

2011

Living America

The
Constitution
NOW

MARKETING PLAN

1. Introduction

Living America is poised to be the premier provider of online instruction and materials to individuals and organizations interested in learning about the Constitution and the founding of our great nation. The company has developed many tools and materials that help its clients to relate this knowledge to their own lives. Living America works through organizations that have common goals and interests in order to deliver their message to a larger and more diversified audience.

Living America's primary goal is to educate others about the Constitution and to influence sharing of and ensuring Constitutional principles with others.

“To awaken our inborn natural love of freedom by broadening our knowledge and motivating us to help restore and maintain our unalienable rights of life, liberty, and the pursuit of happiness, by teaching correct principles as taught by our founding fathers and guaranteed by the constitution of the United States of America.”

2. Product Description

Living America provides rich educational and media content that illustrates the history, evolution and current application of the founding documents of this country. Living America uses the brand The Constitution Now as to disseminate this message. Furthermore The Constitution Now enables citizens to understand their constitutionally-protected freedoms and shows them how to prosper more fully as a result.

The Constitution Now will employ the has 2 primary product categories in their business model.

PAID MEMBERSHIPS- which include Learning Modules and Website privileges.

A. Learning Modules- Living America’s flagship product is a series of state-of-the-art online multimedia modules designed to educate and entertain, inspiring every American to take action, LIVE their citizenship, and protect their individual freedoms.

B. Website privileges- Certain functions on the website will be available to paying members. Although there is a free membership portion of the site members will be prompted to becoming a paying member or subscriber. It is important to note that the learning modules are included in the paid membership portion

SHOPPING CART PRODUCTS- The shopping cart on Living America will offer several types of products including, pictures, videos, clothing, books and other products all related to the Constitution. These

products will be sold on the website and will be supplied by partners who will drop ship the products to the customer.

Perhaps the most important part of Living America is the ability to share information about political ideas and information in an unbiased, non partisan, dedicated site to do just that. The forums on Living America and the ability to contribute will give members great ability to have both a voice and an audience for the principles, policies, opportunities, and concerns, that so greatly impact their lives. Currently people share this on their Face Book, or Twitter account or gather together with their few friends who feel the same way. This "outlet" that Living America offers will be a great place to gather data, public opinion, and provide relevant information to our nations decision makers (congressmen and women, senators, etc.)

3. Marketing Objectives

- The initial goal is to gain 50,000 paying members to the site within the first year of operations.
- To have established affiliate relationships within the first year at least 10 affiliate organizations within the first year. Affiliates would include The Heritage Foundation, Acton Institute, Eagle Forum, Professionals for Mitt Romney, Glenn Beck, Democratic Underground, Tea Party, Constitution Party, Senator Mike Lee, CATO, the American Enterprise Institute for Public Policy Research, National Center for Constitutional Studies, and Responsible Citizen Exchange, to name a handful.

4. Marketing Strategy

The company has identified its ultimate target market, which are males between the ages of 45 and 65 with average annual incomes of \$30,000 and above. It has further identified the best medium for delivering its message is through affiliate marketing. The affiliate marketing groups that would yield the greatest results for Living America include the following.

- Constitutionally focused political parties.
- Political and Civic Organizations.
- Governmental groups and agencies

5. Marketing Program

The company's primary method for disseminating its message is through direct marketing to its target audience via affiliate relationships. The management of Living America believes the fastest way to market penetration is by "enlisting" affiliates to share this message with their followers. Living America will provide the banners, email creatives, videos, landing pages etc for the affiliate to market to their customers and sales will be tracked on the Living America website.

It is very important to explode onto the scene to maintain some sort of sustainable competitive advantage. For that reason we are enticing affiliates with a 20% residual commission and a discounted purchase price of \$6.95 a month to \$5.95 a month.

6. Financial Results

Living America anticipates enrolling numerous organizations into its affiliate program within the first year as listed before. If the company were able to enroll 10 organizations with a total active membership of 5,000,000 and if those organizations were able to convert 5% of their membership (250,000 customers) into paying customers the monthly gross revenue would be \$1,487,500.00, if they were only able to convert 2.5% of their memberships into paying customers the result would still be \$743,750.00 (125,000 customers) and if it were only to convert 1% then the gross revenue would be \$297,500 (50,000 customers).

7. Keys to Success

- Add at least 10 new affiliated organizations within year 1.
- Insure that each affiliated organization has sufficient sales materials and adequate training to convert their members into paying customers.

8. Industry Analysis

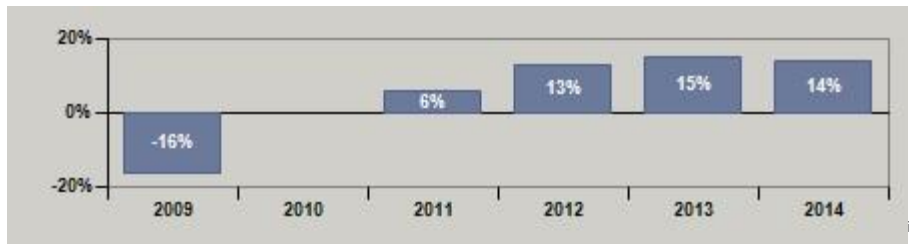
8.1 MARKET SIZE:

Living America is an Internet Publisher, which comes under the Internet Publisher and Services Industryⁱ. The Internet Publisher and Services Industry has approximately 2,300 companies with a combined annual revenue of about \$34 billion. Major companies include Google, IAC, and Yahoo!.

Living America holds a very narrow niche within the much larger \$34 billion Internet Publisher and Services Industry. The company's market size in terms of potential revenue is between \$1.6 billion to \$10 billionⁱⁱ.

8.2 MARKET POTENTIAL:

Industry Forecast - The output for US Internet publishing and broadcasting is forecast to grow at an annual compounded rate of 9 percent between 2009 and 2014.



Expert Forecast – Industry experts forecast that the Internet Publisher and Services industry will have a medium growth rate based on the fact that demand will continue to increase over the next several years as businesses expand internet use and as more businesses need efficient use of expensive labor. Certainly one major concern that continues to plague most industries currently is the slow economy and the limits that many consumers place on spending as it relates to non-essentials.

History of Market – Living America is entering a mature market. Publishing has been around since around 131 BCE and virtual learning has been around since 1728. Even modern online publishing was predicted back in 1930 in an article by Robert Brown.

Although the market is mature, the product is still unique in its content and delivery and the competitors offer very little appeal when it comes to learning about something as important as the Constitution. If someone were to type in the phrases "Constitution", "The Constitution", "Learn the Constitution", or "Constitution of the United States of America" on Google government sites populate the top searches on the search engine. Wikipedia follows afterwards and lastly company sites such as "learntheconstitution.com," "constitution.net" populate which are graphically poor with no unique content or ability to engage other than send an email and purchase someone else's product on their store. The competition is poorly marketed and their content is poor with NO sustainable competitive advantage. There are huge opportunities in this narrow niche of internet publishing.

8.3 INDUSTRY STRUCTURE:

The publishing and broadcasting segment of the industry is concentrated: the top 50 companies account for more than 60 percent of revenue. The search portal segment of the industry is highly concentrated: the top 50 companies account for more than 90 percent of revenue.

Demand is driven by consumer and business needs for information and entertainment. The profitability of individual companies depends on their ability to **deliver relevant information** to consumers and to offer advertisers desirable target markets. Large companies enjoy economies of scale in marketing and in their ability to develop and maintain multiple websites. Smaller companies can compete by focusing on niche markets. The industry is capital-intensive: average annual revenue per employee is more than \$400,000.

Companies in the Internet publishing and broadcasting and search portal industry compete with other publishers and broadcasters and with the Internet-related businesses of leading technology and entertainment companies.

The reason that internet publishing is mentioned in this marketing plan is to note that it will be of great importance to be advertising on the top internet publisher sites namely Google, MSN, Yahoo!, New York Times, Reuters, and Comcast to name a few. Although Living America will start with affiliates once year 1 goals are accomplished internet publishers will be incorporated into the marketing plan. Again our hope is to not control or necessarily compete with internet publishers save they are in the space of Constitutional information. Even those who are compliment our company quite nicely.

8.4 LEVEL OF COMPETITION:

As of July 19, 2010 the current number of companies competing in the Internet publishing and services industry are 2,300. This includes such giants as Google Inc (\$23.6 billion), IAC/Interactivecorp (\$1.3 billion), and Yahoo! (\$6.4 billion). There are two sides to this industry the publishing side and the search engine side. Living America competes on the publishing side of the industry, which is opposite of the Googles and Yahoo!s. Living America is competing with organizations such as the Heritage Foundation (<http://www.heritage.org>), the CATO Institute (<http://www.cato.org>), the American Enterprise Institute for Public Policy Research (<http://www.aei.org>), National Center for Constitutional Studies (<http://www.nccs.net>), and Oak Hill Publishing Company (<http://www.constitutionfacts.com>). Although the previously mentioned companies are competitors the marketing strategy includes making these "competitors" affiliates as the product compliments the goals and initiatives of the competition. The internet publishing and services industry is large with many new entrants each month. In the area of offering similar products and services such as Living America there are very few new entrants that have presented themselves.

8.5 TRENDS AND DRIVERS:

Major Industry Trends

Growth Begins to Moderate - After years of rapid expansion, companies are increasingly warning that they will have to work harder to keep growth strong as the industry matures. Google's revenue increased 72 percent in 2006 from 2005, but 9 percent in 2009 from 2008. Additionally, companies face more competition for advertising dollars and traffic from the movement of traditional broadcast media sources to the Internet, and low barriers to entry in the industry in general. In response to growth pressures, there is increasing consolidation in the industry.

Brands Rise in Importance - Brands have always been important in the industry, but companies now anticipate having to dedicate an increasing amount of resources to building and maintaining brands. The brand of a site is often its most important asset, as brand awareness drives Internet traffic, which drives advertising revenue. Due to an ever-expanding industry and the near continual introduction of new technology, brand development will become increasingly important in coming years. The brand of Living America is centered around patriotism and America, with a slogan of "There is prosperity in Freedom". All of our marketing material, our website, our newsletters, our videos, etc. will incorporate and focus on the one clear message of "There is prosperity in Freedom".

Advertising Networks - The largest Web search portal companies increasingly control advertising networks by aligning themselves with networks of smaller Internet publishing sites. These smaller sites and search portals contract with larger companies to display ads in exchange for royalties from

advertising revenue. While the relationships save small companies the expense of generating advertising leads, they also become increasingly dependent on the larger companies for revenue.^{iv}

8.6 DEMAND CYCLES:

The Internet publishing industry is subject to **seasonal fluctuations**; Internet use slows in the summer as consumers spend more time outside, then picks up in the fourth quarter as advertisers and consumers prepare for the holiday shopping season. During the initial growth period of the industry these seasonal fluctuations were somewhat smoothed by rapidly increasing revenues, but major companies now warn of increasing effects of seasonality as the industry matures.^v

Living America recognizes that it will face a similar seasonal fluctuation to some degree. Because of its marketing technique and delivery method it anticipates a higher level of usage than regular Internet content providers during the low summer season. Most importantly however is the October launch date of 2012. If the site is launched in October Living America can "ride" off of the wave of advertising and public focus on politics with the presidential election in 2013.

New Focus

Commonly called the Millennial Generation or Generation Y, young voters rival the Baby Boomers in size and are the most diverse generation in history. Millennials were nearly 45 million strong in 2008. By 2015, this generation will make up one-third of the electorate. Voters ages 18-29 were 21% of the electorate (41.9 million) in 2006. 39% of Millennials identify as non-white, making them the most diverse generation in American history. Young Latinos account for the largest percentage of the population boom. The vast majority of young people are not in college; in fact, only an estimated 25% of 18-24 year-olds attend a four-year college full time.

Young voter turnout tripled or even quadrupled in many primary states. Over 6.5 million young voters participated in the primary contests or caucuses this year, an increase of 103% over 2004. Sixty-nine percent of young people say they are likely to vote in this election and 49% say they are very likely to vote, according to a recent poll. In 2006, 10.8 million young voters went to the polls, up nearly two million from 2002.^{vi}

These voters will very likely be interested in the founding documents of this country as they are awakened to the importance of citizenship in their own lives. Therefore tapping into media sources, (as previously mentioned), and establishments (state Universities, colleges, etc) will be important to tap into with the young voters. These marketing initiatives will be focused on once the 50,000 membership goal is reached.

8.7 LEGAL, POLITICAL & ECONOMICAL FACTORS:

The regulatory environment of the industry is in a continual state of flux, as laws designed for traditional media are slowly adapted to the more dynamic Internet environment. Often this process begins in a courtroom, which can be very expensive for larger companies; one example is a spate of lawsuits that address the potential liability of online service providers for users' behavior. Internet publishing companies also rely on **copyright laws**, patents, and intellectual property (IP) laws to protect their proprietary software and search algorithms. For example, the PageRank technology used by Google to

generate search results is patented and held by Stanford University; Google's exclusive access to it expires in 2011. Now Google dominates the search engine space and will be highly utilized as the main form of accessibility to Living America outside of affiliates.

Copyright laws can also negatively impact companies in the industry; the Digital Millennium Copyright Act, for example, could establish liability for content providers who link to or display copyrighted content if permission for its use has not been received. Information collection and privacy are also major issues for the industry as some companies expand into data management. **Children are protected** via guidelines that establish what information can be collected from them, and the content they are allowed to view, through the Child Online Protection Act (COPA) and the Children's Online Privacy Protection Act (COPPA).^{vii}

8.8 SOCIOCULTURAL FACTORS

Lifestyle and sociocultural changes

"This has been a tumultuous decade for the United States. During the first 10 years of the 21st Century, there was a major terrorist attack, a housing meltdown, a severe economic recession, and a significant downturn in the U.S. stock market. Unemployment recently passed the 10 percent mark for the first time since 1983. Household wealth increased somewhat with the stock market gains during the past year, but remains well below prerecession levels. Household net worth dropped by more than \$10 trillion during the recession—the largest loss of wealth since the federal government started keeping records of wealth accumulation 50 years ago. Trends in stock market indicators, household wealth, consumer confidence, and labor force participation are widely reported and used to measure the health of the U.S. economy.

As of October 2009, nearly 16 million people in the United States were unemployed, roughly equal to the populations of Michigan and Wisconsin combined. The official unemployment rate was just over 10 percent, but if marginally attached and involuntary part-time workers are included, the rate rises to more than 17 percent. Most people have been affected by the recession, but blacks and Latinos have been hit particularly hard. In 2000, there was a 4-percentage-point gap between unemployment rates for whites and blacks. By 2009, this gap had grown to nearly 7 percentage points. There was a similar increase in the unemployment gap between whites and Latinos. In October 2009, 15 percent of blacks and 12 percent of Latinos were unemployed."^{viii}

Due to these economic conditions and factors the main product of Living America are broken up into monthly payments below \$7.00 dollars. While there will not be a focus on one socioeconomic class or a race of people the branding message of "There is Prosperity in Freedom", will engage people that are interested in bettering their economic circumstance. Living America believes that this message appeals to the largest audience and will be easy to "echo" that message in the products that the company offers.

9. Distribution Channels

Living America has chosen to market its products and services through affiliates. The company will provide 20% of gross as compensation for each \$5.95 Learning Module/Membership sold to its affiliates.

The products featured in the shopping cart will have variable commissions but will be a secondary focus to the Learning Modules.

The company also has its product offering online for direct purchase and will advertise its products online and through email marketing campaigns.

10. Competitive Analysis

10.1 COMPETITIVE LANDSCAPE

Competition across the entire industry is substantial with a total of 2,300 companies actively marketing. In the narrow niche in which Living America participates the competition is greatly reduced and can be considered moderate. There are approximately 30 companies that are in direct competition with 4 direct and indirect strong competitors, as well as 2 additional competitors that have related products. There are very few new entrants into this niche industry each year. Many of the competitors are foundations funded by financial contributions. They primarily provide research and other materials. There are very few barriers to entry in this industry. The primary barrier to entry is to develop relevant content. Living America has spent substantial time and resources developing relevant content to provide to its customers. The company's competitive advantage is that it has collected over many years materials that few competitors would be able to locate and utilize properly. Additionally the uniqueness of the learning modules (unique product) and the affiliate relationships will create a huge gap between any potential competition.

10.2 KEY PLAYERS

Direct Competitors

1. National Center for Constitutional Studies (<http://www.nccs.net>) - The National Center for Constitutional Studies (NCCS) is a non-partisan, non-denominational, constitutionalist organization founded by Cleon Skousen. It was formerly known as The Freeman Institute. The center ran conferences in the 1980s and 1990s through a non-profit it controlled, "The Making of America Conferences, Inc." Board members of this non-profit included Skousen, William H. Doughty, Donald N. Sills, and Glenn Kimber.^{ix}
2. Oak Hill Publishing Company (<http://www.constitutionfacts.com>) - Oak Hill Publishing is a private company categorized under Books, Publishing Only and located in Naperville, IL. Our records show it was established in 1993 and incorporated in Illinois. Current estimates show this company has annual revenue of 160,000 and employs a staff of approximately 2. In the early 1990's Oak Hill published the first edition of "The U.S. Constitution & Fascinating Facts About It" as a resource for law students. Today, they publish the book in both English and Spanish language editions (as well as more than thirty other languages through their custom bookstore). They are the largest publisher of pocket constitution books in the world. Retail sales of the book, combined with their free book program, deep discounts for organizations, schools and others have made them a resource for educating people about the Constitution.^x

Indirect Competitors

- Heritage Foundation (<http://www.heritage.org>) – A conservative public think tank, the Heritage Foundation offers research and advocacy on topics ranging from agriculture and labor to missile defense, religion, crime, and education. The Heritage Foundation promotes a conservative agenda based on the tenets of free enterprise, limited government, individual freedom, traditional American values, and a strong national defense. The foundation is supported mainly by individuals, as well as by other foundations and by corporations. Its donors number 410,000 (currently reported at 684,000) and its expense budget has reached \$61 million. The late beer magnate Joseph Coors provided seed money for The Heritage Foundation, which was founded in 1973.^{xi}

The Heritage Foundation employs a national advertising campaign that includes radio, television, and internet ads. The Heritage Foundation is regularly mentioned on Glen Beck and other conservative talk shows. The company has grown substantially over the years currently reporting that they have as much as 684,000 members currently.^{xii}

The Heritage Foundation is a major competitor to Living America because of its financial backing and resources and must be considered as an affiliate where product will be distributed.

- The CATO Institute (<http://www.cato.org>) - The Cato Institute is a libertarian think tank headquartered in Washington, D.C. It was founded by Charles Koch, chairman of the board and chief executive officer of the oil conglomerate Koch Industries, Inc., the second largest privately held company (after Cargill) by revenue in the United States, together with Edward H. Crane and Murray Rothbard in 1977.

The Institute's stated mission is "to broaden the parameters of public policy debate to allow consideration of the traditional American principles of limited government, individual liberty, free markets, and peace" by striving "to achieve greater involvement of the intelligent, lay public in questions of (public) policy and the proper role of government." Cato scholars conduct policy research on a broad range of public policy issues, and produce books, studies, op-eds, and blog posts. They are also frequent guests in the media.

The Cato Institute is named the fifth most influential think tank in the world in a study by the University of Pennsylvania in 2010. The same research named Cato the world's "top think tank for innovative ideas" in 2009. The Cato Institute has a budget of \$29 million.^{xiii}

The Cato Institute also employs a national advertising campaign that includes television, radio, and internet ads. The Cato Institute is regularly mentioned on Sean Hannity and other conservative talk shows.

Related Products

- American Enterprise Institute for Public Policy Research (<http://www.aei.org>) - The American Enterprise Institute for Public Policy Research (AEI) is a conservative think tank founded in 1943. Its stated mission is "to defend the principles and improve the institutions of American freedom and democratic capitalism—limited government, private enterprise, individual liberty and

responsibility, vigilant and effective defense and foreign policies, political accountability, and open debate." AEI is an independent non-profit organization supported primarily by grants and contributions from foundations, corporations, and individuals. It is headquartered in Washington, D.C.^{xiv}

6. Center for Civic Education (<http://www.civiced.org/index.php>) - The Center for Civic Education, based in Los Angeles, California, has its roots in the interdisciplinary Committee on Civic Education formed at the University of California, Los Angeles in 1964. The Committee was established to develop more effective curricular programs in pre-collegiate civic education. Charles Quigley became the Committee's executive director in 1965. The Committee's programs were field-tested throughout the nation.

In 1969, the State Bar of California asked the Committee on Civic Education to develop a statewide civic education program. This curricular effort, called the Law in a Free Society project, focused on basic concepts of constitutional government such as justice, authority, privacy, and responsibility. The project was designed to serve kindergarten through twelfth grade and was funded by the National Endowment for the Humanities. In 1981, the Center for Civic Education became an independent nonprofit organization, although it remains affiliated with the State Bar.^{xv}

10.2.1 KEY PLAYERS VS. YOUR COMPANY

| Direct Competitors | Market Share | Product or Service Description | Product or Service Features | Strengths | Weaknesses | Marketing Strategy | Aggressiveness (High, Low, Medium) | Threat Level (High, Low, Medium) |
|---|--------------|--|---|---|--|--|------------------------------------|----------------------------------|
| National Center for Constitutional Studies | Less than 1% | American Government & US Constitution | Lesson from the "5000 Year Leap" | <ul style="list-style-type: none"> Original Provider of Materials. Author founded company | <ul style="list-style-type: none"> Lack of cohesive advertising Ineffective website presence. | <ul style="list-style-type: none"> Radio – Glen Beck Web Marketing | Medium | High |
| Oak Hill Publishing Company | Less than 1% | Pocket Constitution and Facts | Company publishes a pocket constitution w/a facts guide | <ul style="list-style-type: none"> Original Provider of Materials Strong web presence. | <ul style="list-style-type: none"> Lack lessons on the Constitution | <ul style="list-style-type: none"> Web Marketing | Low | Medium |
| Indirect Competitors | | | | | | | | |
| Heritage Foundation | 2% | Annual Membership (Donations) | Myheritage.org provides a regular newsletter and a number of helpful resources to members | <ul style="list-style-type: none"> Financial Resources National Advertising Celebrity endorsements In house research & products | <ul style="list-style-type: none"> Charitable institution w/o profit motive Large organization may be unresponsive to needs of members | <ul style="list-style-type: none"> Television Radio Web Marketing Celebrity endorsements such as Rush Limbaugh, Sean Hannity, Glen Beck & others | High | Medium |
| Cato Institute | 1.7% | Annual Membership (Donations) | Newsletter and other in house developed products and research reports | <ul style="list-style-type: none"> Financial Resources National Advertising Celebrity endorsements In house research & products | <ul style="list-style-type: none"> Charitable institution w/o profit motive Large organization may be unresponsive to needs of members | <ul style="list-style-type: none"> Television Radio Web Marketing Celebrity endorsements such as Sean Hannity and others | High | Low |
| Related Products | | | | | | | | |
| American Enterprise Institute for Public Policy Research | Less than 1% | Newsletter and other publications | Newsletter, emails, online exclusive premium content, access event materials | <ul style="list-style-type: none"> Financial Resources In house research & products | <ul style="list-style-type: none"> Charitable institution w/o profit motive Large organization may be unresponsive to needs of members | <ul style="list-style-type: none"> Web Marketing | Medium | Low |
| Center for Civic Education | Less than 1% | Student Textbooks, Resource Materials, Multimedia Tools, Other Materials | Student textbooks involving the Constitution and Democratic Principles | <ul style="list-style-type: none"> Financial Resources Company published materials In house research & products | <ul style="list-style-type: none"> Charitable institution w/o profit motive | <ul style="list-style-type: none"> Web Marketing | Medium | High |

TABLE 2. Main Competitors

10.3 COMPETITIVE ADVANTAGE

There are two major competitive advantages. The use of technology and the team behind Living America and can be summarized in this paragraph.

With our team of skilled writers and multimedia professionals, Living America brings to life the documents that forged this country and helps participating members appreciate the real meaning and significance the founding documents continue to hold in these modern times. We accomplish this by offering online memberships, forums, and high value product content that instill understanding, give more meaning to citizenship and challenge our members—all in an entertaining and engaging way.

Comparison with Competitors

The comparison to the competitors are largely using a dry approach to teach this all important aspect. Competition consists mostly of quite unentertaining constitutional experts who write books or create a DVD series that is sold via mailers and marketed through the media outlets like the History Channel and PBS. The challenge to such a narrow approach is that all the competitors focus on the same category.

3.4 Strategic Group Map

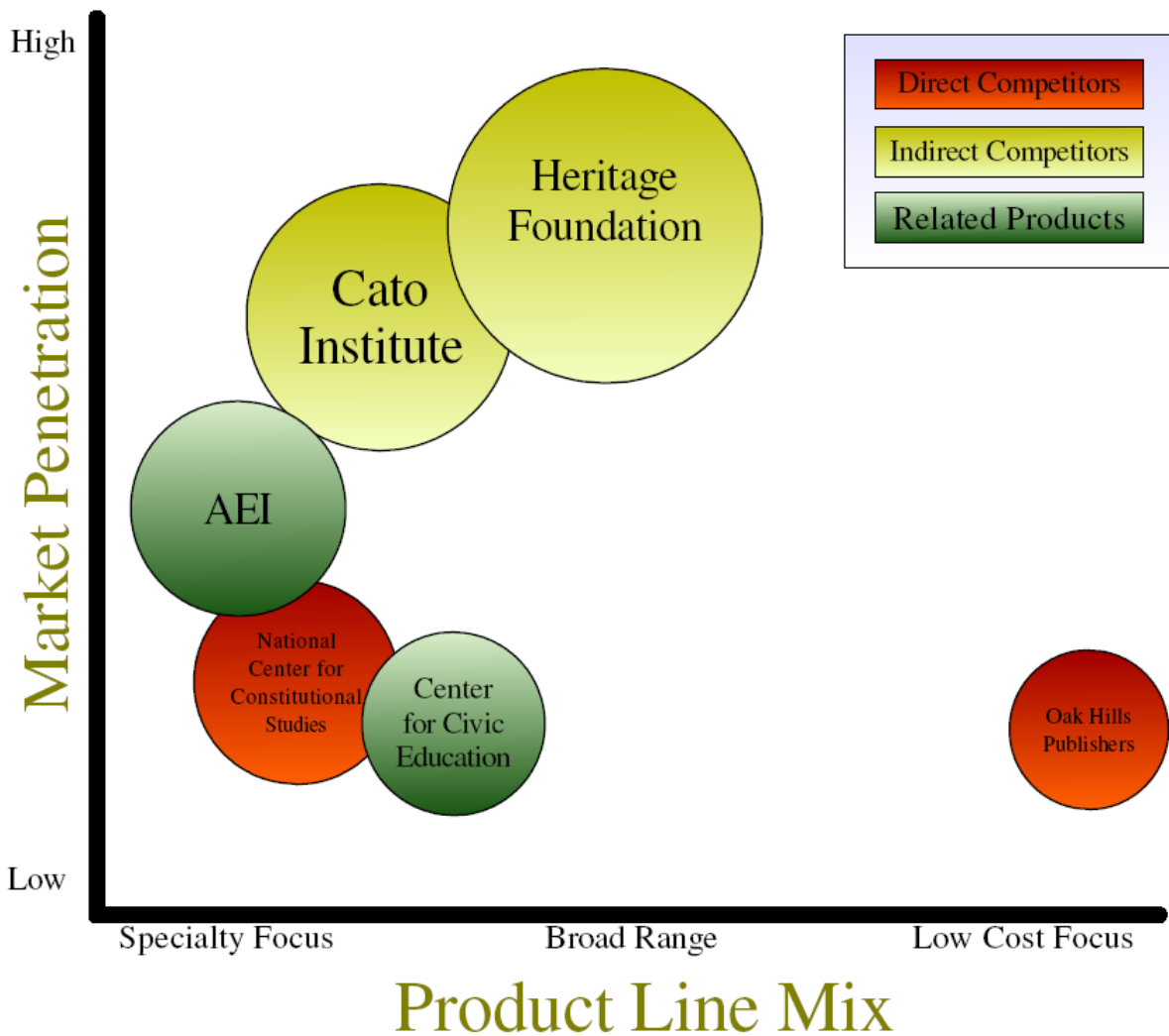
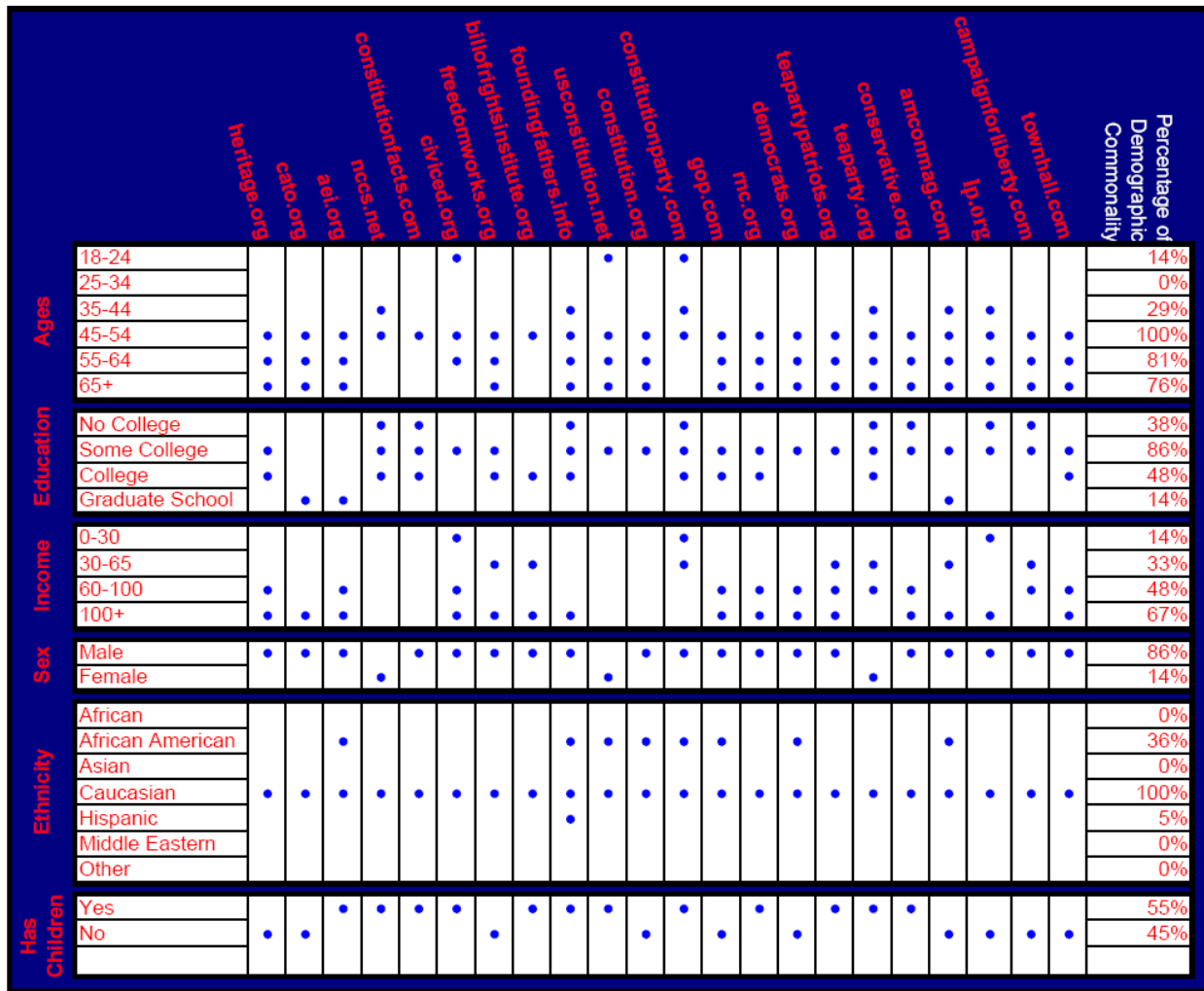


FIGURE 1. Strategic Group Map

11 Customer Analysis

11.1 SEGMENTATION DIMENSIONS

In determining segmentation dimensions we felt it important to review the traffic statistics and demographics of websites that have similar products and services such as our direct and indirect competitors. In considering segmentation we felt that the demographic data most relevant to our market were age, education, income, sex, ethnicity, and whether people have children. Here is what was found.



In addition to the demographics mentioned and analyzed above we feel that our target market is the political conservative or independent, early adopter, who has made purchases or donations online in the past, has very little resistance to change, and who has some familiarity with technology.

11.2 TARGET MARKET

Our target markets are those organizations that have regular traffic of early adopters, who have made purchases or donations online in the past, have little resistance to exploring new products, and a familiarity with technology. The target customer is between the ages of 35 and 65, with some college or possibly a degree, and an income between \$30,000 and \$100,000.

Our target customer visits sites such as The Heritage Foundation, Acton Institute, Eagle Forum, Glenn Beck, Democratic Underground, Tea Party, Constitution Party, CATO, the American Enterprise Institute for Public Policy Research, National Center for Constitutional Studies, and Responsible Citizen Exchange etc. Although our target demographic is largely politically conservative in nature our hope is to involve liberal view points and customers as well.

11.3 SWOT ANALYSIS

| | |
|---|---|
| <p>STRENGTHS</p> <ul style="list-style-type: none"> • Knowledgeable Team • Strong Affiliate interest (pre launch) • Passionate about message and dedicated to success • Strong Brand message • Attractive mission – hits a responsive chord with people | <p>WEAKNESSES</p> <ul style="list-style-type: none"> • Financial Resources • Poor Brand Awareness • Lacking strong website (current problem) • Lack of full-time effort • Literally bootstrapping the company |
| <p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Growing Demand • Changing customer tastes • New distribution channels • Increasing citizenship involvement (voters) • People looking for answers as economic conditions continue to struggle. • Timing of election cycle • Frustration of citizens who are looking for change and individual power • | <p>THREATS</p> <ul style="list-style-type: none"> • Without sufficient funding could lose opportunity to competitor • Internet security threats from anti patriotism, socialist, and other politically motivated groups. • Weak brand acceptance due to inadequate exposure • Over politicization of our site • Partisan efforts to attack the site and its contents, mission and stated objectives |

TABLE 3. SWOT

12 Analysis of Marketing Activities

12.1 ANALYSIS OF COMPANY’S MARKETING PROGRAMS

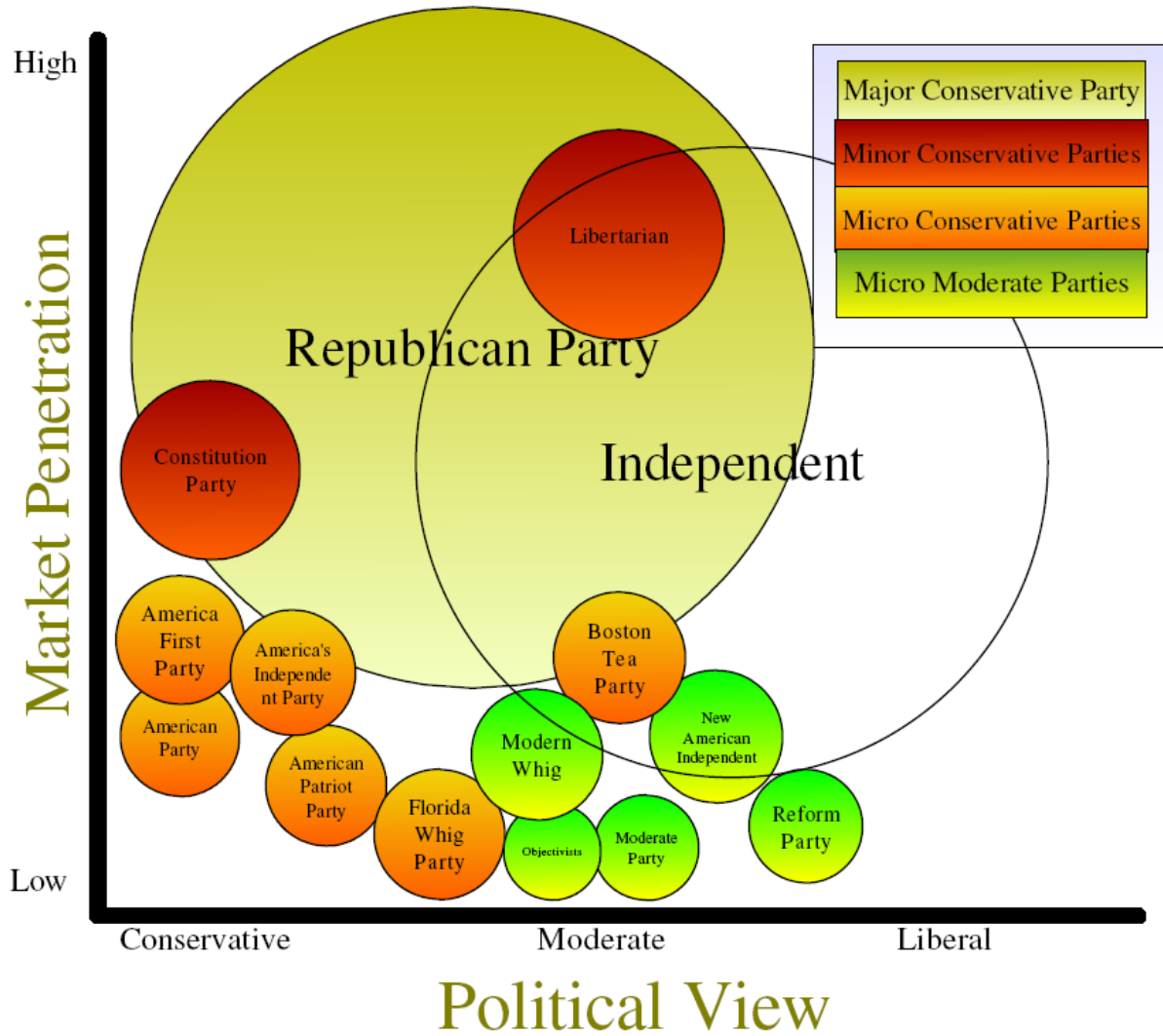
Targeting Strategy

The main product is an online learning module for learning about the Constitution and applying its principles in our daily lives. The company has determined that its target market is 45 - 65 years olds, college educated and degree holders, with income between \$30,000 and \$100,000. Overwhelmingly, our target market has been shown to be male of Caucasian, who has children. Further since our

product is an online resource that is primarily delivered through email correspondence it was important for our target market to be sufficiently capable of navigating basic technology.

Our current targeting strategy has been centered on locating distribution channels that have high traffic involving most of our primary target market characteristics.

The company has chosen to target conservative and moderate political parties. It has outlined some of the parties that it would be targeting based on size and market share. Although there are no Democratic parties mentioned here we believe that many of that demographic will be introduced to the product via social networking and going to universities, colleges, etc.



With a demographic makeup of:

| | | The Right | | | The Middle | | The Left | | | | |
|-----------|---------------------|----------------------|-----|-----|------------------------------|-----|------------------------|-----|-----|-------------------------|-----|
| | | Social Conservatives | | | Pro-Government Conservatives | | Disaffecteds | | | Bystanders | |
| | | Enterprisers | | | Upbeats | | Conservative Democrats | | | Disadvantaged Democrats | |
| | | Liberals | | | | | | | | | |
| | | Total | | | | | | | | | |
| Party | Democrat | 46% | 1% | 1% | 3% | 14% | 10% | 98% | 99% | 92% | 38% |
| | Republican | 45% | 98% | 97% | 86% | 73% | 60% | 0% | 0% | 2% | 39% |
| | Independent | 9% | 1% | 2% | 11% | 13% | 30% | 2% | 1% | 6% | 23% |
| Education | High School Dropout | 12% | 3% | 7% | 16% | 4% | 18% | 14% | 23% | 2% | 24% |
| | High School | 37% | 26% | 39% | 43% | 25% | 52% | 44% | 44% | 23% | 49% |
| | Some College | 24% | 25% | 26% | 26% | 33% | 18% | 26% | 20% | 26% | 14% |
| | College Graduate | 27% | 46% | 28% | 15% | 37% | 11% | 16% | 13% | 49% | 13% |
| Income | 0-20 | 19% | 7% | 11% | 32% | 10% | 27% | 20% | 32% | 12% | 27% |
| | 20-30 | 16% | 6% | 15% | 17% | 8% | 17% | 22% | 20% | 12% | 26% |
| | 30-50 | 25% | 25% | 27% | 30% | 23% | 27% | 29% | 26% | 20% | 24% |
| | 50-75 | 16% | 21% | 17% | 11% | 20% | 16% | 14% | 14% | 15% | 15% |
| | 75 and higher | 24% | 41% | 30% | 10% | 39% | 13% | 15% | 8% | 41% | 8% |

Position Strategy

Living America is in the process of positioning itself as the leader in delivering constitutionally based learning by leveraging technology and cutting edge multimedia productions all delivered virtually on the website. Having a website be the primary source of the learning modules is so important because it keeps consumers returning to the site on a very regular basis to engage others and access the information that they paid for.

Branding Strategy

The brand is more than a logo; it encompasses the experience a customer has with the company. The brand is the immediate image, emotion, or message people experience when they think of the company and its product. Our logo design keeps liberty and America in mind. Our slogan of "There is Prosperity in Freedom", reiterates why liberty and being a true American is so important. We believe we have a powerful brand.

Advertising Strategy

The marketing and advertising strategy will be encompassed by an adoption campaign. The hope is that affiliates "adopt" the Living America products and that the end consumer adopts the products by seeing added benefit to the program. Adoption campaigns are successful when there is relatively low risk in purchasing the product. At a price point of \$6.95, consumers have little risk in testing it out. To further entice consumers the free portion of the site will allow members to create profiles and experience the product and portions of the site at no cost, allowing for slow adopters to purchase at their pace. In other words, our advertising seeks to *inform, persuade, and remind* the consumer about the importance of liberty and give them a destination to learn, share, and persuade others about it. Living America intends to use a number of resources in order to disseminate its message.

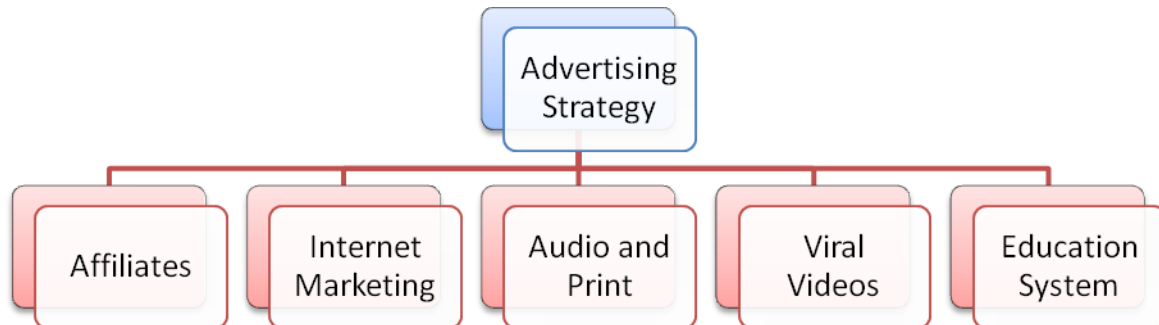
First and foremost the company will employ affiliates to market its products to customers that have existing relationships. As mentioned previously some of these affiliates will include political parties, civic and political organizations, educational institutions, and government organizations.

Second it will fully utilize the internet through website SEO, email marketing campaigns, pay-per-click campaigns, and other online tools to be discussed later.

Third advertising method that the company will be employing is audio and print, both FM and AM radio. Living America will focus its audio and print advertising efforts on its primary target market such as conservative talk radio and other strong print/news destinations.

Fourth, Living America will develop a video campaign, which will include promotional videos and infomercials. The videos will be available on YouTube and other video resources.

Fifth, Living America will develop products and strategies to market to schools. Living America will tap into groups who sell to charter schools, public schools, and private schools and compensate them with a commission or a whole sale price.



Promotional Strategy

Living America intends to employ a diverse method for promoting its company and products. First it will execute on the advertising strategy described above. It will further employ a public relations to build name recognition for its brand. Personal selling to affiliates will always be a method of promoting the company. The company will be sending regular newsletter advertisements to a large number of potential customers each month. Further, the company will follow its plan for increasing traffic to our website through internet marketing.

Public Relations Strategy

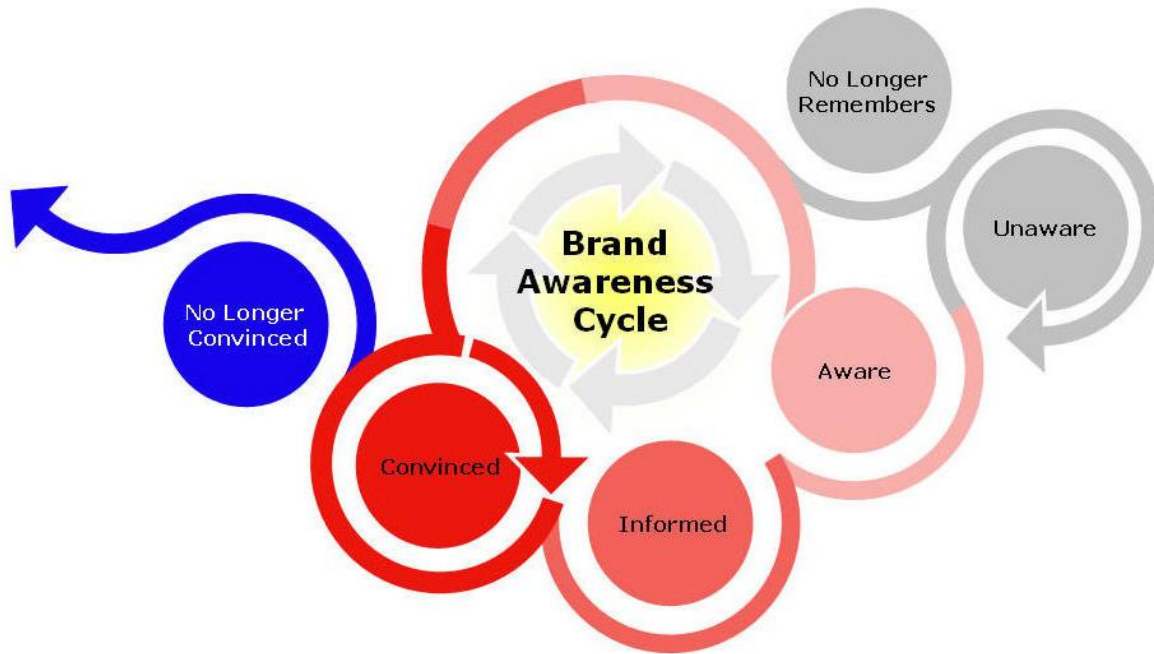
NOT DEVELOPED YET but will include TV, Radio, Internet publishers, and print similar to what OTN has done here... <http://www.olivetreenetwork.com/press.html>

Publicity Strategy

The company will be:

- Developing a calendar that ties program ideas to key events and spreads the programs out over the year.
- Develop a list of events that may offer good speaking opportunities.
- Identifying publications, reporters and bloggers who cover subjects that are relevant for the company (As mentioned under the public relations strategy).
- Creating traditional and online press materials to give reporters support materials for their stories.

Brand Awareness Cycle



12.2 BRAND STRENGTH

As you look over this brand awareness cycle it is clear that developing brand awareness is a difficult thing. With an average of over 7000 messages a day the general public is bombarded by advertising and marketing messages. There are many factors and a myriad of possibilities for how a brand will be received and how long an individual will maintain that awareness. The goal is to take a customer from unaware to convinced as quickly as possible without the passing over into the realm of unconvinced or remaining in the cycle of no longer remembers. The way that Living America will accomplish this goal is with the following key factors.

A strong branding message. "There is Prosperity in Freedom". This message makes it easy to relate to a broad audience and has almost universal appeal to everyone.

A technologically advanced and "hip/edgy" product. Having technological appeal is of pinnacle importance. With the increased use of tablets, laptops, phones, not to mention desktops, all interacting with a website Living America will employ top of the line developers to keep up with the technological demands.

An attractive price. Under seven dollars a month.

A web based delivery method. This factor is particularly important in keeping brand awareness high because customers will continually come back to the site for the delivery of the learning modules and interaction with other members.

Customer Loyalty

Customer loyalty in sites such as ours is built in the community which the site fosters. Loyalty depends on perceived continued value, and a sense of belonging. This makes our forum and various communities vital to building customer loyalty. Our community will offer points and badges for participation, as well as occasional freebies to community participants.

Another vital component of building loyalty will be the regular addition of fresh, valuable content. Thus, the customer will see that the value of their initial purchase has continued to grow beyond their initial investment.

Customer Satisfaction

Customer satisfaction is a function of perceived value and needs that are met. If the initial expectations of the purchase are met or exceeded, customer satisfaction remains high. The approach to this product will be continual development, addition of new content and features, and the expansion of offerings beyond the customer's initial purchase. Ongoing measurement of customer satisfaction will play a vital role in ascertaining real and perceived value in our customers.

Brand Awareness/Recognition/Reputation

The strength of our brand awareness campaign lies in affiliate participation. By extension and association with strong affiliates, The Constitution Now will have the potential to achieve a viral following, and thus strong brand recognition. This could also work against The Constitution Now, as various political groups potentially target the content and approach. We have taken great care to present material that is non-partisan, and well-researched. The credibility of our material, our site and our presentation will help to create the recognition and reputation of the highest quality.

ⁱ NAICS 5161, 518112, 519130

ⁱⁱ Market size is based on a total US population of 309,162,581, with a majority of males (49.3%), along with a minority of females (23%) being interested in the type of service offered. Target population has an average salary of \$50,000 or more (32.35% of the population) and has views at least leaning in the direction of American Truth Restored (73% of the population). Considering all these criteria the target market is equal to 40,276,479. The minimum product offering is \$49.95 with a potential of upsells and cross-sales giving a lifetime per customer value of \$250.00.

ⁱⁱⁱ Forecasts are based on INFORUM forecasts that are licensed from the Interindustry Economic Research Fund, Inc. (IERF) in College Park, MD. INFORUM's "interindustry-macro" approach to modeling the economy captures the links between industries and the aggregate economy.

^{iv} Hoover's Industry Profile Quarterly Update 07/19/2010.

^v Hoover's Industry Profile Quarterly Update 07/19/2010.

^{vi} <http://www.yda.org/tools/19/youth-statistics>

^{vii} Hoover's Industry Profile Quarterly Update 07/19/2010.

^{viii} "U.S. Economic and Social Trends Since 2000" by Linda A. Jacobsen and Mark Mather, February 2010
<http://www.prb.org/pdf10/65.1unitedstates.pdf>

^{ix} <http://www.nccs.net>

^x <http://www.manta.com/c/mm507sz/oak-hill-publishing>, <http://www.constitutionfacts.com>

^{xi} http://en.wikipedia.org/wiki/The_Heritage_Foundation

^{xii} <http://www.heritage.org/About>

^{xiii} http://en.wikipedia.org/wiki/Cato_Institute

^{xiv} http://en.wikipedia.org/wiki/American_Enterprise_Institute

^{xv} <http://www.civiced.org/index.php>