



ABCMall Marketing Plan Outline

Assumes 9/7/99 Launch

Overview:

The following tactical marketing outline of, and projections for, the ABCMall are based upon concurrent endeavors, with a concentration upon those tactics promising the greatest number of new signups in the first year for the limited resources available.

For example, we are targeting over 300 trade and business associations in Ohio, which are generally among the largest such statewide groups in the country. As a result, they also tend to be trendsetters for similar groups in other states, and can act as leaders to expand ABCMall penetration accordingly. Almost all of the Ohio groups are based in Columbus, giving a competitive advantage to nearby companies such as ABC which are creating local jobs. Many of the associations already offer limited discount programs to members, primarily for services. ABC offers the advantage of delivering a full member mall today with no technology investment on the part of the association, no up-front fee for the association to pay for branding or development, and a full array of discounted goods that the members need every day. Because of these advantages, we expect to have a high success rate in establishing affinity programs with these groups.

In a similar sense, ABC has affiliate sales forces in Kentucky and Tennessee which are soliciting the trade associations based there. While associations there tend to have somewhat smaller memberships than in Ohio, the synergies of like programs in adjoining states should provide a springboard to expand affiliate programs to all contiguous states within twelve months.

Other tactics which involve strictly the sales efforts and abilities of outside companies have somewhat less certain success expectations. The DEF group in Houston potentially has access to 14,000 companies which could become DEFMall members, but the initial sales efforts have been slower than expected. Several suppliers to the ABCMall have expressed interest in using it as a means of transferring their smallest customers to a self-service, lower cost mode. Any of these suppliers could bring on hundreds or thousands of Mall customers literally overnight, but it is uncertain how solid these hopes may be.

Finally, any association with which we establish a Mall relationship for members probably already has several suppliers with specific member discounts. As association penetrations are made, these suppliers become additional targets for conversions of low profit customers to the ABCMall. Further, as association contacts become exhausted, distributors may be worth targeting through an ongoing direct marketing campaign.

Major tactics planned, along with projected costs, time frames, and sales levels, follow:

- I. Tactics for initial kickoff on or about 9/7/99
 - a. Write press releases & obtain approvals

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1. ABC
2. DEF
3. Suppliers
- b. Coordinate & do press release distribution
 1. Release to DEF & suppliers for distribution
 2. Personally release to ABC contacts
 - Columbus media
 - Internet media
 - Nationwide business publications
 - Wall Street Journal
 - Purchasing trade magazines
 3. Utilize Internet News Bureau (\$225) for one-time distribution of press release, as part of digest, to some 1200 opt-in online media outlets
 4. Follow up with media contacts for deeper stories
 5. Continue releases & followups on periodic basis
 - DEF Mall signing
 - MBE Mall
 - Initial sales figures
 - Major new suppliers
 - Major new association-clients
- c. Meeting w/Don DiPerro & Laura Newpoff of Business First for feature story
- d. Develop followup ad
 1. Limited distribution based on available monies
 2. Contact marketing directors of suppliers for contributions
 3. Outside contractor to develop/place ad
 4. Typical ad rates:
 - Wall Street Journal: \$242,000 full page, nationwide
 - Business First: \$2500 half page
 - American Cities network: \$90,000 half page (37 cities)
- e. Post ad (modified press release) in up to 50 online CEO/CFO/business forums. Target date: Sept. 10 (for weekend browsing)
- f. As soon as Mall name & URL are final, commence submissions to search engines. Continue to amend copy, key words, & meta tags to enhance positioning. Total duration from 1 week (InfoSeek) to 6 months (Yahoo).

II. Direct letter with telephone follow-up to major trade associations with memberships representing small and medium businesses which are appropriate prospects for the Mall. Prominent targets include:

- ◆ Chambers of Commerce
- ◆ Small business associations
- ◆ Entrepreneur associations
- ◆ Trade associations of companies in targeted SICs
 - State bankers associations
 - Health care
 - Medium tier manufacturing
 - Education

Initial goal is to secure a meeting with the CEO of the organization, present the concept, and obtain an agreement to become an "affiliate partner" with rights to market to the membership. For some associations, a flat fee or percentage of the revenues may be necessary as an incentive.

This will be the primary focus of ABCMall marketing efforts in the latter half of 1999.

Time frame: Ongoing, commencing 6/99
Budget: Est. \$2,000/month, primarily travel & entertainment
Results: Approach 100 associations by 9/30
Obtain 10 sales by 10/31
Average 1,000 members
15% penetration rate = 1,500 members by 12/31/99
(via tactic III below)

III. As approvals are secured from the entities in #1, the direct marketing phase of the mall will commence.

Concurrent with the initial contacts with trade associations, development will proceed on a customized presentation (CD-ROM and site download) featuring the benefits, operations, and key components of the Mall software. The presentation will be designed to not only be a sales piece, but also a fully-integrated description of how to use the mall and where to find and use various modules of the software. Upon filling out the signup sheets (authorized users, credit cards, approval procedures, etc.) and receiving the initial authorization code/password, the recipient can begin using the Mall.

Further, an outbound telemarketing force (internal or external) will be utilized to follow up on presentation viewers about a week after the mailing if the recipient has not yet entered and tested the mall.

The initial three months of the recipient's monthly fee for Mall access will be waived as an inducement for him/her to try and benefit from the service.

Time frame: Ongoing, beginning in July
Budget: Develop CD & collateral: \$15,000
Mailings: Avg. \$2.00 per piece for full CD-ROM
Minimum 250,000 planned

IV.

A minimum of one national or regional trade show will be booked and attended per month. The display will feature either or both of the specialized consulting services or Mall concept, depending upon the clientele. Shows to be attended will be selected from personal experience as well as from an Internet-based directory of all such shows, by category.

Time frame: Ongoing, beginning in November
Budget: \$8,000 per show; 3 shows per quarter
Results: 50 sales per show

V. Forming direct partnership affiliations with Internet sites which are frequented by smaller business owners and other entrepreneurs. Much of this activity will concentrate upon banner displays (with hotlinks) on their sites, sponsorship of forums on or newsletters from their sites, and substantial participation in the site's newsgroups, advice columns, and case studies. The primary aim here both to perform a hard sell, and to gain recognition for ABC and the Mall and use that heightened

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awareness over time to build Mall and consulting traffic. First requires ability to enter site to browse via dummy password.

Likely sites for these initial forays include:

www.gmarketing.com
www.inc.com
www.americanexpress.com/smallbusiness
www.isquare.com
www.score.com
www.ideacafe.com
www.bnet.att.com/
www.smalloffice.com
www.marketingtools.com
www.the-dma.com
www.amcity.com
www.lowe.org/smbiznet
www.entrepreneurmag.com
www.fastcompany.com
www.thestandard.com
www.ideasiteforbusiness.com

Time frame: Ongoing, starting 9/99

Budget: \$4,000 per month

Results: 500 per month

VI.

Leverage the new ABC (www.ABC-inc.net) and Mall (www.ABCmall.com) domain names and sites through affiliations with and participation in appropriate forums and newsgroups, such as:

- ◆ Expert-marketplace consulting forum
- ◆ Consultants mall
- ◆ Consulting corner
- ◆ Misc.entrepreneurs
- ◆ Misc.consulting

Time frame: Ongoing

Budget: \$1,000 for site development, 7/99–12/99

Results: Cannot be separated; included in #6 above

VII.

Networking in groups and associations where we can either directly access potential consulting and Mall clients, or where we can gain credibility with those who influence such prospects. Such organizations include Chambers of Commerce, NAPM, and any forum where CPAs are likely to be present.

Time frame: Ongoing

Budget: Est. \$500/mo. For dues, meetings, entertainment

Results: Cannot be separated; included in #5 above

VIII. Ads to run periodically in pertinent trade publications, such as journals for manufacturing, purchasing management, banking, education, etc. Will alternately focus on Mall and customized consulting services.

Time frame: Ongoing

Budget: \$210,000 through first two years

Results: Assume 2 ads/quarter; 150 sales per ad