MAJA PUREBER, August 2023

MARKET RESEARCH WITH AN E-MAIL CAMPAIGN

1   Preparation of an e-mail campaign

I created an email campaign in Snov.io.com. I automated three consecutive emails. The first message was introductory, where I briefly presented them why I contacted them and what the product is. I wanted to know if they were still interested in the product, because quite a bit of time has passed since they were published on the website.

Most of them, from whom we received an e-mail address, organically clicked on our website and left us their e-mail address. The number of all addresses I received was 47. I have included all 47 in the campaign.

The picture shows that I sent the first e-mail and waited 3 days before sending the second e-mail automatically. The third was sent another 7 days later. All together the course is 11 days. In the event that I was answered by an e-mail, the campaign stopped for them, that is, if someone already answered me to the first message, did not receive the second and third.
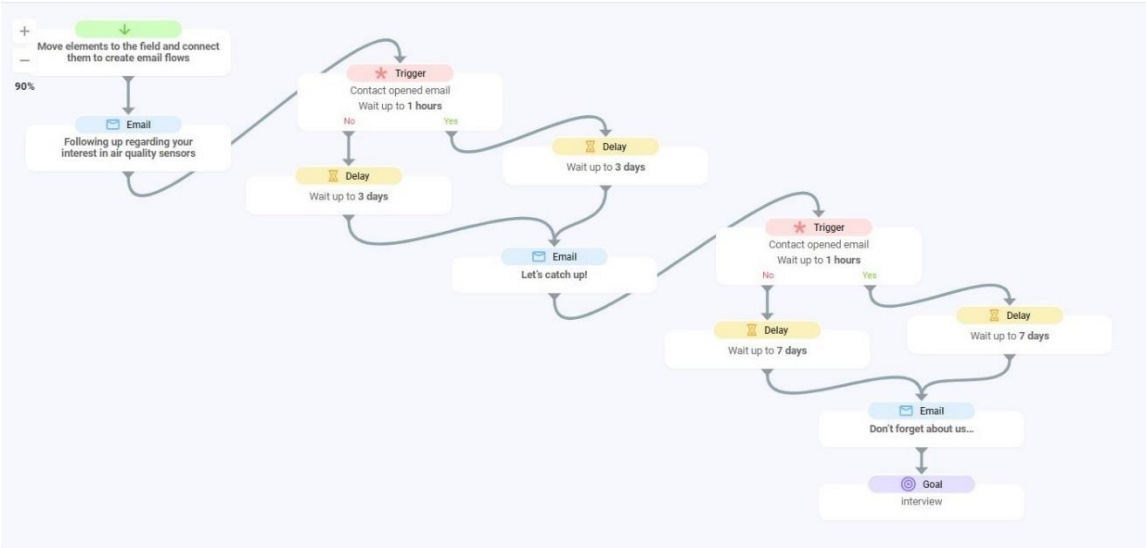

Figure 1: Course of e-mail campaign
Source: Lastni for

1.1   CAMPAIGN RESULTS

The first e-mail was received by 47 people, opened by 30 people and only 1 person answered. The text is set out in Annex 1.

The second e-mail was received by 46 people, opened by 32 people and answered by 5 people. The text is set out in Annex 2.

And the third e-mail message was received by 41 people, opened by 26 people and answered by 4 people. The text is set out in Annex 3.

Of the 47 people, 7 did not open a single email.

EMAIL	DELIVERED	OPEN RATE	CLICK RATE	REPLY RATE
1 Following up regarding your interest in air quality sensors	47	64% (30)	–	2% (1)
2 Let's catch up!	46	70% (32)	–	11% (5)
3 Not the right person?	41	63% (26)	–	10% (4)

Figure 2: Results of the e-mail campaign
Source: Lastni for

1.2   CORRESPONDENCE

I received 10 responses, to which I also replied. For some, this was just one or two emails, and some were more. It was all with the intention of having a short video call, where the product would present in more detail and find out what needs and wishes they have. Due to the low responsiveness to the video call, I answered most questions via e-mail.

I managed to get only one video call on which I also sold the product. I managed to sell one product exclusively via e-mail.

2 COST AND PRICE

Before we can focus on the different aspects of cost and price, we need a long-term resource, and that is a patent for Senspuck Pure. The current assets we need for business continuity are; product packaging, office supplies, supplies and cash.

2.1 VARIABLE AND FIXED COSTS

Since this is a marketing strategy for a product, this does not really generate fixed costs, unlike an office with its fixed costs such as heating, rent, etc. From a standard point of view, the materials needed to manufacture a product would be classified as variable cost. Packaging, shipping, marketing, subcontractors and software are also classified as variable costs.

2.2 PRODUCT PRICE

For a basic calculation of the price of the product, it is necessary to estimate the size of the market, the projected monthly income and the projected monthly profit. However, this is a new product that is added to the assortment of products already produced by the company, so it is necessary to calculate the price of the product in accordance with the prices of existing sensors that the company already produces.

Since this is a high-tech product, we can not only consider hardware, since software is also an important part of the product. Many resources are used to develop software, maintain and update it. Therefore, the initial price of the product can be high and decrease over time. The next two paragraphs are brief descriptions of the Senspuck Level Meter and Senspuck Pure properties, which give insight into pricing. There are different prices with different software.

The Senspuck SLM30 level gauge is on the market at a price of 169 euros. Measures distance and detects movement. It is used both indoors and outdoors, has a range of 15 km and works with a battery. It is easy to install, warns you in case of manipulation of the sensor and gives feedback on the battery level. Senspuck connects via LoRaWAN.

Table 1: Price SLM30

Senspuck SLM30		
quantity	retail sale	wholesale
1	169	169

Source: Lastni for

Senspuck Pure SPU10 measures CO2, TVOC, temperature, relative humidity, atmospheric pressure and ambient light level. It is powered by solar energy and made from sustainable materials, making it easy to install and integrate. With durability, there is no maintenance. It connects via 0 LoRaWAN. The price for it is 189 euros.

Table 2: SPU10 price

Senspuck Pure SPU10		
quantity	retail sale	wholesale
1	189	189

Source: Lastni for

2.3 PRICING

The price of a product is its value, expressed in money. The value of the product depends on the cost of production, supply and demand, competition and other factors. The success of our product will depend on the price. We should also know that in market-based instruments, only price generates revenue, while other marketable instruments generate costs. The price of the product can change quickly, but the effectiveness of marketing channels changes over time. Companies can also often compete in non-price-related features such as product quality (hardware and software), advertising, warranty, accessibility (location and availability), product design, packaging and brand.

Our company competes in non-price related properties such as:

- Product quality – means we pride ourselves in developing Class A software and sustainable materials for our hardware. We work to be sustainable and protect the environment.
- Accessibility – which means we don't have a physical store, we do business online. The response time is less than 24 hours. We can reach anyone who has an internet connection and does business. It is obvious that most of our business is carried out abroad and not in Slovenia.
- Product design - which means that our product is small and aesthetically pleasing, unlike other large products that are not so pleasing to the eye.
- Packaging - which means that our product is in biodegradable packaging and not in plastic packaging.
- Brand - means that the company, as a brand, is known as a reliable manufacturer, with friendly staff. We have received a lot of good feedback through the media, which only builds on our positive recognition on the market.

Companies compete at a price. Therefore, we sell the same product at a different price, as we would like to take advantage of different customer segments and their requirements. We use the so-called pricing policy.

Depending on the pricing policy, the price may vary depending on:
- Quantity - which means that we change the price of the product when the customer wants to buy, for example, 100 Senspuck Pure sensors. I insert a table with retail and reseller prices (both in euros).

Table 3: Price SPU10 - retail/wholesale sales

– Senspuck Pure SPU10		
– quantity	– retail sale	– wholesale
– 1	– 189	– 189
– >9	– 181	– 155
– >99	– 161	– 120

Source: Lastni for

- Willingness to pay – which means we can have a set price, but we offer the product at a higher price. There may not be a big difference in price, but with a large order, the difference increases even more. We used the method before, on another product, and the buyer had no problems with it.
- Variants and product line - which means for the product line Senspuck, each version has a different price, Senspuck Line Meter, Senspuck Matrix Meter and now Senspuck Pure.
- Time-fixing - in itself is not yet possible, since the product is still new. We are looking at the development of this strategy, so we are currently setting a lower price, as the product is still at an early stage and is being developed and upgraded.
- Price innovation - so far, it is more at the forefront of sales, as we are launching the product on the market. We will use the penetration price by lowering the price for the first 50 customers. First on the list are our past customers and those who organically clicked on our landing page.

Whenever we put a new product on the market, we study not only the pricing policy, but also the pricing strategy for new products. This means that we have some strategies to shape our price and these are: the selling price per product group, the selling price for optional product additives, the selling price for ancillary products, the two-part selling price, the selling price for by-products and the formation of a sales price for a bundle of products. (Marketing - Script for internal use, 2021)

Senspuck Pure is the second version of Senspuck, so we use the sales price as our product group strategy. Since we are developing several versions of Senspuk we need to set different prices for each version. Price differences must be noticeable to the buyer; But they should not be too large, as buyers would opt for a cheaper version. That is, if the difference between prices is small, then buyers are more likely to buy more expensive. This brings profit to the company if the price difference is greater than the difference in costs.

3   SUMMARY

The purpose of the project task was to see whether those who expressed interest before the release of the product, are still interested and whether it was intended to buy the product. I

think that the response to e-mails itself was small, but I do not find it surprising, because from my experience I know that I do not open all e-mails, especially if they are market-oriented. Nevertheless, I got some answers and got acquainted with the correspondence and, finally, sales. My goal has been achieved, but perhaps in a slightly smaller form. I was engaged in introducing the product to the market, and what is the interest already in the acquired leads. A further problem or goal is to investigate all our customers, organizations and persons we met at conferences.