Market Segmentation:

Age: 20-30-year-old

Estimated Income: \$40,508 (U.S Census Bureau)

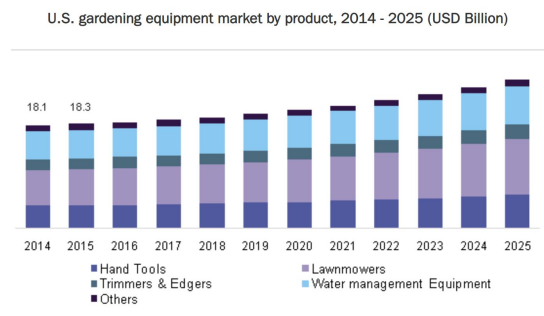
Buying Patterns: This demographic tends to take on hobbies that will take minimum effort and provide great satisfaction, making products from a company like Botanical Beginnings more appealing as they suit their wants and needs

Marketing Strategies: Indirect marketing by sponsoring environmental plant bloggers, video creators, and environmentally healthy influences. In addition, Direct marketing through couponing, paid advertisements, and direct mail.

Psychographic: Generation Y and younger make up the biggest garden spenders who value plants much more than other generations

Real Industry Analysis/Competition:

Gardening as a hobby and business has been steadily increasing throughout the years and picking up more in the past few years. According to Grand View Research, the market size value of the gardening industry was estimated at 83.3 billion while employing 142,968 Americans (Gardening). With an average industry growth rate from 2015-2020 of 1.8%, as reported by IbisWorld, Gardening as an industry is blossoming with the market (Industry).



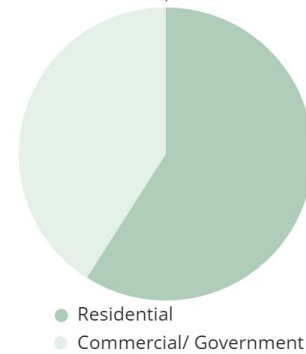
Within the gardening industry, the gardening equipment market is gradually increasing throughout the years. This market size was valued at USD 74.1 billion, as stated in Grand View Research, in 2015, and is expected to witness significant growth with the gardening industry as a whole due to its growing popularity in the residential and commercial construction industries.

Over the next few years, revenue for the gardening industry is expected to rebound from the coronavirus pandemic but will resume back into an upward motion as epidemic



precautions become less necessary. In addition, heightened external competition from big chain stores is anticipated to continue to threaten industry operators by offering steadily lower prices. However, because these companies are known for using unethical and unsustainable practices, resulting in poorer quality products, consumers are starting to buy their products less as this is becoming a bigger core principle. Therefore, it is important that Botanical Beginning continues to use its sustainable and ethical practice to create quality and affordable products. Botanical Beginning continues to use its sustainable and ethical practice to create quality and affordable products.

Gardening Equipment Revenue Share by End-use, 2015



Virtual Industry Analysis and Competition:

Like the real-world market, Botanical Beginnings has competition on the virtual market. 32 out of the total 305 firms on the virtual market also sell home and garden related products. Many of these products range from using technology to take care of your plants to houseplants and gardening supplies. However, many of the companies on the VEI virtual market do not provide the same experience and ideal that Botanical Beginnings wants to provide to our consumers.

Botanical Beginnings stresses that one of their main goals in production is to use sustainable practices, such as vermicomposting, and environmentally healthy packaging to ensure minimum harm to the environment. Indirect competitors such as *Grow*, an app-based company that tracks the health of plants, do not actively state that they are taking steps to support environmental awareness. Unlike our competitors, Botanical Beginnings is not just actively supporting the fight against climate change by giving 3% of our profits to charities, but we are also taking steps to directly be a part of it. This is something that Botanical Beginnings stresses when marketing our products to our consumers. Furthermore, because *Grow* is an app-based business, meaning it does not provide its consumers with any products. Therefore, consumers would still have to face all the tiring steps of getting materials to take care of their plants. This makes planting an unattractive and complicated hobby, something that Botanical Beginning strives to prevent.

Other in direct competition include sustainably made lifestyle products companies such as *Eco on the Go* and *Havlu*. While these companies do not directly relate to planting kits, these companies are similar in that they stress the importance of using sustainable practices and



follow a similar pricing model. Companies such as *Eco on the Go* do use sustainable practices and support fundraisers, they lack the customizability aspect of their products which limits the options their customers have. However, Botanical Beginnings stresses the importance of making every product designed for our customers because we understand that every customer is different. By giving our consumers the option to select the color and design on their pots, the different types of plants they want in their package, and the level of maintenance they want in their plant, we are offering multitudes of ways our consumers can design a package that fits perfectly in their lifestyle. *Havlu*, on the other hand, is a company that sells similar kits that Botanical Beginnings does. However, *Havlu* is a company that caters to that beauty and skincare market. What brings Botanical Beginnings above indirect competitors, such as *Havlu*, is our affordable pricing. Botanical Beginnings tries to maximize what our customers are getting by giving them the best value for the quality of items. While *Havlu* does cater to luxury products, their products do not meet the affordable standards that most consumers want.

Because Botanical Beginnings remains a unique idea that isn't very common in the virtual market, Botanical Beginnings does not have direct competitors selling similar products. Therefore, Botanical Beginnings maintains its innovative and creative approach to planting.

Products:

Botanical Beginnings offers our customers different types of planting kits for them to start their gardening journey. The kits that we offer mainly fall into three categories: flowers, herbs, and succulents. All of our kits contain every tool, material, and instruction that our customers need to be successful in growing their garden. Some examples of these items are pots, seeds, gloves, mini hand shovel, lighting, etc. However, each of our planting kits is uniquely designed for their designated kit. For example, the pots that come with the flower kits are comparably larger than the pots that come with the succulents kit as the floral plants need more space. In addition, our herb kits are uniquely different from the other kits in that this kit comes with a recipe book, so customers can get inspiration for ways they can use their plant.



In addition to individual kits, Botanical Beginnings sells packages that bundle kits that offer our consumers more kits for a cheaper price. One example of this is our Annual Spring Time Package. This package includes 5 planting kits so you can plant them together with friends and family. This is cheaper than buying each package separately and is more suitable for those with a larger family. Other examples include our Gilligan's Gifts package, Palazzos Presents package, and our Irv's Herb package.



As Botanical Beginnings expanded, we included a personalization aspect for our consumers. Our consumers can now choose to decorate their pot and customize it to their liking. This customizable feature makes it easy for our plants to fit into the interior design of our customer's home. Therefore, our plants do not just have a functional aspect but also a decorative aspect to it.

Promotion:

To maintain Botanical Beginnings' successful marketing plan, Botanical Beginnings uses various aspects of the promotional mix. The areas that Botanical Beginnings specifically focuses heavily on is sales promotion, direct marketing, advertising, public relations, and personal selling.



By studying our market's buying strategies, we noticed that in order to maximize our sales, we should provide an incentive to our consumers. Therefore, Botanical Beginnings uses promotional contests often. One example of this is during the National Tradeshow; Botanical Beginnings held a raffle which gave three customers a chance to win a total prize of \$40. This proved to be successful in that Botanical Beginnings brought in more sales compared to the regional tradeshow where no promotional contests were held. In addition to holding

promotional contests, Botanical Beginnings enjoys using direct marketing to target customers. Once signed up for our email service, our customers will be consistently updated with our monthly newsletters and monthly promotions. For example, during the holiday season, our customers were notified of our holiday promotion which gave them 15% off their purchase using the code "Floral Festivities". These promotional emails keep our customers updated on our company and stay connected for future promotions.

One of the things that Botanical Beginnings reinforces time and time again is aligning with our core values. This means doing what we must to protect the backbone of our company- the Environnement. Therefore, Botanical Beginnings will give back 3% of all sales to environmental protection groups like the *Environmental Defense Fund* and *American Rivers*. This helps show our consumers that Botanical Beginnings is a company that values sustaining the earth and is giving our consumers that opportunity as well.

Price:

Botanical Beginnings uses the bundle pricing strategy when pricing its products. Because we like to value the wants of our customers when making prices, this strategy is the most effective in attracting our consumers.

Specifically, our target market tends to shop smart, get the best deals, and get the most out of their money. Bundling allows our company to adhere to these values. The bundle pricing

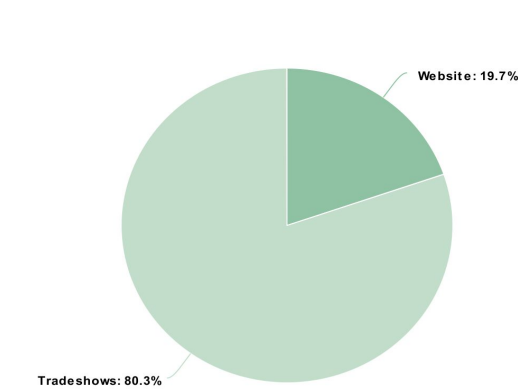


strategy creates the perception in the mind of the consumer that they are getting a very attractive value for their money. In addition, bundling products together is cheaper than buying each individual product separately, making our products attractive to our consumer’s cost-efficient needs. This pricing strategy not only caters to our consumers but also the products that we sell. For example, Botanical Beginnings sells kits that include all the necessities to become successful in growing plants, making each line of product complementary to each other. This is the ideal candidate for using the bundle pricing strategy.

Botanical Beginnings Pricing				
Based on Competitors Pricing	Irv's Herbs	Fugazzies Flowers	Timothy Green Terrarium	Gilligan's Gifts
Seeds and Fertilizer	\$5.37	\$1.50- \$6.00	\$5.94	\$3.50-\$16.00
Pots, Shovel, Lighting	~\$70	\$2.50-\$11	~\$76.25	\$2.50- \$35
Other Supplies (Recipe book, Gloves, etc)	\$1.00-\$12.00	\$1.00-\$9.00	\$1.00-\$9.00	\$1.00-\$24.00
Botanical Beginnings Pricing	\$184	\$230	\$321	\$2296

To determine the best price for our consumers, our company led an in-depth research analysis to find the best value for quality items. This research included finding out what types of plants consumers wanted, tools that consumers needed, and how to get the prices for these items. To strengthen our research, our company reached out to multiple nurseries around the county and talked with their professionals. Through our research, we found the price of individual objects that would go into our packages. This included the seeds, pots, gloves, shovel, lighting, etc. We then calculated the costs of our packages by comparing our items with our competitors. By doing so, Botanical Beginnings was able to come up with the following prices for our top sellers: Irv's Herbs was priced at \$184, Fugazzis Flowers was priced at \$230, Timothy Green Terrarium was priced at \$321, and Gilligan’s Gifts was priced at \$2296. These prices for our bundling services ensure that our consumers are getting the best value for our products.

Placement:



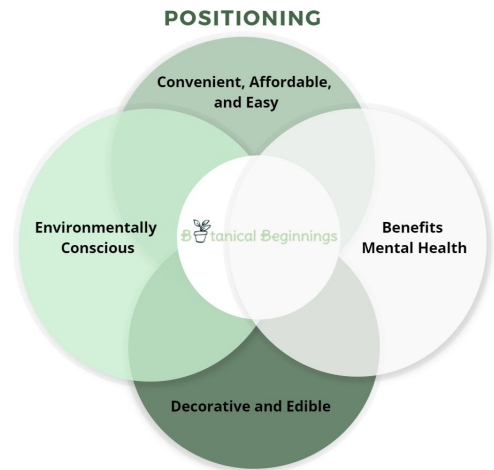
Botanical Beginnings is able to generate revenue through multiple channels such as online trade shows, online sales, and company partnerships. 19.73% of our revenue comes from our online transactions like our website. This percent includes our company partnerships as other companies go through our website to complete their transaction. This process makes it easy for Botanical Beginnings to electronically transfer our sales to our factories and or them to ship it

out. Our website sales are expected to increase as well as our sales team is reaching out to more companies for sales trade and our IT department is adding more products to our website. About 80.27% of our revenue comes from our tradeshow and that number is expected to increase as Botanical Beginnings is working on producing more trade show packages for our consumers.



Positioning:

Botanical Beginning's mission is to create a new affordable and stress-free planting hobby despite having limited planting conditions, knowledge on plant types, and unfavorable seasons. By taking on virtual format, Botanical Beginnings is able to address all the concerns of our target market that prevents them from taking on such a hobby. Our virtual format makes it convenient to receive our kits and gain experience in planting; therefore, fulfilling our mission. In addition, Botanical Beginnings tries to make planting more than just a decorative and edible element, but also something that can benefit one's mental health. To do this, Botanical Beginnings plants have been scientifically proven to evoke motivation, relaxation, and positive emotions. Botanical Beginnings emphasizes this as plants can become a crucial part that brings warmth to a home. By also appealing to the environmentally healthy element of our target market, Botanical Beginnings is able to appeal to all the needs and wants of our target market. Therefore, positioning Botanical Beginnings as an eco-friendly brand that leans toward consumer affordability, convenience, and health and wellness.



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