

# Tuesday Morning

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Ms. L. Njoroge  
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Tuesday  
Morning

Part 1  
Situation Analysis

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## Company Information

Company Name: **Tuesday Morning**

Founded: **1974**

Headquarters: **Dallas, TX**

Ticker: **TUES**

Stock: **\$4.22 USD (01/31/2017)**

C-Suite:

CEO – **Steven Robert Becker**  
CFO – **Stacie R. Shirley**  
CIO – **Trent E. Taylor**  
COO – **Phillip D. Hixon**  
CMO – **Belinda Byrd-Rohleder**

## Company History

Lloyd Ross founded Tuesday Morning in 1974. Tuesday Morning started from a small warehouse garage sale, and eventually turned into a million dollar company. Ross wanted to sell domestic and international closeouts items anywhere from home furnishing, to gourmet food, to fashion accessories.

In 1984, Tuesday Morning became a publicly owned company and started sending out print ads to consumers in the local area of their first store in Texas. After planting their second store in 1994, Ross wanted to move with technology of different software's and computer systems. This move helped better Tuesday Morning's logistical plan for inventory and merchandise traffic. As Web 4.0 hit in 2010, Tuesday Morning went live on Twitter, Facebook, and YouTube. Within 2015, Tuesday Morning recently closed out 21 stores out of their 774 brick-and-mortar locations because of a net loss. Between 2016 and 2017, Tuesday Morning is forecasted to open and or relocate 30 mortar locations and result with an increase in profit by about 4%.

## Previous Advertising Campaigns

Tuesday Morning's advertisements all tend to display Tuesday Morning's low prices as well as compare prices to other stores. The advertisements also feature the same font so consumers can recognize the store from the font instead of the company name, because not all ads prominently display Tuesday Morning's company name.

**Ad 1** – This first advertisement features teacups, pictured to look upscale and the \$4.99 price is bolded, drawing the consumer's attention.

**Ad 2** – This second advertisement is a flyer depicting a spring sale event and the company's logo, date, and the occasion for the sale catch the consumer's eye here.

**Ad 3** – The third advertisement appears to be an Easter decoration and its \$19.99 price is printed largely on the advertisement.

**Ad 4** – The fourth advertisement displayed here shows some outdoor furniture, and as the other advertisements do, the price and compare price are displayed and aids the store by advertising its products diversity.



## Mini-PEST Analysis

P: **Political**

E: **Economic**

S: **Social**

T: **Technological**

### **Political**

1. US President: **Donald Trump (Republican)**
  - a. Republican Nominee: **Donald Trump**
  - b. Democrat Nominee: **Hillary Clinton**
  - c. Voter Turnout 2012: **54.87% (▼ 3.36% from 2008)**
2. US Congress
  - a. US Senators
    - i. # of Senators: **100**
    - ii. Majority Leader: **Mitch McConnell**
      1. Voting: Voted states do not need to require online vendors to negotiate sales and use taxes within the state where the sale took place (2013).
    - iii. Minority Leader: **Chuck Schumer**
      1. Voting: Voted for tax breaks and extended bonus depreciation for certain businesses (2013).
    - iv. Republican: **52**
    - v. Democrat: **46**
    - vi. Independent: **2**
    - vii. Source:  
[https://en.wikipedia.org/wiki/Party\\_leaders\\_of\\_the\\_United\\_States\\_Senate](https://en.wikipedia.org/wiki/Party_leaders_of_the_United_States_Senate)

- b. US Representatives
  - i. # of Representatives: **435**
  - ii. Majority Leader: **Kevin McCarty**
    - 1. Voting: Voted to increase minimum wage (2016).
  - iii. Minority Leader: **Nancy Pelosi**
    - 1. Voting: Voted against training workforce with state block grants and industry partners (2013).
  - iv. Republican: **240**
  - v. Democrat: **194**
  - vi. Independent: **0**
  - vii. Vacancies: **1**
  - viii. Source:  
[https://en.wikipedia.org/wiki/United\\_States\\_House\\_of\\_Representatives](https://en.wikipedia.org/wiki/United_States_House_of_Representatives)

## Economic

- 1. Unemployment Rate
  - a. National: **4.9%**
  - b. Headquartered State: **Texas, 4.6%**
  - c. Source: <https://www.bls.gov/web/laus/laumstrk.htm>
- 2. Cost of Oil (WTI)
  - a. BBL: **\$2.66**
  - b. Change: **▲0.03¢**
  - c. Change: **▲0.5%**
  - d. Source: <http://data.cnbc.com/quotes/WTI>
- 3. Mortgage Rates
  - a. National
    - i. 30 Year FRM: **4.19%**
    - ii. 15 Year FRM: **3.41%**
    - iii. 5 Year ARM: **3.23%**
    - iv. Source: <http://www.freddiemac.com/pmms/>

- b. Headquartered State: **Texas**
  - i. 30 Year FRM: **4.06%**
  - ii. 15 Year FRM: **3.19%**
  - iii. 5 Year ARM: **3.24%**
  - iv. Source: <http://www.bankrate.com/texas/mortgage-rates.aspx>

## Social

- 1. Household Income (2015)
  - a. National: **\$55,775**
  - b. Headquartered State: **\$55,653**
  - c. Source: <http://www.deptofnumbers.com/income/texas/>
- 2. Poverty Rate (2015)
  - a. Threshold for 4 person family: **\$24,257**
  - b. National %: **13.5%**
  - c. Headquartered state %: **17.2%**
  - d. Source: <http://www.irp.wisc.edu/faqs/faq1.htm#thresholds> and [https://en.wikipedia.org/wiki/List\\_of\\_U.S.\\_states\\_by\\_poverty\\_rate](https://en.wikipedia.org/wiki/List_of_U.S._states_by_poverty_rate)
- 3. Racial Composition – White, Not Hispanic %
  - a. National %: **61.6%**
  - b. Headquartered State: **43.0%**
  - c. Source: <https://www.census.gov/quickfacts/> and <https://www.census.gov/quickfacts/table/PST045216/48>

## Technology

- 1. Technology Breakthroughs according to MIT top 10 list of 2016 (Pick 3)
  - a. **Immune Engineering**
  - b. **Robots that Teach Each Other**
  - c. **Slack**
  - d. Source: <https://www.technologyreview.com/lists/technologies/2016/>



**SWOT Analysis**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• High profitability and revenue and low expenses cost.</li> <li>• Low labor costs</li> <li>• High product assortment</li> <li>• Brick-and-mortar locations</li> <li>• Vendor and Supplier</li> </ul>	<ul style="list-style-type: none"> <li>• Not growing with their target market</li> <li>• Unavailability of merchandise</li> <li>• Large amount of liquidations</li> <li>• Too much overhead</li> <li>• High product cost.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Becoming more active on digital platforms</li> <li>• Grow in advertising</li> <li>• Business expansion</li> <li>• Internal reconstruction</li> <li>• New Brick-and-mortar contracts</li> </ul>	<ul style="list-style-type: none"> <li>• The Digital Revolution</li> <li>• Competitors like WalMart, Costco, Target.</li> <li>• New Brick-and-mortar contracts</li> <li>• Continuous closing out of stores</li> <li>• Low stock value</li> </ul>

## The Offerings

### Industry Codes

SIC: 6921/5331 **Direct sellers**/Variety stores/Standard Industrial Classification

NAICS: 454390 Other direct selling establishments/North American Industry Classification System

### Description of Offerings

Product: **Product**

Price: **Penetration pricing**

Promotion: **Cost leadership strategy**

Place: **Strip malls and shopping centers**

People: The employees of Tuesday Morning are mostly part time hires.

Process: Tuesday Morning's process, or the experience they provide their customers, is not a special process; generally a customer will simply enter the store, shop for themselves, and then interact with an employee only when asking a specific question or when they check out at the register.

Physical Evidence: When leaving Tuesday Morning, the only physical evidence of receiving a service would generally be a receipt, possibly a plastic shopping bag, and the purchase the customer made

### Top Five Offerings

1. Clothing
2. Home decorations
3. Clothing accessories
4. Outdoor/patio furniture and decorations
5. Seasonal gifts/decorations

## The Competitors

Direct Competitors – Companies are classified as direct competitors when they sell essentially the same products or services within/to the same potential market.

1. Ross Dress for Less, 1950, Dublin California, ROST, Barbara Rentler
2. Big Lots, 1967, Columbus Ohio, BIG, David J. Campisi
3. T. J. Maxx, 1976, Framingham Massachusetts, TJX, Ernie Hermann

Indirect Competitors – Companies are classified as indirect competitors when they provide differing products or services but can satisfy the same consumer needs.

1. Kohl's Corporation, 1962, Menomonee Falls Wisconsin, KSS, Kevin Mansell, SIC- 5311, NAICS- 452111
2. Bed Bath & Beyond Inc., 1971, Union New Jersey, BBBY, Steven H. Temares, SIC-5719, NAICS- 441199
3. J. C. Penney, 1902, Plano Texas, JCP, Marvin Ellison, SIC-5311, NAICS- 452111

## Current Consumers

Consumer Affairs – Tuesday Morning:

[https://www.consumeraffairs.com/retail/tuesday\\_morning.html](https://www.consumeraffairs.com/retail/tuesday_morning.html)

The demographic of people who reviewed Tuesday Morning on this website seemed to be mostly women, and the women who had profile pictures look to be middle aged.

Twitter – @TuesdayMorning:

[https://twitter.com/TuesdayMorning?ref\\_src=twsrc%5Egoogle%7Ctwcamp%5Eserp%7Ctwgr%5Eauthor](https://twitter.com/TuesdayMorning?ref_src=twsrc%5Egoogle%7Ctwcamp%5Eserp%7Ctwgr%5Eauthor)

The demographic of people tweeting at Tuesday Morning appear to also be white, middle aged, women of middle class families, however, a few men also tweeted them, but these men are also white and middle class.

Facebook – Tuesday Morning: <https://www.facebook.com/TuesdayMorning/>

The demographic of people interacting with Tuesday Morning on Facebook are white, female, middle ages to older women, who appear to be mothers or part of a stereotypical traditional family.

Tuesday Morning's current consumers are mostly women from the ages 30-65 years old. They are middle-class living in more populated cities or near strip malls. These women are usually single, stay at home, or working moms that are looking to spice up their lives with home furnishing, fashion accessories or gourmet foods at bargain prices.



Tuesday  
Morning

Part 2  
Strategy, Objectives, & STP

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## **Strategy – General**

### **Mission Statement**

“Tuesday Morning is an upscale, deep discount, off-price retailer specializing in domestic and international, designer and name-brand closeout merchandise. With stores across the country and decades of experience in closeout retailing, we haven't strayed from our original concept. Our mission is to deliver fresh and exciting assortments that are constantly being updated.”  
Tuesday Morning (<http://ir.tuesdaysmorning.com/>)

### **Vision Statement**

“We value our customers and are committed to providing exceptional service and ever-changing collections of deeply discounted closeout merchandise.” Tuesday Morning (<http://ir.tuesdaysmorning.com/>)

### **Value Proposition**

Tuesday morning's consumers will benefit from the fresh and exciting products that come internationally and domestically.

**Current Strategy:** Cost Leadership Pricing

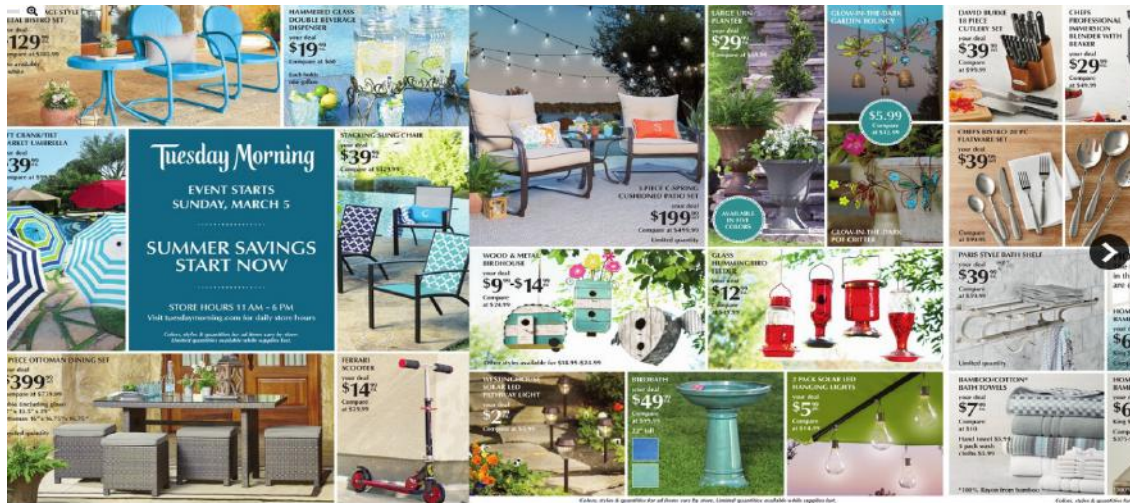
**Pricing Strategy:** Penetration Pricing

**Loyalty Program:** Yes. They call their loyalty program “perks”. “Perks” provides the customer with exclusive invites to private shopping events, notice of sales and clearance events, an extended return policy, and entry into Tuesday Morning's quarterly sweepstakes.

**Target Consumer:** B2C

## Current Ad Campaign

Tuesday Morning's current ad campaign is print advertisements. This ad highlights the spring and summer deals customers can get on outdoor furniture, appliances, and products outdoor activities that children can do.



**Current Message Strategy:** Customer benefits from this ad that are used as advertising appeals include the prominently displayed low prices and the varying array of products.

## Current Objective

Awareness Objective. Tuesday Morning, in their current print ads, has an objective of raising awareness and highlighting new key products for the next season.



## S.T.P.

### Segmentation

**Market:** International

#### **Composition of Market**

1. Benefits: Heterogeneous
2. Demographics: Heterogeneous
3. Generation: Heterogeneous
4. Geo-demographics: Heterogeneous
5. Geographic: Heterogeneous
6. Psychographics: Heterogeneous
7. Usage: Heterogeneous

#### **Current segmentation strategy**

1. Demographics: Tuesday Morning is using demographics to segment the market by defining their segment markets and targeting them. This demographic is middle aged women of the middle class, in suburban areas.  
[http://www.hoovers.com/company-information/cs/company-profile.tuesday\\_morning\\_corporation.3d9f87191bf32991.html](http://www.hoovers.com/company-information/cs/company-profile.tuesday_morning_corporation.3d9f87191bf32991.html)
2. Psychographics: Tuesday Morning is using psychographics to segment the market. By using psychographics Tuesday Morning is targeting their consumers that have aspirations and interests in home décor, little trinkets, and new products for around the home.  
<http://www.tuesdaysmorning.com/corporate-information>(Tuesday Morning)



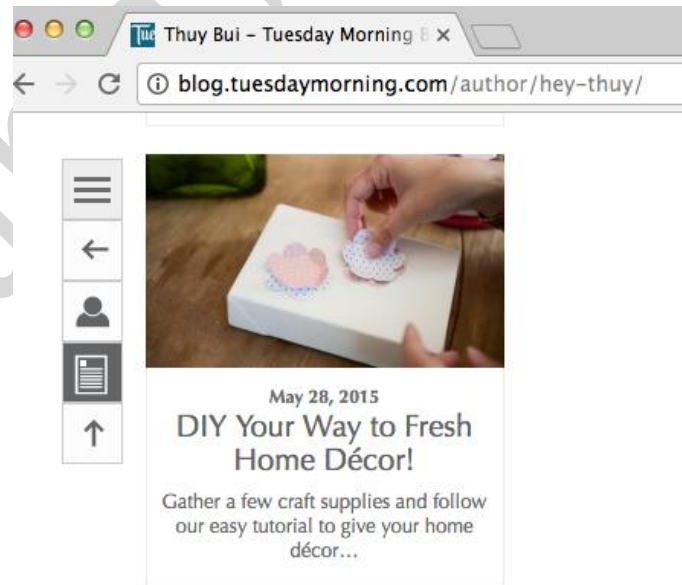
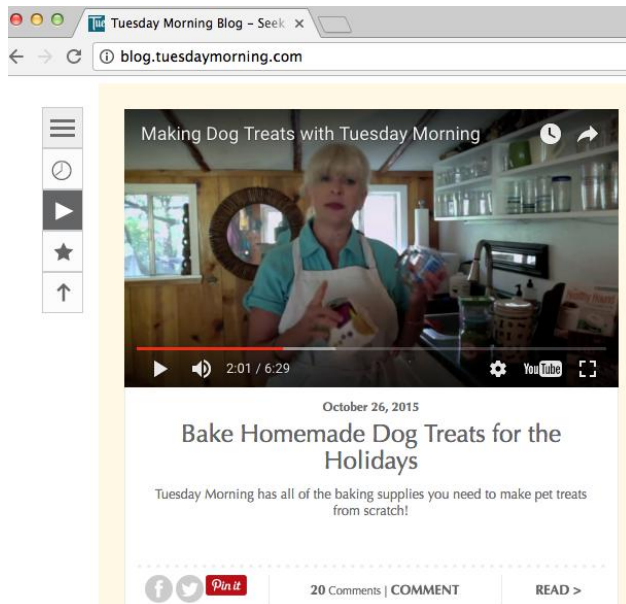
## Targeting

### Mental Image of Current Consumers

Tuesday Morning's target customers are Caucasian, middle aged, women, who are in the lower to middle income bracket. The women dress modestly and either have 9-5 jobs or are stay at home moms. The women are generally married with children, or are grandmothers. They drive simple 4-door cars or minivans to caravan their children to activities and to and from school.

### Website Image of Current Consumers

Tuesday Morning does not picture customers with their product on their webpage; however, they provide a link to customer blogs, which feature customers using their products. One video pictures a Caucasian, middle-aged women who appears to be middle class. The second blog features another women, also Caucasian, however this picture cannot accurately determine her class.



## Current Consumers

I noticed middle-aged women, and elderly women in Tuesday Morning. All women were white and all wore casual clothing, so I could assume they fit the lower to middle class profile.

## **Parking Lot**

The cars in the parking lot seemed to be nice, I noticed two Fords and a Camry. There was also an older woman leaving Tuesday Morning who drove a Ford Falcon. The parking lot also seemed to be sparsely filled at 5:30pm.



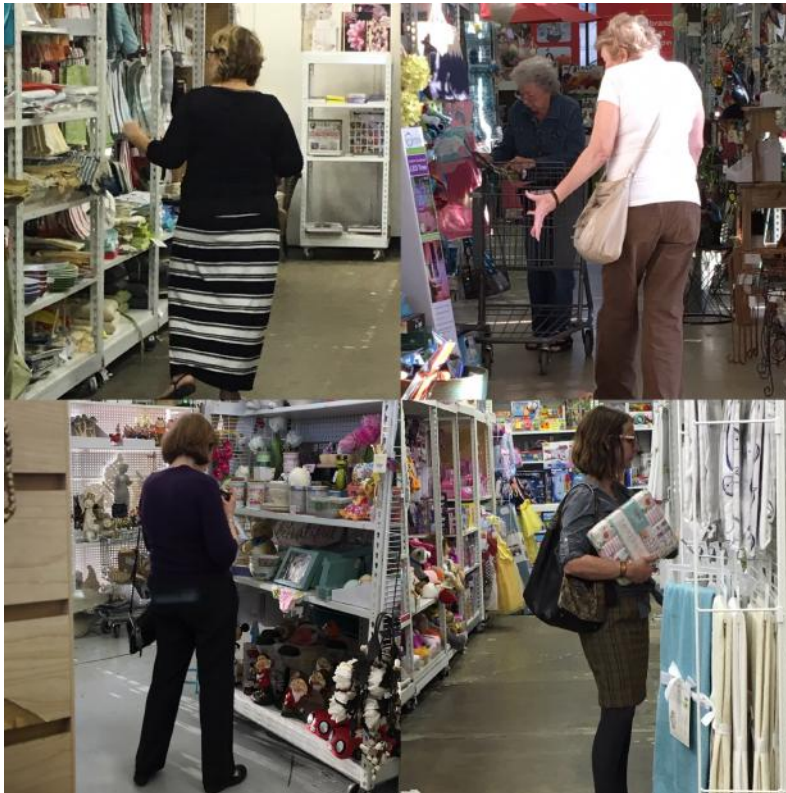
## **Employee**

The employee I saw was a younger woman who appeared to be mixed race. She was very energetic and seemed like she truly loved Tuesday Morning and interacting with the different customers that came into the store.



## Customer

The customers were white women, middle-aged to older ladies. The items they had varied from sheets/curtains to decorative items. The women looked like grandmothers or mothers. I can assume they drive simple cars. The women who are married most likely have children. I can see these women being stay at home moms, working from home, or having 9-5 or part time jobs, since when these pictures were taken it were just before 5:30pm.



## Positioning

### Organization

**Primary Strategy:** Low priced, upscale products

**Secondary Strategy:** Convenience of a retail store atmosphere

### Brand

**Primary Strategy:** High quality product

**Secondary Strategy:** Expansive variety of product

### Sources

1. Tuesday Morning Website <http://www.tuesdajmornng.com/stores/>
2. Seeking Alpha <http://seekingalpha.com/article/2854486-steer-clear-of-the-hype-at-tuesday-morning>

Tuesday  
Morning

Part 3  
Creative Brief

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## Creative Brief

### What are you advertising?

Tuesday Morning is advertising yarn.



### Who are you advertising to?

We are advertising to stay at home moms and older women who enjoy crafting.

### Why does this offering need a new advertising campaign?

This offering needs a new advertising campaign because it is only featured in an overall catalog. As summer approaches mothers will be looking for more activities to do with their kids to keep them busy while they're not at school, and older women will be looking to keep themselves busy when it is too hot to go outside. The target market is going to be looking at which retailer has highest quality yarn at the lowest price.

### What are consumers' current opinions about the offering?

Consumers believe that the offering is affordable and of good quality. One fear is that the product will be of a noticeably lower quality than if the customer were to purchase yarn from a genuine crafting store.

### What do you want them to think? Why?

We want to make them think that Tuesday Morning is the place to go for yarn during the spring and summer seasons even though knitting and using yarn is something customers typically associate with the winter months. We want customers to know that Tuesday Morning has a great price with great quality, something that consumers can easily access.



## What is the most persuasive component of your idea?

The most persuasive component of our idea is truly emphasizing the great price, quality and access for the consumer. These three components are what the majority of Tuesday Morning's target market values most.

## Why should consumers believe your claims?

Consumers should believe our claims because of the product itself. Tuesday Morning's selection of yarn is abundant and can be used for a plethora of summer crafts and activities. The yarn product is also located at the majority of the Tuesday Morning locations across the U.S. The convenience and availability of the product allows the consumer to go in and view the product in its physical form and not just in a print ad.

## How will you assess your IMC?

We will assess our integrated marketing communications by following the eight steps. First, we will assess the current situation by reviewing our completed PEST analysis. Second, we will create our marketing objectives, measuring the sales of the yarn by the number of items sold. Third, we will be sure to continue to address our target market, middle-class Caucasian women when creating advertisements. Fourth, we will develop our marketing strategy by making sure to include each piece of our company. Fifth, we will develop marketing tactics to be sure we implement the steps established in step four. Sixth, we will implement the plan, seeing it through to the end of the summer season. Seventh, we will evaluate the success of selling the yarn.

## What is the takeaway?

There is a sale on yarn for people looking to craft or knit.

## Establish a guideline for the creative team.

The guidelines for the creative team will be to create an ad that stands out from the generic Tuesday Morning product ad, which is what the yarn ad currently reflects. The team should use bright and summery colors such as reds, yellows, and oranges. The team should also use a font that is bubbly and big to influence the customer to envision the product, and something that is fun and will blend in seamlessly with their summer plans, while they take time off school and work.

Tuesday  
Morning

Part 4  
The IMC Plan

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## The Integrated Marketing Communication Plan

### Customer Characteristics

Age Range: 30-65 years old  
Sex: Females  
Race(s): All  
Marital Status: Married  
Income: Lower-middle income  
Children: Yes

### Psychographics

VALS Typology:

**Thinkers**  
**Achievers**  
**Believers**

Hierarchy of Effects Stage: **Liking**

Advertising Goal: Our goal is to create awareness of the availability and quality of products and evoke a conative response in Tuesday Morning consumers

Media: **Print**

Tagline: **Make every morning a Tuesday Morning!**

Campaign Duration: **4 months, May-August**

Campaign Schedule: **Continuous**

Message Theme: **Summer crafting and activities**

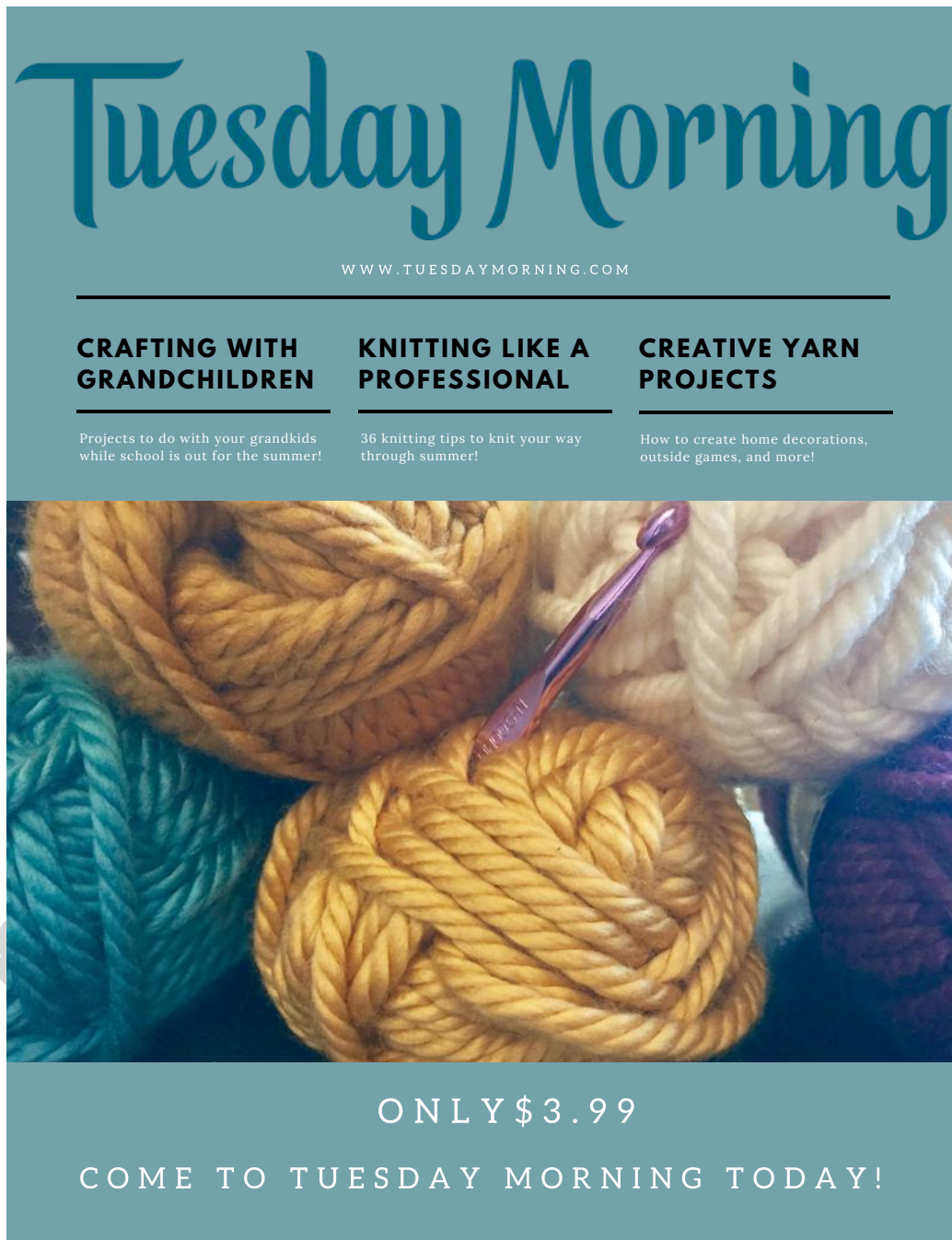
Message Strategy: **Conative**

Message Appeal: **Rational appeal**

Executional Framework: **Informative**

## Ad Campaign

This print advertisement targets lower to middle class families looking for creative crafts and activities to do this summer. Our advertisement evokes a conative response in our customers to promptly visit Tuesday Morning to purchase our yarn, as opposed to yarn from our competitors. This advertisement emphasizes family, crafts, and affordability.



The advertisement features a teal background with the 'Tuesday Morning' logo in a large, white, serif font at the top. Below the logo is the website address 'WWW.TUESDAYMORNING.COM'. The ad is divided into three columns, each with a title, a horizontal line, and a short description. The first column is titled 'CRAFTING WITH GRANDCHILDREN' and describes projects for summer. The second column is titled 'KNITTING LIKE A PROFESSIONAL' and lists 36 knitting tips. The third column is titled 'CREATIVE YARN PROJECTS' and describes home decorations and games. Below these columns is a photograph of several balls of yarn in various colors (yellow, orange, blue, purple) and a purple knitting needle. At the bottom, the price 'ONLY \$3.99' is displayed in white, followed by the text 'COME TO TUESDAY MORNING TODAY!' in white capital letters.

# Tuesday Morning

WWW.TUESDAYMORNING.COM

CRAFTING WITH GRANDCHILDREN	KNITTING LIKE A PROFESSIONAL	CREATIVE YARN PROJECTS
Projects to do with your grandkids while school is out for the summer!	36 knitting tips to knit your way through summer!	How to create home decorations, outside games, and more!

ONLY \$3.99

COME TO TUESDAY MORNING TODAY!

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